



EAST HANTS

ANNUAL REPORT | **MUNICIPALITY OF EAST HANTS**
2016/2017



Nature created this wonder. We live it!

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On behalf of East Hants Council, I am pleased to present the 2016/2017 Annual Report for the Municipality of East Hants. This report contains important information related to the municipality's core services, progress made on Council's strategic goals in 2016/2017 and a financial overview of year end results.

Council continues to invest in the community through improvements to the Municipal Grant Program, including expanding the Beautification Fund annual allotment and growth of the Community Partnership Fund, which originated in 2015. More than \$1.5 million in grants were awarded to community groups in 2016 (excluding fire levies). These included grants awarded to construct a multi-purpose sport pad to serve the Hants North area and to make drainage and baseball field improvements in Mount Uniacke. A commitment to rural fire departments was also made as Council approved funding of six projects totaling \$341,000 in municipal capital assistance.

The Municipality also completed construction of three river front parks in 2016, all of which now form part of the Trans-Canada Trail. In an area known for its natural beauty, there is no better way to enjoy traveling though the

Municipality of East Hants than on the Shubenacadie River. These parks are a wonderful addition to our community and provide not only a great starting point to access the river, but also a rest location for travelers coming down the historic Shubenacadie Canal on their way to the sea. Combined, these parks, located in Lantz, Milford and Shubenacadie, make up a 23.5km section of The Great Trail which passes through East Hants.



Mount Uniacke Ball Field



Hants North Sport Pad

East Hants continued its pattern of growth, evidenced by the release of 2016 Census data showing East Hants, more than any other Nova Scotia community outside of Halifax, experienced 1.5% growth, compared to the provincial average of 0.2%. With March's Federal/Provincial announcement of a new Lantz interchange, residential development is expected

to accelerate, positioning East Hants for what we expect to be even more growth over the next five years.

East Hants has been very successful leveraging funding from other levels of government. Nearly \$1.4 million was leveraged in 2016/2017 to fund labour, programs and infrastructure investment. In August 2016, the Province and Canada also announced over \$2.5 million in funding from the Clean Water & Wastewater Fund to construct new water transmission mains in Enfield and Lantz, construction is slated for Fall of 2017.

As you will see in this Annual Report, East Hants continued to progress in 2016/2017. The Municipality's successes are a result of hard work and our strong partnerships with the community. I would like to personally thank those with whom I serve on Council, members of our advisory committees, our community volunteers, East Hants residents & business owners and municipal staff; without the commitment of these individuals East Hants would not be a place of opportunity, attracting business investment and tourism and a place our 23,542 people want to call home.

With a new Council elected in October 2016, staff and Council have been working on a new strategic plan for 2017-2021. We remain focused on renewing infrastructure, enhancing our relationship with the public, building a strong community where people feel connected and a competitive economy that fosters entrepreneurship, stimulates opportunity, creates jobs and enhances the community's attractiveness.



James D. Smith, Warden
Municipality of East Hants



Blois Family Farm, Upper Nine Mile River

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



The Municipality of East Hants provides a wide range of services and infrastructure to its residents. Operating under the direction of the Chief Administrative Officer are five departments: Economic & Business Development, Finance & Administration, Infrastructure and Operations, Parks Recreation & Culture, and Planning & Development.

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 current Strategic Plan. Operating initiatives include taking on the operation of Burntcoat Head Park and working with community groups to grow our parks and recreation infrastructure. A major accomplishment this year was the completion of Plan East Hants, the first comprehensive review of land use policy and regulation in 15 years; the results of this three-year project will guide development for the next decade and beyond.

In a time when some municipal units are struggling to figure out what the future holds, I can assure you that East Hants is served by a strong local government that is constantly adapting and becoming more efficient. You will see throughout this report that staff have been working on improvements in communication, community engagement and improved municipal service delivery. We are enhancing our presence online through a stronger social media presence and we continue to see uptake of our electronic services. In an effort to enhance our service to Council and the public, we have offered several in-house

learning opportunities to develop employee leadership skills in areas such as project management, critical thinking and communications.

Infrastructure continues to be an important part of our work. Staff oversaw the construction of three river parks and two skate parks in 2016, along with the design and planning work for a new \$19 million dollar aquatic centre, slated for construction start in Spring of 2018. Recent capital investments at the Fundy Tidal Interpretive Centre and in Burntcoat Head Park improved the experience of over 33,000 visitors to the sites this year. Water and wastewater infrastructure developed this year included new hydrants and roof repairs in the water utility and a new influent meter at the Milford wastewater treatment plant along with several lift station and pump upgrades in the system. Easement work for the Lantz and Enfield transmission main projects was also well underway in the fourth quarter.



As we continue to focus on excellence in municipal government, our efforts have not

gone unnoticed. East Hants was the recipient of the Frank Cowan Excellence in Municipal Risk Management Award, recognizing our commitment to risk management with a \$10,000 prize allotted to further improving the safety of our workplaces in 2017/2018. East Hants also received the East Hants Chamber of Commerce Innovation/Technology Award for our broadband research and Open Data initiatives.

This Municipality is fortunate to have a group of dedicated and knowledgeable staff members, second to none in the Province. Because of their dedication and knowledge, our staff are sought after to sit on various committees on topics of provincial and local interest - all told, East Hants staff sit on 35 provincial, association or industry working groups, advisory committees or boards. I would like to recognize our staff along with all of the public who put their trust in us to deliver progressive municipal services!



Connie Nolan, CPA, CA, CFE
Chief Administrative Officer

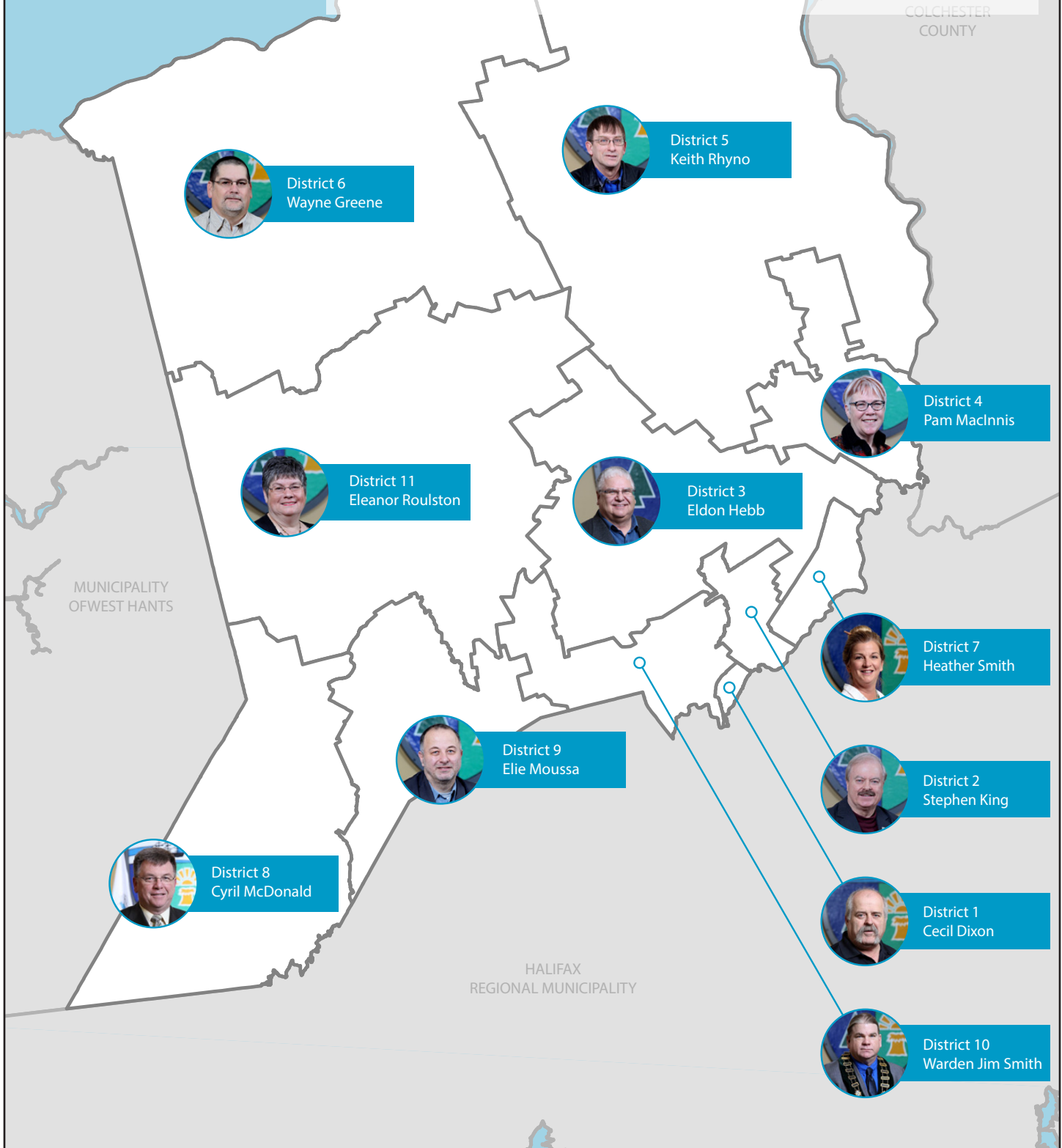


Enfield Water Treatment Plant

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 five 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**
Core Services Include: 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; Issue management.



DEPARTMENT OF FINANCE & ADMINISTRATION, KIM RAMSAY, FTS = 18.4
Core Services Include: Accounting Services; Treasury; Organizational Budgeting & Business Planning; Customer Service & Reception; Tax and water billing and collection; Bookkeeping Service for volunteer Fire Departments; 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 PLANNING & DEVELOPMENT, JOHN WOODFORD, FTS = 10.65
Core Services Provided: 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; Geo-graphic 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.



DEPARTMENT OF ECONOMIC & BUSINESS DEVELOPMENT, KIM MACDONALD, FTS = 4
Core Services Include: 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 Provided: 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 = 8.35
Core Services Provided: 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.



Mission Statement

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

Municipal Vision

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

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

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

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 fulltime residential and seasonal cottage development. Mount Uniacke is also home to one of two municipally owned business parks.

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



EAST HANTS AT A GLANCE



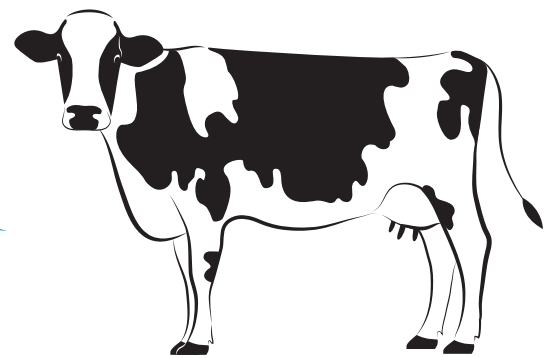
POPULATION 23,542*
 1.5% INCREASE FROM 2011
 AVERAGE AGE 41
 *includes Sipekne'katik



TOTAL OF 9,930 PRIVATE DWELLINGS
 NUMBER OF DWELLING TYPES:

- SINGLE UNIT DWELLINGS 7,500
- SEMI-DETACHED 3,30
- APARTMENT/ROWHOUSE 745
- MOVABLE DWELLING 475

AVERAGE HOUSEHOLD SIZE 2.5 PERSONS

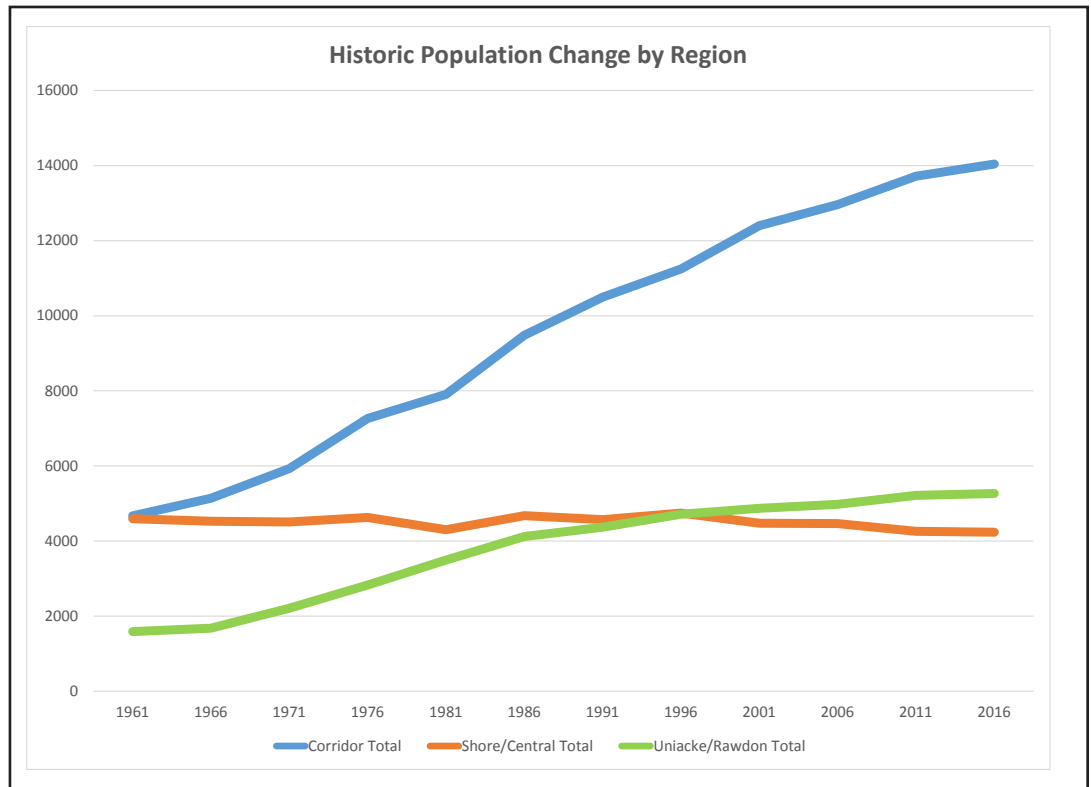


TOTAL NUMBER OF FARMS 144
 TOTAL NUMBER OF DAIRY FARMS 32
 TOTAL FARM AREA 45,281 ACRES
 TOTAL FARM RECEIPTS \$65,598,938

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 70% having achieved high school education and beyond; 15% of the population has achieved apprenticeship or trade certificates or diplomas. This exceeds the provincial average of 12% (based on 2011 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 recreational opportunities for residents of all ages. East Hants is experiencing senior friendly development with many new town houses and accessible apartment buildings being built. Enfield is also home to the Magnolia Continuing Care facility. East Hants has a strong volunteer base that provides for a range of recreation programs and services.

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





Leno's Stop Shop



Eric's Lumber Mill



Bio-Tech Orthotic Design



Cup of Soul Café

STRATEGIC PLAN

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

Infrastructure Sustainability

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

Governance

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

Communication & Engagement

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

Community Planning and Development

- *Foster viable and vibrant communities*

Transportation

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

Sustainability

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

Economic Development

- *Facilitate the growth of the commercial assessment base*

SERVICE HIGHLIGHTS 2016/2017 ANNUAL REPORT

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

KEY STRATEGIES

1. Infrastructure Sustainability- Provide robust fixed infrastructure that satisfies the needs of a growing community.

Goals

.....

Develop and implement a plan to ensure environmental regulatory compliance in wastewater and water

- Installation of an influent meter at the Milford Wastewater Treatment Plant to enable detailed monitoring of the effectiveness of plant performance.
- Completed a year of specific water quality monitoring at the Shubenacadie & Lantz Wastewater Treatment Plants as part of Environmental Risk Assessments that will provide information on plant abilities to meet Canadian Council of Ministers of the Environment (CCME) guidelines.
- Launch of a Cross Connection Control Program for the water utility, intended to mitigate risk to and ensure the quality of our drinking water.
- Council approved the Terms of Reference for the startup of the East Hants Source Water Protection Advisory Committee.
- Prepared a 5 year business plan to support the change out of existing water meters to new radio read meters with cubic meters as a unit of measure.
- Amendments made to Bylaw F-100 to include service fees within the 2016 serviceable boundary extension on Hwy 214.

Assess adequacy of piped services capacity and develop a capital program to enable and manage future growth

- Design completed for both the Enfield & Lantz water transmission main projects.

Develop an effective Asset Management Program leading to life cycle management and better preventative planning

- Completion of a Lift Station asset condition report leading to the development of a pump replacement plan forecasted out to year 2031.
- Development of inventory data of Municipal storm water infrastructure, and municipal road signage.
- The Municipality implemented a playground inspection program for municipally owned playgrounds to better manage our assets and to protect the Municipality from potential liabilities.





Support the development and upgrading of tourism infrastructure to enhance the tourist experience

- Pedestrian counter installed on the new steps to the ocean floor at Burntcoat Head Park, providing improved visitor statistics to the Park.
- Repairs to the Burntcoat Lighthouse, driveway, parking lot and construction of a new fence and 130m of walking trail at Burntcoat Head Park.
- Repairs to the driveway, parking lot and roof at the Fundy Tidal Interpretive Centre.
- Decommissioning and removal of a well and cistern at Tin Smith Museum.
- Tourism Maintenance Grant awarded to the East Hants Museum Society (Tin Smith Shop) and the Walton Area Development Association (Walton Lighthouse) for \$11,000 and \$4,000 respectively.

Facilitate the creation of community infrastructure that leads to a healthy, active and engaged community regardless of age, gender, geographic location or financial ability (includes active transportation)

- Construction of Skateboard Parks in Mt. Uniacke & Lantz.
- The design of a new Aquatic Centre was initiated along with the development of a business case for Federal government funding for the project of \$5.8 million (announced in June 2017).
- As part of the Trans Canada Trail System, two river parks were developed:
 - Wickwire Station Park in Milford includes a driveway/walking trail to the river's edge, outhouses,

a floating dock and an EZLaunch System to assist individuals getting in and out of their watercraft;

- Brickyard Park in Lantz includes a driveway to the river, a hiking trail and a floating dock.

- Enhancements were done at Shubie Park in Shubenacadie (also part of the Trans Canada Trail), including a new driveway, walking trail and a picnic pavilion by the river's edge.
- Council approved municipal Gas Tax funds be allocated to a Multi-Purpose Pad in the Hants North Area and to resolving drainage issues at a softball field in Mount Uniacke - this work was overseen by Parks staff.
- Open Space trail work was done, connecting Cranberry Court to the Dot Buchanan Park in Enfield.
- A nature based park was constructed on Megan Lynn Drive.
- The East Hants Swimming Pool in Milford required significant mechanical repair, air quality testing, and tile/deck work this year in order to continue to serve the community's aquatic needs - the aging roof was also replaced on the building.
- Interior painting of common areas and HVAC work was undertaken at the Lloyd Matheson Centre in Elmsdale; East Hants entered into an HVAC Preventative Maintenance Service Agreement for municipality owned buildings in early 2017.
- Library maintenance in 2016/2017 included interior painting at the Elmsdale Branch of the Colchester East Hants Library and building ventilation repairs and re-gravelling of the driveway at the Mt. Uniacke Branch.

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

Goals

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Develop an effective governance policy framework

- The Council Procedural Policy was created in 2013.
 - 2016/2017 amendments included updates to sections related to: Police Advisory Committee; Fire Advisory Committee; Agricultural Advisory Committee; East Hants Source Water Protection Advisory Committee; and, governance by bylaw, policy and resolutions.

- Council adopted a new CAO Authority Policy in February 2017.
- Conduct an internal boundary review
 - Completed with reduction in size of council from 13 to 11.
 - Aligned the tax billing system to accommodate 11 districts in lieu of 13.
 - Executed successful Municipal and School Board elections.
- Explore potential move to Mayoral system
 - Completed in 2014, with decision to remain with Warden system



Announcement of Lantz Interchange



Planning & Development

3. Communication and Engagement- Strengthen our stakeholder relationships through effective and ongoing communications

Goals

.....

Create and implement a communication framework to ensure the timely, accurate and targeted exchange of information

Improve MEH Relationship with Business Community

- Active participation in East Hants Chamber Workplace Education Committee, Think Local Committee and the Chamber Board.
- Produced regular targeted on-line communications and social media content for local businesses, community and stakeholders.

- Active participation in the Halifax Stanfield Airport Community Consultative Committee.
- Procurement staff attended a Provincial reverse trade show, meeting with various vendors regarding services procured by the Municipality, i.e. design and printing services.
- Procurement staff provide vendor debriefings post award of public procurements.
- Continued involvement with the Procurement Advisory Group (PAG), the provincial body mandated by the Public Procurement Act to address procurement improvement at all levels of government and the MASH sector.
- Participation in the Procurement Day discussions with Design Construction Institute (contractors, designers, vendors, public buyers discussing the state of procurement in NS).

- Through Plan East Hants, extensive engagement with the general business community and the development community in particular was undertaken.

Enhanced community engagement

- Increased online engagement through the implementation of an extended online economic development advertising campaign.
- Community Engagement was significantly enhanced through Plan East Hants. In total, 29 public meetings and workshops were held. Meetings included general discussions as well as targeted ones for the agricultural community, youth, business community and specific villages. A community goals survey and visual preference survey were also conducted. In total, over 1100 East Hants residents participated in Plan East Hants.
- The Warden and CAO hosted an information session for the public that provided insight on how Municipal Government works, the Municipal Government Act (the largest piece of legislation governing Municipalities) and information on the role of the CAO and Council.
- Planning staff held a public engagement session on how floodplain zoning impacts individual property, discussion was held around land use policies and regulations, flood proofing, and flood preparedness.
- Council hosted a Volunteer Appreciation Night and Long Term Fire Service Awards event in the spring of 2017.

Enhance our customer experience

- Centralized swimming lesson registrations to the Lloyd E. Matheson Building increasing our customer satisfaction with the registration process.
- Explored opportunities for improved service delivery in current departmental business processes.
- Continued work on making procurement templates and contract language consistent, repeatable and fair.
- Scaling of procurement methods to value and complexity (less complex formats for less complex procurements).
- Provided in-house leadership and communication training to staff at all levels in the organization.
- Prepared Water Rate Review information for customers that was easily accessible and included a water

bill calculator for individuals to calculate the impact of new rates on their personal circumstance.

- Council updated their Grant Program Policy providing for streamlined grant application intake, grant oversight and evaluation. The new policy strengthens the accountability and risk management components of grant administration for the municipality.

Leverage the use of technology to increase effectiveness of communications

- Increased use of Twitter and Facebook to promote general municipal information and Active East Hants Facebook to promote programming and recreation opportunities.
- Researched use of Customer Relationship Management (CRM) options in economic development client work and included as part of the 2017/18 Business Retention and Expansion (BRE) project business case.
- Implemented web forms to support business attraction and lead generation.



Plan East Hants Public Engagement

- Evaluated the value and use of www.easthants.ca/ business website based on available analytics.
- Assessed the value of integrating project management software, ESRI mapping, WordPress and social media platforms to increase communications effectiveness.
- Continued promotion and uptake of electronic delivery (epost™) for tax and water bills, including a promotional contest that ran in the later part of the year.
- Continued promotion and uptake of an online tool to communicate waste management collection information and service alerts.

4. Community Planning and Development - Foster viable and vibrant communities.

Goals

Develop land use planning policy that reflects community aspirations, protects natural resources, reduces conflict, and encourages the efficient development and servicing of land

- Completed Plan East Hants - the first comprehensive review of land use policy and regulation in 15 years that will guide development for the next decade and beyond.

Continue to provide community supports that respect the changing needs of individual communities

- East Hants' District Recreation Fund and Tourism Grants ensure community projects are supported.
- Provided a Community Partnership Grant to the East Hants Family Resource Centre to ensure their continued operation and support to the community.
- Addition of Property owned by the CHArt Society of Maitland, to Bylaw F-400-2, Tax Exemption Bylaw to provide 100% exemption from taxation.
- Released a preliminary request for Expressions of Interest for the East Hants Swimming Pool - to determine what, if any, interest exists in the non-profit community to take ownership of the building and property if deemed surplus after the construction of the new East Hants Aquatic Centre.

Ensure serviceable land is available for commercial and residential development

- Through Plan East Hants, the amount of serviceable land was reviewed and it was determined there is currently land designated for residential use that will accommodate decades of growth. However, designated commercial land was increased to accommodate future growth.

Ensure EH Official Community Plan continues to be reflective of current circumstance

- Plan East Hants was a project specifically designed to ensure the EH Official Community Plan continues to be relevant. Numerous changes were made to the Plan as a result of the initiative.

Complete and implement a Climate Change Action Strategy

- Completed in 2013 and incorporated into current planning policy.

Enhance accuracy of floodplain mapping

- Study completed in 2013 and new land use regulations based on this study came into effect in this reporting period.

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

Goals

Consideration of options related to public transportation within East Hants and between EH and HRM

- Council direction to not proceed following submission of last study and staff report on transit.
- Provided a Community Partnership Fund grant to East Hants Community Rider to enable the provision of cost effective community transportation within East Hants.

Explore Rail Access options in relation to movement of goods

- Marketing municipal land adjacent to the CN Mainline for future municipal economic development and industrial use.

Pursue opportunities, in collaboration private investors with other levels of government, for improved access to 100 series Highways.

- Government of Canada and the Province of Nova Scotia announced plans to construct a full interchange in Lantz, supporting the improved flow of traffic for residents of East Hants.

Educate on and promote the use of active transportation infrastructure

- Promotion through social media and news release of new & improved river parks in Lantz, Milford and Shubenacadie, forming part of the Trans Canada Trail.

6. Sustainability- incorporate the principles of sustainability in municipal operations management

Goals

.....
Support a diverse range of housing options that accommodates residents through their evolving needs

- Planning policy changed through Plan East Hants to enable wider housing options (e.g. zoning for multi-unit housing and accessory dwelling units permitted with all single unit dwellings)

Encourage and promote the integration of renewable energy developments within the municipality (not doing it ourselves)

- EH Planning policy was amended through Plan East Hants to permit wind, solar and biomass energy developments.
- A 6 Megawatt Hardwood Lands wind project was commissioned in July 2016, bringing the total in East Hants to 13 MWs among 3 projects.

Through awareness and education, encourage sustainable and environmentally sound practices (primarily non regulatory)

Economic Prosperity

- See Economic Development Key Strategy

Ensure an appropriate financial model is in place to support the long term sustainability of the Municipality

- A water rate study was done with new water rates proposed to the NSUARB; new rates will ensure the long term sustainability of the utility.
- Conducted Disaster Recover Testing on the municipal financial system.
- A review of Infrastructure Charges was completed that resulted in updated infrastructure charges for multi-unit dwellings.
- Solid Waste tipping fees were reviewed and set for the next 5 years.
- Hosted a provincially led session for staff on Fraud in Public Procurement.
- East Hants advocated for less auditing of provincial funding claims therefore reducing costs to municipalities in Nova Scotia.



- Development of a Capital Fundraising Campaign for the new Aquatic Centre.
- Obtained grant funding for various capital and operating projects totaling \$1,367,290 with \$1,058,136 of this being in Gas Tax funding.
- Council approved two reserve strategies (for sidewalk and solid waste debt) to prepare for early debt repayment, therefore reducing financing costs for future generations.

Provide effective and efficient emergency management and protective service systems (emo, fire, police, bylaw enforcement, animal control)

- Municipal representatives were trained at various levels of the Incident Command System in 2016/2017 (system used for managing emergency responses), and some attended an Emergency Coordination Centre Management course; staff attended an EMC workshop hosted by EMO Nova Scotia as well as the 2016 Disaster Management Conference.

- East Hants continued work on an Emergency Management Strategic Plan, a Comfort Center Plan and specific Hazard Contingency Plans.
- Council approved amendments to Bylaw F-500, Fire & Burglar Alarm Bylaw, to include fees for false alarms for the fire service.
- Acquisition of and transfer of land to the Maitland Volunteer Fire Department to facilitate facility expansion planning.
- Staff provided support to fire departments in procurement (Nine Mile River Design Build RFP; consultations with Maitland for Fire Hall project).
- Partnered with the East Hants Fire Service for the implementation of a Truck Mobile 2 (TMR2) radio system; East Hants is the first municipality to go to total TMR2.
- Establishment of a self-insurance program for the TMR2 radios owned by the East Hants Fire Service.
- Provided Loan Guarantees for Maitland, Noel, Nine Mile River and Enfield Fire Departments.
- The Municipality awarded funding through the Fire Service Funding Policy, under the Emergency Grant Program, to Maitland Volunteer Fire Department and Walton Shore Fire Department.
- Rural Fire Capital Assistance funding was approved for all six rural fire departments: Rawdon, Kennetcook, Noel, Gore, Walton and Maitland. These funds, totaling \$346,000, will be released in conjunction with project milestones during fiscal 2017/18.
- New members for the Fire Advisory Committee were appointed in 2017.

- Provided full cycle bookkeeping services to 8 of the 13 volunteer fire departments in East Hants.

Continue to be a leader in solid waste management programs

- To increase diversion for shared waste collection areas, a program to tag bags of waste at the curb was developed.
- Held Household Hazardous Waste and Compost Give-away events.
- Established new service contracts for organics processing (3 years), recycle processing (5 years) and all streams of solid waste transportation (3 years).

Enhance organizational efficiency and effectiveness

- Established a safety program of 5S, Gemba Walks and Hazards Assessments.
- Improved Occupational Health & Safety orientation for new staff.
- Insurance portfolio review and renewal.
- East Hants continued work on our Service Management Project, which is aimed at developing a unified approach to quality service delivery and encompasses business process redesign and establishing centralized information management.
- East Hants has fully implemented phase 1 of the Permit Exchange Project, increasing municipal revenue and improving the building permitting process through real time data capture and timely updates for permits and assessment data.



7. Economic Development- facilitate the growth of the commercial assessment base

Goals

Build awareness of East Hants as preferred option for business location

- Completed an on-line marketing media buy generating brand awareness and interest in commercial property information.
- Installation of Municipal Entrance Signs on secondary provincial highways.
- Developed a new inventory of photography, showcasing local businesses at work, for future marketing efforts.
- Staff attended the Entrepreneurial Development Conference and Expo and international business trade-shows and events in order to increase exposure for East Hants.

Support existing businesses through connecting and facilitating access to pertinent resources, information and programs (supporting growth, efficiency and productivity efforts, investment attraction, attracting, retaining skilled workers)

- Supported local businesses in business retention, expansion and issue management efforts.
- Hosted a successful product innovation, marketing and sales workshop for local business.
- Planning completed for an addition to the current municipal Business Retention and Expansion (BRE) project; details and feasibility will be explored in next year's budget process.
- Collaborated with the East Hants Chamber of Commerce and Nova Scotia Labour and Advanced Education in planning and implementation of business courses to increase the competitiveness of local business.
- Tried and implemented industry-leading GIS business intelligence software to support knowledge of local commercial properties and drive investment.

Effective management of the growth and development of the business park model

- Completion of an Environmental Assessment application, for 2017/2018 submission, for the future expansion of the Elmsdale Business Park.
- Supported an increasing number of businesses in site

selection, market research and property sales for the three business parks and overall East Hants community (includes Elmsdale, Mount Uniacke and a private park in Milford).

- Sale of five business park lots totaling 5.97 acres.
- Municipal business park construction contributed \$1 million of new commercial tax assessment in 2016/2017, with overall assessment increases of \$2.6 million on the 2016 roll.

Provide a fair, efficient and supportive regulatory environment for business

- Plan East Hants resulted in a review of the Municipal Planning Strategy and Land Use Bylaws as they relate to economic development and industry.

Target key sectors in business attraction activities

- Completed analysis of business clients interested in locating in East Hants. Information will be used in future targeting efforts in 2017/2018.
- Using GIS, developed spatial cluster analysis of commercial property assessments.
- Research on agricultural inventory and climate study information determined that a province wide initiative will better serve the needs and resources of East Hants.
- Research on East Hants aquaculture opportunities completed.

Foster key partnerships with related economic development agencies to capitalize on regional opportunities

- Formed partnership with the i-Valley group to explore broader funding opportunities for improving East Hants broadband.
- Broadband speed testing facilitated through the i-Valley partnership.
- Community Technology Initiative (CTI) application for federal broadband infrastructure funding submitted with i-Valley.
- Regional collaboration opportunities discussed with Halifax.
- Actively participated in and supported regional cooperation through the Economic Developers Network of Nova Scotia.
- Participated in the Nova Scotia Department of Business "middle mile" broadband strategy consultation.

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 2016/2017:

F-400 Exemption from Taxation Feb 22, 2017

P-800 Civic Addressing Bylaw Dec 21, 2016

P-700 Heritage Property Bylaw Nov 23, 2016

P-200 Emergency Management Bylaw Oct 5, 2016

P-400 Municipal Planning Strategy Bylaw Sep 21, 2016

P-500 Land Use Bylaw Sep 21, 2016

P-600 Subdivision Bylaw Sep 21, 2016

IO-200 Infrastructure Charges Jul 27, 2016

F-500 Fire and Burglar Alarm Bylaw Jun 29, 2016

Council Policy Reviews 2016/2017:

System of Fire Inspection Policy

Remembrance Day Wreaths Policy

Tax & Water Collection Policy

Fire Service Funding Policy

Trunk Mobile Radio (TMR2) Self-Insurance Council Policy

Municipal Tax Assistance Program Policy

Solid Waste Tipping Fee Policy

Council Procedural Policy

CAO Authority Policy



Council Chambers, Lloyd Matheson Centre, Elmsdale



Lantz Wastewater Lagoon

WASTEWATER

The Municipality operates 3 wastewater treatment plants, serving the communities of Shubenacadie, Milford, Lantz, Elmsdale and Enfield. Compliance with Provincial and Federal regulations is critical in the wastewater utility.

- 1,633 ML of wastewater treated
- 117 lab samples taken
- 5 manhole repairs
- 43 after hour alarm responses
- Reports for Lantz, Milford, and Shubenacadie Wastewater Treatment Plants
 - 12 quarterly Provincial reports
 - 12 quarterly Federal reports
 - 3 annual Provincial reports

SOLID WASTE PROGRAM

Solid Waste Collection, Education and Programming

- 1725 hotline calls
What Goes Where?

1,304 registered in the system (up from 576 last year)

24,460 searches on the online waste wizard tool

3,858 household addresses search for collection information

Compliance



46 illegal dumpsite actioned



35 curbside audits (246 households)



3 warnings issued



2 cleanup orders issued



1 summary offence ticket issued

Education



226 educational hours completed (961 attendees)



2 reports on Education Hours (Divert NS) - 2 total

Solid Waste Numbers



1537 tonnes of Organics sent for processing



1061 tonnes of Recycling sent for recycling



5086 tonnes of Waste sent for disposal



646 tonnes of Clean Wood sent for recycling



445 tonnes of Metal transferred sent for recycling



2132 tonnes of Construction & Demolition Material landfilled at Georgefield



11,941 vehicle visits to the Waste Management Centre

Reporting

- Stats Canada Annual Reporting on solid waste, composting disposal, and recycling
- Report submissions quarterly for Waste Management Centre (Provincial) - 4 total
- Reporting on Enforcement Hours (Divert NS) - 2 total
- Reporting on Household Hazardous Waste (Divert NS) - 2 total





Concorde Way, Enfield

TRANSPORTATION

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

Assets

- 14 km of paved roads owned
- 9 km of gravel roads owned
- 20 km of sidewalk owned
- 1807 streetlights owned

Service

- 743 calls responded to
- 74 road inspections
- 23 sidewalk inspections
- 17 streetlight inspections
- 10 new subdivision inspections
- 58 drainage reviews
- 17 road access reviews (14 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

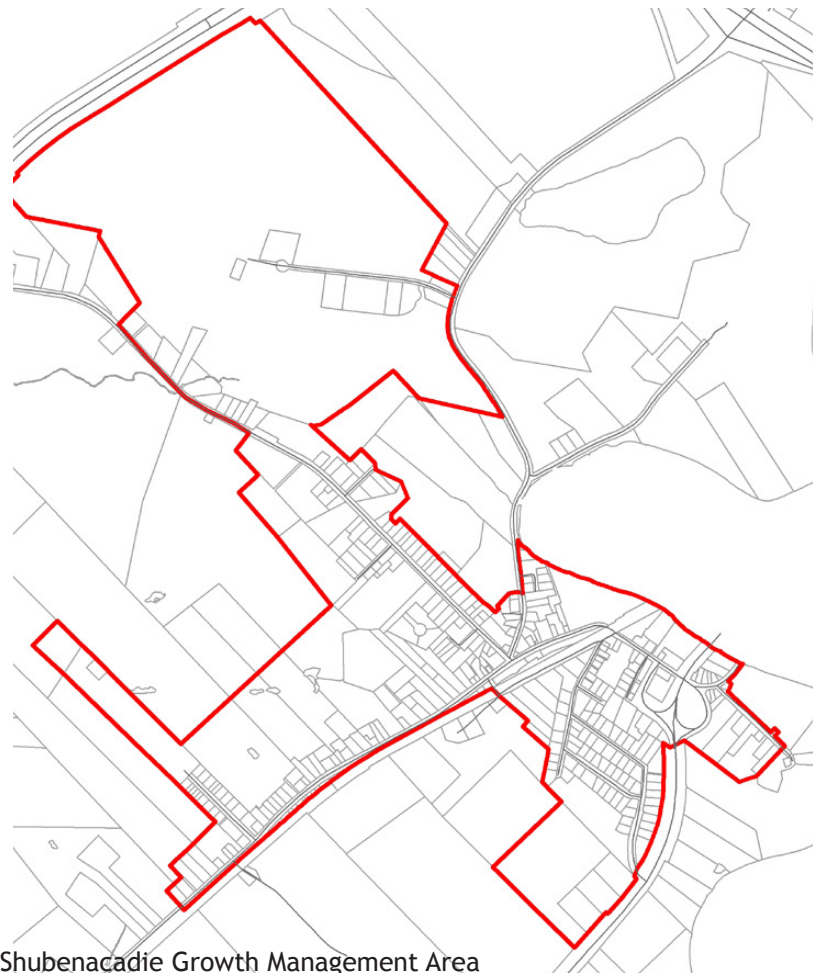
- 8 applications reviewed
- 15 projects completed

Development Control

- 62 plans of subdivision approved (27 final and 12 preliminary plans reviewed by Engineering Services)
- 105 new lots created

Civic Addressing

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



Shubenacadie Growth Management Area



Shubenacadie River

PARKS

As Council's priority shifts to park, trails and open space development, East Hants will see more investment and leveraging of external dollars to move key infrastructure projects forward. The Parks Master Plan was in draft production in 2016/2017; current activity includes:

- Developed and maintained two skateparks
- Developed and opened two river parks which will have a full season of operation in 2017/2018
- Maintained Lewis Lake access point
- Maintained six playgrounds

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.

- East Hants received in excess of \$43,000 in external grants to support access to recreational programs and services
- 193 participants for Summer Day Camp Programs
- Estimated 50 participants per week attended Ready To Move (Ages 3-5) Drop in Fundamental Movement Program, delivered by the Family Resource Centre with three eight week sessions, funded through Thrive

grants

- 120 participants attended the East Hants Senior Games (ages 55+)
- 75 boats participated in Canoe to the Sea
- 23 volunteers recognized at our Volunteer Recognition Event
- 52 registrants participated in Tidal Run on July 9, 2016
- 60 participants attended Winter Fun Day in partnership with Hants North Recreation and Development Association
- 50 participants for March Break Uniacke Youth Ski Trip (ages 8+)
- Provided ten Free Public Skates at the East Hants Sportsplex utilizing the Facility Access Grant
- After School Programs (ages 10-14) were hosted at three locations
 - Riverside Education Centre
 - Uniacke District School
 - Hants North Rural High/Kennetcook Elementary

AQUATICS

The East Hants Swimming Pool, in Milford Nova Scotia, has served the community for 50+ years. The building is slated for replacement in 2019, with a project currently underway to construct the East Hants Aquatic Centre.

- Milford Pool operated an average of 85 hours per week and operated 344 days
- 8,274 swimmers participated in recreational swims
- 6,137 attended pool rentals
- (Note that there are a number of swims - 53 in total - during the 2016-2017 year for which there are no statistics recorded)
- 1,618 registered participants in our instructional programs
 - 20% increase from 2015-2016
 - Instructional programs include; fitness classes, learn-to-swim, junior lifeguard programs, leadership courses, synchronized swimming and activity camps
- (This stat does not include drop-ins to our fitness classes)
- 841 people participated in monthly recreational swims sponsored by either Milford & District Lions Club or East Hants Youth Links
- 67 Jr. Lifeguards (ages 8 - 15) enrolled in our Jr. Lifeguard Club Programs
- Certified eleven lifeguards, three swim instructors and twelve youth in either Bronze Star, Medallion or Cross
- 41 participants enrolled in our recreational synchronized swimming club over three sessions.
- The pool received a \$4,000 'After the Bell' grant from the province to offer a free afterschool program for youth aged 12-15.
- The pool received a \$156 grant from Canoe, Kayak Nova Scotia (CKNS) to offer a free kayaking clinic during March Break.



Tidal Run at Burntcoat Head Park

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 through training and development of tourism operators (hosted "Super Host" training for 20 tourism operators and staff to develop and improve customer service skills). Burntcoat Head Park and Fundy Tidal Interpretive Centre are both operated by the municipality.

Burntcoat Head Park

- Estimated 23,500 visitors to Burntcoat Head Park in 2016 season
 - ocean floor tours
 - trails and ocean floor exploration

Operated Fundy Tidal Interpretive Centre and Visitor Information Centre

- 9950 visitors at Fundy Tidal Interpretive Centre
 - walking trails
 - interpretive talks
 - observation deck
- Special Presentations at Fundy Tidal Interpretive Centre
 - Becoming a Nature Detective - a nature hike and presentation - special guest Andrew Hebda, Curator of Zoology NS Museum - 20 attendees
 - Bridging the Bay - a historical discussion on the railway crossing over the Shubenacadie River - special guest Holly Hanes - 15 attendees

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 - East Hants Water Utility

- 1,021 ml of water treated
- Installation of 4 new fire hydrants
- 270 water meter work orders completed
- 141 customer move-in & outs
- 101 lab samples taken
- 74 after hour alarm responses

Water Customers

- 2,729 water customers
- 10,913 water bills issued
- 2,638 arrears letters
- 390 door tag reminder notices issued resulting in 19 accounts disconnected for non-payment

Water Resources Management and Watershed Protection

- 8 source water lab samples taken
- 5 educational events held (112 total attendees)
- 93 SOP's updated
- Annual reports submitted for Enfield and Shubenacadie Water Treatment Plants (Provincial)



East Hants staff taking water sample



Olaf Great Pyrenees Farm Dog

PROTECTIVE SERVICES

Animal Control

- 566 dog tags issued (increased from 494 previous year)
- 5 kennel licenses issued
- 14.2% dog registration compliance rate
- 210 dog calls/complaints dealt with
- 51 after hours calls received
- 9 after hours call outs required
- 12 dogs impounded

Building & Fire Inspection

- 236 building permits issued
- Value of construction: \$34,526,443
- 833 building inspections carried out
- 140 new dwelling units created
- 744 properties have received initial fire inspection

Bylaw Enforcement

- 46 cases investigated and concluded
- 23 current case files open

ECONOMIC DEVELOPMENT

Working with the 5 year Economic Development Strategy, developed in 2015, the Municipality is focused on facilitating the growth of the commercial assessment base and supporting our local business economy.

Investment and Business Attraction

- 81 business attraction clients supported
- 5 Municipal Business Park lots totaling 5.97 acres sold

Local Business Retention and Expansion (BRE)

- 62 local business clients supported
- 9 market research reports provided
- 5 local business issues raised and navigation provided
- 2 local businesses expanded
- 1 local business retained

Small Medium Enterprise Development/Business Advisory Services (SMED)

- 52 entrepreneur clients supported

- 9 entrepreneur clients started businesses

Business Park Management and Development

- 1 Environmental Assessment (EA) application completed and submitted to the Nova Scotia Department of Environment

Economic Development Project Management

- 5 projects completed

Relationship Building, Outreach, and Engagement

- 3 tradeshow and 27 events attended

Economic Data Reporting

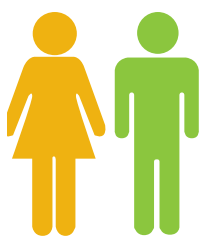
- 4 economic development and services reports completed and posted to the website (quarterly)



Wilkie's Machine Shop

OUR PEOPLE

Demographics



67.4 full time equivalent positions

168 T4s produced (FT & PT)

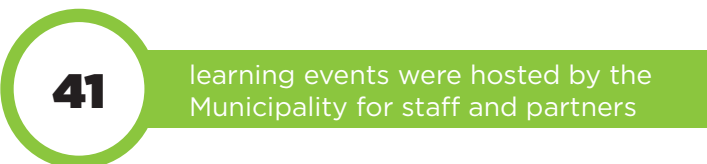
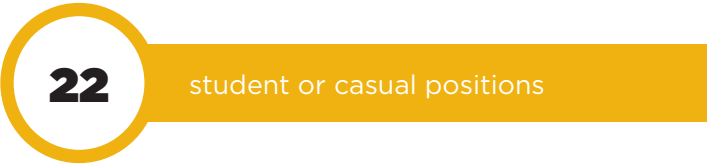
46 is the average age of a municipal employee

43% of municipal employees are age 50 or more as of Jan 1, 2017



12 key positions would be difficult to fill if they were to become vacant and another 10 positions would need to be filled with on-the-job training

Over the past six (6) years ten (10) employees were successfully promoted into more senior or supervisory roles.



Health and Safety

- Enhancements to OH&S program including a more robust OH&S orientation for new employees
- Enhanced tracking of training records
- 45 reported OH&S incidents with only one WCB claim - below industry norm resulting in lower WCB premiums

COMMUNICATION

The Municipality has an increased focus on Communication, paying particular attention to our web based presence and our marketing initiatives through business development.

Business Development/Sales, Marketing, and Communications

- 23,220 visitor sessions to www.easthants.ca/business
- 1667 visitor sessions to www.easthants.ca/business from international countries
- 2,674 unique page views of www.easthants.ca/business/commercial-properties-for-sale
- 18 website posts created to provide relevant content to users of the site
- 10 e-mail campaigns sent
- 42 social media posts created

Corporate Communications

- The total number of unique page views on the website was 286,299
- Facebook:
 - 1,467 followers - Municipal page
 - 2,633 followers - Active East Hants page
 - 979 Followers - Hants County Tourism
- Twitter has 1,110 followers
- LinkedIn - average of 350-400 impressions on any post
- Public access to Mapping & Planning Apps
 - Interactive East Hants - 3,607 views
 - Plan East Hants - 3,280 views
 - Trails & Walkways - 1,242 views
 - Zoning Lookup Tool - 527 views
 - Water & Wastewater - 492 views
 - Local Perspective - 445 views
 - Heritage - 91 views
- # of Freedom of Information requested and closed - 4
- # of media releases - 9

INFORMATION SYSTEMS

The Municipality operates with 24 hour a day access to information from various stakeholders.

Technology Access:

- Average Server Uptime: 99.826%
- Total support tickets: 268
- Total virus infections: 0

Technology Infrastructure:

- Network Uptime: 99.633%
- Wireless Network Uptime: 99.441%

Information Access:

- Total emails sent: 54,749
- Total emails received: 290,351
- Total SPAM emails blocked: 44,323
- Total Infected emails blocked: 1,068

CUSTOMER EXPERIENCE

The Municipalities primary source of revenue comes from property taxes. A team of dedicated staff calculate, bill and collect on the twenty five thousand tax accounts within the municipality.

Property Taxes

- 25,423 tax bills mailed
- 4,369 arrears notices
- Bill reprints for customers: 463
- Tax Certificates issued: 519
- Senior Property Tax Rebate Forms completed: 212
- Address Changes: 520
- 138 managed billing groups
- Provide tax information to 31 Mortgage Companies (\$66,470 revenue)
- New accounts on the Property Tax Filed Roll in 2017: 134
- Tax Account adjustments: 380
- June 2016 Tax Sale: 337 Tax Sale letters mailed, 29 accounts in Tax Sale position, 19 account paid, 9 on auction docket, 8 properties sold at tax sale.
- 52 wastewater, private hydrant and sprinkler invoices issued
- epost™ Users: 332 (2.17%) of tax, 131 (4.1%) of water customers

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. The new Aquatics Centre was the focus of procurement for the past year and will be for the

foreseeable future.

- Payables Invoices Processed: 6,361
- Vendor Cheques Issued: 2,164
- Electronic Payments: 1,963
- New Vendors 313
- Procurement Division Support:
 - Requests for Proposal (13)
 - Request for Quotation (8)
 - Request for Construction (2)
 - Request for Standing Offer (2)

ELECTION

The Municipality held a successful municipal election with six of the eleven districts holding elections and five councillors winning by acclamation.

The election required eighteen polling stations, running advanced polls for 2 days prior to election day on October 15th, 2016.

The total cost to run the election, not including municipal support staff, was \$87,000.

Post-election, the new Council received an orientation to municipal government and senior management worked on a new strategic plan for this Council which was approved in June 2017.



EMERGENCY SERVICES

EAST HANTS FIRE SERVICE

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

All volunteer departments in East Hants are required to adhere to the East Hants Fire Service Standard Operating Guidelines. These guidelines provide the framework for safe and efficient operation of fire departments in East Hants and consistent delivery of fire protection to our residents. The East Hants Fire Service is an independently registered Association that works in collaboration with the Municipality, the fire departments are not directly part of Municipal operations. The Municipality provides independent bookkeeping service to eight of the thirteen departments, with a ninth preparing to be taken in for the first quarter on 2017.

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.

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

- Finalize the implementation of the Truck Mobile 2 (TMR2) radio system. Becoming the first municipality to go to total TMR2.
- Establishment of a self-insurance program for the TMR2 radios owned by the East Hants Fire Service.

In April 2016, East Hants formally recognized the dedication and commitment of our volunteer fire service providers with presentation of Municipal Long Service Award medals to for volunteer fire service members. Mr. Walter Barchard 30 years of service to the Enfield Volunteer Fire Department; Mr. John Kingston, 40 years of service to the Uniacke & District Volunteer Fire Department; and Messrs. Ron Hanrahan and Earl Isenor, 45 years of service to the Lantz Volunteer Fire Department.



FIRE SERVICES - GRANTS

Each year the Municipality provides financial support to the thirteen fire departments who are providing service within our boundaries. The primary source of funding is operating levies charged through the property tax bill. For more urban departments, these range from \$0.12 to \$0.17 per \$100 of assessment and for smaller rural departments, who have significantly less assessment to draw from, the rates are \$0.19/\$100 of assessment. In 2015 Council passed a motion that the smaller department rates will be budgeted with a 1¢ increase for the following five years, this will ensure these departments have more funding for the equipment and infrastructure required.

Through the Fire Department Funding Policy, Council pays operating grants to the smaller, more rural departments.

In 2016/2017, on the recommendation of the Fire Advisory Committee, Council also issued \$16,044 to the Maitland Volunteer Fire Department and \$ 13,333 to the Walton Shore Fire Department, as an Emergency Grants, for much needed repairs to their respective buildings & to help fund a new pumper truck.

Council created a new fund in 2016/2017, the Rural Fire Capital Assistance Fund, that will distribute \$346,000 by March 2018 between all six rural fire departments: Rawdon, Kennetcook, Noel, Gore, Walton and Maitland. The Rural Fire Capital Assistance funding will be released in conjunction with project milestones during fiscal 2017/2018.

Funding for fiscal 2016/2017 is outlined below:

Fire Department	Fire Levy Collected & Disbursed	Annual Operating Grant	Emergency Grant	Total
Enfield	\$426,138			\$426,138
Elmsdale	350,670			350,670
Lantz	221,346			221,346
Milford	137,846			137,846
Shubenacadie	191,851			191,851
Maitland	81,284	\$9,209	\$16,044	106,537
Noel	85,169	9,209		94,378
Walton	27,636	9,209	13,333	50,178
Gore	64,135	9,209		73,344
Kennetcook	71,685	9,209		80,894
Nine Mile River	147,692			147,692
Rawdon	103,527	9,209		112,736
Mount Uniacke	505,570			505,570
Brooklyn	39,488			39,488
Risk Management for Fire Service		6,500		6,500
Total	\$ 2,454,037	\$ 61,754	\$ 29,377	\$ 2,545,168

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. We provide a total federal policing service to all Canadians and policing services under contract to the three territories, eight provinces (except Ontario and Quebec). Serving Canadians from coast to 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.

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 RCMP

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 our 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 per quarter on initiatives and statistics.

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



For the period ending March 31, 2017, East Hants RCMP's main focus has been on the provincial goals of road safety (to reduce serious injury and fatal collisions by 5%), overall crime reduction, and cybercrime.

Road Safety - The main causal factors of fatal and serious injury motor vehicle collisions are impaired driving, un-belted occupants, speeding and aggressive driving, driver inattention and distraction. For 2016/2017, in East Hants, there were six serious injury collisions for the period 2016 (6 for 2015) and one fatal incident, which was a train/pedestrian accident, for the period 2016 (2 for 2015). The serious incident collisions were scattered throughout East Hants, and have been relatively stable. This stability is attributable to:

- increased patrols
- Increased targeted check-stops and driver education
- a focus on enforcement and warnings
- overall increased violator contact, and
- increased monitoring in school areas and targeted youth driver presentations.

Crime Reduction - The Nova Scotia RCMP takes a strategic, proactive approach to reducing crime. The focus in this area has been the safety and security of all Nova Scotians by reducing crimes against persons and property by 2%, and regular monitoring of prolific offenders. For 2016/2017, in East Hants, there were 656 Crimes Against Property for the period 2016 (640 in 2015), attributable to rashes of theft from vehicles and 257 Crimes Against Persons for the period 2016 (277 in 2015).

There is a downward trend in this area due to crime analysts turning data into intelligence. For example, certain areas in a community may be identified with increased criminal activity. RCMP are then able to respond appropriately to reduce crime in those areas, for example, by educating business owners and residents on security issues, linking information, increasing patrols for crime prevention, etc.

Cybercrime - The primary goal is to create a strategy to prevent and reduce the impact of cybercrime by enhancing investigation skills. Most East Hants District RCMP members have recently received enhanced cybercrime investigation training. RCMP in East Hants will continue to partner with their Integrated Child Exploitation Team (ICE) where and when necessary.

Council's investment in RCMP services for 2016/2017 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 Mt. Uniacke.

Annual Policing Costs	Amount (\$)
RCMP Officer Costs	3,245,710
RCMP DNA Case Expenses	19,880
RCMP Prosecution Expenses	15,482
RCMP Shared Services	201,350
RCMP Station (net of rent) Rawdon/Mt Uniacke	31,150
Total	\$ 3,513,572

EMERGENCY MANAGEMENT OPERATIONS

East Hants Emergency Management Operations (EMO) is overseen by the EMO Committee; the Committee, made up of representatives from the Municipality, Red Cross, the Fire Service, RCMP, Community Services, Chignecto-Central Regional School Board, Transportation and Infrastructure Renewal, Ground Search and Rescue and Natural Resources, met four times in 2016/2017.

The Emergency Management Coordinator (EMC) continued to be active in EMO at both the regional and provincial levels, attending an EMC workshop hosted by EMO Nova Scotia, as well as the 2016 Disaster Management Conference. The EMC is continuing to work on the development of draft plans for an Emergency Management Strategic Plan and a Comfort Center Plan within the Municipality, as well as specific Hazard Contingency Plans. Training in the Incident Command System for managing emergency responses continued within 2016/2017. During the reporting period, approximately 11 staff members who are intended to hold positions in the Emergency Coordination Centre (ECC), when it is activated, received training. In addition, the municipality hosted training events for ICS-300 and an Emergency Coordination Centre Management (ECCM) course.

INVESTING IN OUR COMMUNITY

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

Grants

East Hants takes great pride in being able to offer a wide range of funding to individuals and organizations within the Municipality through a grant process. Funding organizations who offer municipal type services to the community allows the Municipality to build on the key strategies of Sustainability, Economic Development and Communication & Engagement. These groups include family based resources, transportation services, animal control services, sports and recreational programming and facility groups, senior resources and tourism associations. East Hants received 118 grant inquiries and/or applications in 2016/2017, which may or may not have resulted in grant funds being distributed.

In 2016/2017 there were \$1,561,914 in grants given out to various groups, this amount includes tax exemptions for non-profit groups and the Municipal Tax Assistance Program (it excludes the fire department levies). This table summarizes the grants by grant type. A complete list of grant recipients and the purpose for which money was granted can be seen on Page 77.



Grant Fund	Amount
Beautification Grants	\$32,883
Community Grants	20,071
District Recreation Funds	118,484
Tourism Grants	40,000
Heritage Incentive Program	10,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	9,000
Event Grants	12,500
Facility Access Grant	5,946
Insurance Premiums for Municipally owned and/or leased Tourism Properties	3,469
Annual Maintenance Grants for municipally owned properties	15,000
Dr. JT Snow Bursary	3,000
General Government Grant	23,964
Community Partnership Grant	30,000
EMO Grant	12,633
Fire Department Annual Operating Grant	55,254
Emergency Fire Grant	29,378
Gas Tax Grants	259,435
Municipal Tax Assistance Program	95,482
Community Organization Tax Exemptions (Bylaw F-400)	785,415
Total	\$1,561,914

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 \$785,415 in 2016/2017.

	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
Bylaw F-400 Exemptions	\$785,415	\$803,313	\$775,750	\$704,849	\$513,066

2016/2017 Exemptions

Organization	Exemption (\$)	Organization	Exemption (\$)
Stanley Sport Aviation Association	2,003	Milford Recreation Association	10,254
East Hants Historical Society	32	Minasville Community Centre	1,382
Corridor Community Options	2,995	Lantz Recreation Society	3,810
Milford Recreation Association	0	Trustees Clarksville	406
Shubenacadie Community Development Association	2	Northern Hants Benevolent	3,721
East Hants Municipal Housing	174	Rainbow Community Club Hall	4,087
Nine Mile River & District Volunteer Fire Department	245	Trustees Of The Hardwoodland	3,640
C W Saunders Lodge Hall 125	2,100	Maitland & District Development Association	1,279
Corridor Community Options Society	12,225	Trustees Of N M R	4,010
Shubenacadie Hall & Grounds	4,932	Uniacke Lodge No 128 A F & A M	2,352
Noel Shore Hall Association	916	Upper Nine Mile River Hall Association	3,068
Burntcoat Community Hall	547	Hants North Medical Association	1,236
Noel Road Willing Workers Community Club	1,759	Four Points Community Centre	3,607
East Gore Community Club Hall	3,344	East Hants Arena Association (Sportsplex)	435,954
East Noel Community Club	948	Rawdon Hills Health Centre Association	3,667
East Walton Community Hall	1,089	Corridor Community Options Society	1,575

Organization	Exemption (\$)	Organization	Exemption (\$)
Gore District Volunteer Fire Department	3,228	Tot's Academy Child Care Society	18,562
Rawdon Gold Mines Community Hall	2,810	East Hants Water Utility	223,464
Hall Foresters	1,122	Municipality of East Hants/South Maitland Historical Association	0
Hall Northfield	371	Municipality of East Hants leased to E.H. Horne School Preservation Society	6,596
Stanley & Mosherville Hall Association	892	Municipality of East Hants leased to Enfield Earthkeepers	2,810
Tennecape Community Club	1,171	Landar - South Maitland Society	4,311
Enfield & District Lions Club Association	1,840	Hants North Baseball	879
			\$785,415

In addition to the amounts 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 2016/2017, \$95,482 of exemptions were provided to 67 families and 262 other households. Details on this program can be found on our website:

www.easthants.ca/government/municipal-departments/finance-administration/municipal-tax-assistance-program/

	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
Exemptions Awarded	\$95,482	\$97,461	\$101,637	\$111,647	\$90,096
# of Families	67	74	71	99	83
# of Single Residents	262	267	300	309	259

CONTRIBUTIONS TO PROVINCIAL SERVICES

East Hants is required by Provincial regulation to rate for Provincial services. These mandatory Provincial contributions represent approximately 22% of East Hants' annual general operating expenditures. In 2016/2017, the budgeted contributions to provincial services made up \$0.3587 cents of the \$0.8704 general tax rate (41%).


Municipal Contribution to:	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
Education	\$4,861,500	\$4,641,048	\$4,459,860	\$4,250,340	\$3,992,868
Social Services	\$63,130	\$61,121	\$71,747	\$63,769	\$53,132
Corrections	\$285,881	\$284,519	\$284,009	\$283,169	\$282,473
Regional Library	\$141,986	\$141,986	\$141,986	\$139,714	\$139,714
Property Valuation Services Corporation (PVSC)	\$383,622	\$382,798	\$380,086	\$378,665	\$378,488
TOTAL	\$5,736,119	\$5,511,472	\$5,337,688	\$5,115,657	\$4,846,675



Burntcoat Head Park



Courthouse Hill Farm



TREASURER'S REPORT

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

July 18th, 2017

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, 2017.

The financial cycle for 2016/2017 began in October 2015 with the development of the operating and capital budgets. During business planning, staff endeavored to find efficiencies and cost savings where ever 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 2016/2017, including area rates, was approved by Council at approximately \$29.1 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 low property assessment cap, Council approved a 1.3 cent tax increase in 2016/2017, however, the general residential tax burden for homes increased by only 1.5% or \$10 - \$25, depending on the value of the home.

Council has invested \$2.1 million in our own infrastructure, primarily in parks and tourism. An additional \$260,000 was advanced through the operating fund to community owned ball fields (Mt. Uniacke) and a multi-purpose sport pad in Hants North. Staff continue to work on the largest capital project in East Hants history, the new East Hants Aquatic Centre; this project has a budget of \$19 million and an anticipated opening of Spring/Summer 2019.

This report includes an assessment of the provincial Financial Condition Indicators. The indicators focus on where municipalities get their revenue, how they spend their money, and how they manage their finances. 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 2015/2016.

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.

A handwritten signature in blue ink, appearing to read 'Kim Ramsay', written over a white background.

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

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 2016 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 8.3% of the taxable base (see Table below). Significant effort continues to be placed on economic development in East Hants to address this residential/commercial split, which ideally would be at least 20% commercial and 80% residential. One of the key strategies in Council's strategic plan is economic development; while all departments are involved in economic development in one sense or another, the Department of Economic & Business Development continues to bring economic prosperity to East Hants while building a healthy and sustainable commercial tax base.

With assessments capped at a 0.3% increase for 2016, 92% of the residential assessment increase was related to an increase in market value of existing properties, including 76 new dwellings and renovations of others.

	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
Number of Taxable Properties	14,520	14,502	14,194	14,114	14,032
Residential Assessment (000's)	1,450,694	1,420,417	1,357,200	1,304,283	1,234,559
Resource Assessment (000's)	48,163	46,467	44,686	44,032	46,391
Commercial Assessment (000's)	135,046	137,043	129,223	122,559	109,643
Residential/Commercial Split	91.7%/8.3%	91.5%/8.5%	91.6%/8.4%	91.7%/8.3%	92.1%/7.9%
Exempt Assessment (Assessment Act) (000's)	95,536	93,695	94,392	93,075	93,909
Exempt by Municipal Bylaw (000's)	29,427	29,461	29,000	26,356	19,140
Farm Acreage	37,442	37,288	37,463	36,972	37,119
Forest Acreage < 50,000 Acres	172,599	172,313	174,566	174,445	174,861
Forest Acreage > 50,000 Acres	56,092	56,283	57,673	74,533	80,273
Uniform Assessment (000's)	1,594,980	1,522,654	1,463,209	1,394,470	1,309,997

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 2016/2017, including area rates, was approved by Council at approximately \$29.1 million.

The individual rates for 2016/2017 compared to 2015/2016 were as follows (rates per \$100 of assessment):

	2016/2017	2015/2016
General tax rate - Residential/Resource	\$ 0.8704	\$ 0.8573
General tax rate - Commercial/Business Occupancy	2.7100	2.7000
Urban service rate (Enfield, Elmsdale, Lantz) - Residential	0.1330	0.1330
Urban service rate (Milford) - Residential	0.3300	0.3100
Urban service rate (Shubenacadie) - Residential	0.2530	0.3530
Urban service rate (Enfield, Elmsdale, Lantz) - Commercial	0.8240	0.8500
Urban service rate (Milford) - Commercial	1.2400	1.2400
Urban service rate (Shubenacadie) - Commercial	0.9240	0.9500
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 (rate per 1000 gallons of water)	7.00	6.00



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.

	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
Property Tax Rates (\$/\$100 of Assessment)					
Residential/Resource Rate	\$ 0.8704	\$ 0.8573	\$ 0.8706	\$ 0.8706	\$ 0.8764
%age Change	1.53%	-1.53%	0.00%	-0.66%	-1.47%
Commercial Rate	\$ 2.71	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.71
Assessment CAP Program					
Capped Assessment (000's)	\$ 221,000	\$ 223,000	\$ 245,000	\$ 237,000	\$ 152,000
Tax Rate Differential Due to CAP Program	0.13	0.13	0.13	0.13	0.09
Tax Revenue					
Residential/Resource	\$13,044,789	\$12,550,967	\$12,183,321	\$11,703,158	\$11,160,237
Commercial	\$3,648,582	\$3,662,959	\$3,452,664	\$3,298,068	\$2,944,470
Other (GIL, Farm, Forrest)	\$ 367,765	\$ 364,141	\$ 354,800	\$ 353,457	\$ 370,141
Tax Arrears (% of Total Taxes excluding Infrastructure Charges)	2.99%	2.73%	2.76%	2.71%	2.81%
Deed Transfer Tax Revenue	\$1,297,861	\$1,190,500	\$1,329,663	\$1,157,070	\$1,378,172



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 2012, 2013, 2014, 2015 and 2016 assessments were capped at 3.9%, 1.4%, 0.9%, 2.1% and 0.3% respectively; this has had a profound effect on the distribution of tax burden in East Hants.

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

INVESTING IN OUR INFRASTRUCTURE

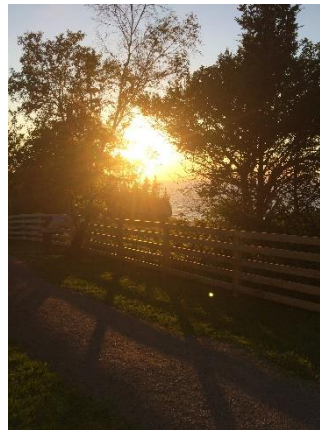
The five year Capital Investment Plan is approved each year by Municipal Council with several single and multi-year capital projects. The plan consolidates capital spending for urban service infrastructure, municipal operations and the East Hants Water Utility. The five year investment in infrastructure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



Description	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
General Government (Municipal Administration, Buildings, Information Systems, Legislative, Human Resource systems)	\$ 16,171	\$ 184,640	\$ 825,882	\$ 226,874	\$ 2,680,359
Transportation (Roads, Sidewalks, LED Streetlights)	13,826	159,178	185,713	2,828,075	1,111,125
Environmental Development (Economic Development, Industrial Parks, Tourism, Community Development)	66,910	1,135,995	49,997	82,286	99,704
Environmental Health (Wastewater, Waste Management, Environmental Stewardship)	133,187	215,311	710,775	597,840	176,103
Recreation & Cultural Services (Recreational Facilities, Parks, Libraries, Cultural Buildings)	1,667,935	443,053	0	0	0
Water Utility (Infrastructure and Equipment related to Water Treatment & Distribution)	210,208	275,202	275,781	87,071	69,386
TOTAL	\$ 2,108,237	\$ 2,413,379	\$ 2,048,148	\$ 3,822,146	\$ 4,136,677

Infrastructure Highlights: Completed Projects in 2016/2017

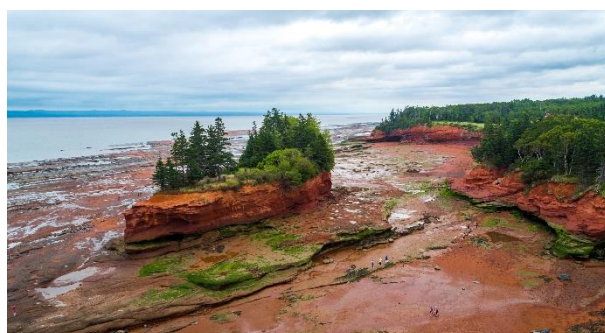
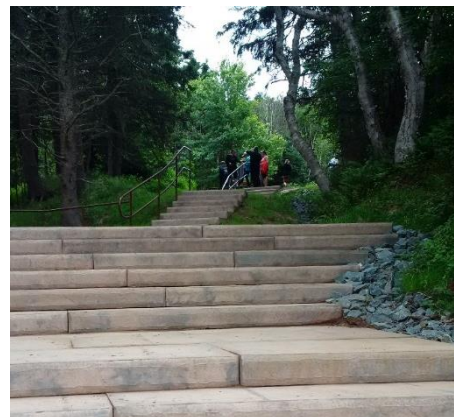
Burntcoat Head Park Development



Infrastructure upgrades at the popular tourist attraction, Burntcoat Head Park, are aimed at further positioning the site as one of the Bay of Fundy’s outstanding visitor experiences.

Capital upgrades included concrete stairs to the ocean floor, a septic/well system, public washroom facilities, upgrades to the interpretive centre, and trail development. In addition, six interpretive panels have been custom designed and installed throughout the Park.

Project Funding	Total Budget	Actual Expenditures		
		2016/2017	Prior Years	Total
Atlantic Canada Opportunities Agency	\$ 232,415	\$ 32,532	\$ 199,883	\$ 232,415
Province of Nova Scotia	60,000	-	65,000	65,000
External Other	400,000	-	-	-
Temporary Financing	-	(109,217)	140,130	30,913
Debt	357,585	280,000	-	280,000
Total	\$ 1,050,000	\$ 203,315	\$ 405,013	\$ 608,328



Mount Uniacke Skate Park

Project Funding	Total Budget	Actual Expenditures		
		2016/2017	Prior Years	Total
Gas Tax	\$ 267,666	\$ 250,753	\$ 16,345	\$ 267,098
Total	\$ 267,666	\$ 250,753	\$ 16,345	\$ 267,098



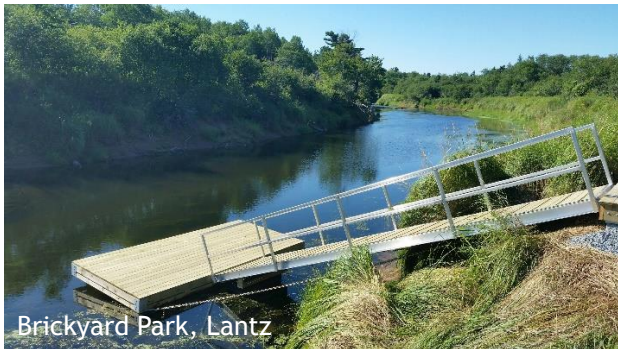
“It’s very rewarding for the Municipality to see residents enjoying the benefits of a new skatepark. We strive to leverage the recreational needs of East Hants and implement parks that speak to the needs of our communities and with these parks we feel like we have accomplished that.” Kate Friars, Director of Parks, Recreation & Culture, Municipality of East Hants

Corridor Skate Park

Project Funding	Total Budget	Actual Expenditures		
		2016/2017	Prior Years	Total
Gas Tax	\$ 214,668	\$ 197,504	\$ 16,137	\$ 213,641
Regional Facility Development	53,000	53,000	-	53,000
Total	\$ 267,668	\$ 250,504	\$ 16,137	\$ 266,641



River Front Park Development



Project Funding	Total Budget	Actual Expenditures		
		2016/2017	Prior Years	Total
Other	\$ 10,000	\$ 10,000		\$ 10,000
Regional Facility Development	59,500	59,500		59,500
Capital out of Revenue	23,412	93,744	23,412	117,156
Trans Canada Trail Debt	100,000	99,877		99,877
	95,000	-	-	-
Total	\$ 287,912	\$ 263,121	\$ 23,412	\$ 286,533

Brickyard Park, in Lantz, offers boat launch compatibilities, picnic facilities and a short hiking trail that borders the river and follows through to a wooded area. Wickwire Station Park in Milford was built with accessibility in mind and offers outhouses constructed to accessible

standards and an EZ Launch floating dock system that allows for safe launching of canoes and kayaks. The third site, Shubie River Park in Shubenacadie offers a floating dock and a newly erected picnic pavilion along the rivers' edge, which was constructed in collaboration with the Shubie Halls and Grounds Community Group. Combined, the Parks make up a 23.5km section of The Great Trail which passes through East Hants.

Lift Station Upgrades

Project Funding	Total Budget	Actual Expenditures		
		2016/2017	Prior Years	Total
Capital out of Revenue	\$ 91,000	\$ 68,137		\$ 68,137
Debt	150,000			-
Special Reserves	145,000	18,993	89,716	108,709
Total	\$ 386,000	\$ 87,130	\$ 89,716	\$ 176,846



Infrastructure Highlights: Work-in-Progress Projects in 2016/2017

East Hants Aquatic Centre

The new Aquatics Centre will be a modern facility that offers recreational services to people of all ages. Not only will the Centre benefit the growth of the community, but it will also make East Hants a more attractive place for people to live, work and play. The new facility will include a six-lane, a 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, 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		
		2016/2017	Prior Years	Total
Gas Tax	\$ 2,235,033	\$ -	\$ -	\$ -
Capital out of Revenue		42,532		42,532
Special Reserves	1,491,792	629,662	19,710	649,372
Debt	13,273,175	-	-	-
Total	\$ 17,000,000	\$ 672,194	\$ 19,710	\$ 691,904

Note: In June 2017 Council increased this budget to construct a \$19 million facility.

FINANCIAL CONDITION INDICATORS

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

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



The Province of Nova Scotia provided a five year comparison of the Financial Condition Indicators for all municipalities in the province in February 2017 on the Provincial Website found here: <http://novascotia.ca/dma/finance/indicator/fci.asp>.

The information in this report has been calculated using East Hants data for 2013/2014 to 2015/2016, the thresholds are however those provided by the Province. Below is a snapshot of East Hants indicators along with comments that are important to our stakeholders for understanding the results. The indicators for 2016/2017 will be calculated by the Province once the Financial Information Returns for all municipal units are filed. The detailed discussion of the results can be found here: <https://www.easthants.ca/government/municipal-departments/finance-administration/financial-condition-index/>.

Revenue Dimension

Revenue Dimension	2015/2016	2014/2015	2013/2014	Recommended Threshold
Reliance on Gov't Transfers	1.7%	2.1%	1.8%	Below 15%
Uncollected Taxes	3.9%	3.8%	3.9%	Below 10%
3- Year Change in Tax Base	16.2%	19.5%	17.6%	Above 3.3%
Commercial Property Assessment	8.50%	8.50%	8.30%	Above 10%
Reliance on Single Business/Institution	1.1%	1.1%	1.1%	Below 10%

Reliance on Government Transfers (%)

The Municipality of East Hants receives government operating grants for Solid Waste Programs, Farm Property Acreage and application based funding agreements. These grants range from 1% to 2% a year of the \$24 million to \$28 million budget. This represents a low percentage on funding from government grants. The Municipality of East Hants does not receive any Equalization funding from the Province.

Uncollected Taxes (%)

The Municipality of East Hants has a full time Collection Officer and actively collects through payment arrangements, tax sale and adherence to Council collection policies. The Uncollected Tax Calculation is favourable for 2013/2014 to 2015/2016 due to the favorable collection of taxes.

Three Year Change in Tax Base (%)

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

Commercial Property Assessment (%)

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

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

Reliance on Single Business/Institution (%)

The ratio for reliance on a single business is low due to the variation of industry represented in East Hants, the large amount of farm and forest lands and our significant residential assessment. This indicator is favourable for East Hants for all three years 2013/2014 to 2015/2016.

Budget Dimension

Budget Dimension	2015/2016	2014/2015	2013/2014	Recommended threshold
Residential Tax Effort	2.8%	2.8%	2.7%	Below 4%
# of Deficits in the last 5 Years	0	0	0	Below 1
Budgeted Expenditures Accuracy	5.7%	3.3%	6.0%	Between -5% and +5%
Liquidity Ratio	3.9	3.4	0.9	Above 1
Operating Reserve	53.3%	46.5%	41.7%	Above 10%

Residential Tax Effort (%)

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

Deficits in the Last Five Years (#)

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

Budgeted Expenditures Accuracy (%)

The Municipality of East Hants Budget Expenditure Accuracy FCI, as calculated, appears to be un-favourable. In fact, the Municipality has had small surpluses of between \$200,960 and \$416,376 over the last three years, which equate to less than 1.5% of total expenditures (2013: .8%; 2014: .8%; 2015: 1.5%).

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

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

All significant variances are reported to the public in this report.

Liquidity Ratio

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

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

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

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

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

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.

- In 2015/2016 The Municipality continued to have a healthy reserve program, with \$17.2 million in operating and capital reserves. Of the \$11.2 million in operating reserves, \$3.4 million is money set aside for the replacement of tangible capital assets. Using monies set aside solely for operating reserves this ratio would be 37.3% and would still exceed the threshold.
- 2014/2015 The Municipality continued to have a healthy reserve program, with \$15.4 million in operating and capital reserves. Of the \$9.9 million in operating reserves, \$3.3 million is money set aside for the replacement of tangible capital assets. Using monies set aside solely for operating reserves this ratio would be 30.8% and would still exceed the threshold.
- In 2013/2014 The Municipality continued to have a healthy reserve program, with almost \$13 million in operating and capital reserves. Of the \$8.8 million in operating reserves, \$3.2 million is money set aside for the replacement of tangible capital assets. Using monies set aside solely for operating reserves this ratio would be 26% and would still exceed the threshold.

Debt & Capital Dimension

Debt & Capital Dimension	2015/2016	2014/2015	2013/2014	Recommended threshold
Debt Service Ratio	10.9%	11.9%	11.7%	Below 15%
Outstanding Debt	1.5%	1.6%	1.8%	Below 3.5%
Undepreciated Assets	69.9%	72%	73.8%	Above 60%
5 year Capital Purchases	232.6	224.5	227.5%	Above 100%
5 year Contributions to Capital Reserve	0%	0%	3%	Above 10%

Debt Service (%)

The debt service ratio of 10.9% is attributed to the significant investment made by Municipal Council to urban infrastructure related to wastewater, recreational facilities, sidewalks and business park development. These expenditures are out of the norm for most “rural” municipalities, affecting how we compare to others.

Outstanding Debt (%)

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

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

Undepreciated Assets (%)

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

Five-year Capital Purchases (%)

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

- In 2015/2016, the Municipality continued investing in the Burntcoat Head Park Project with over \$400,000 being spent, constructed \$375,000 in sewer and sidewalk projects and made a \$440,000 contribution towards Parks and Recreation assets. This ratio is positive from the perspective of investing in the Community way of life and healthy and activity life style.
- In 2014/2015, the Municipality completed construction on an \$872,000 RCMP Building in Rawdon and invested over \$700,000 in sewer infrastructure. The Municipality also accepted contributed sewer,

storm drain, road, and streetlights assets from developers totaling more than \$1.35 million. This ratio is positive from a renewal and sustainability stance.

- In 2013/2014 the Municipality invested almost \$2 million in business park expansion and invested \$900,000 in sidewalks. Other capital work included equipment for the Waste Management Centre, sewer infrastructure, and upgrades to the Mount Uniacke RCMP Community Office. This ratio indicates that the acquisition of capital infrastructure is 2.27 times the depreciation on our aging infrastructure. A positive from a renewal and sustainability stance.

Five-year Contributions to Capital Reserves (%)

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

Where the Municipality's capitalization threshold is \$10,000 it is a policy of Council to fund the purchase of fixed assets through the operating reserve, and not the capital reserve. As such, approximately \$400,000 is contributed to the operating reserve fund annually; this contribution would have been considered a "contribution to capital reserve" prior to Council's policy change. Adjusting our contributions for this amount the indicator would be between 18% and 21% for the five year period 2011/2012 to 2015/2016, well within the acceptable range.

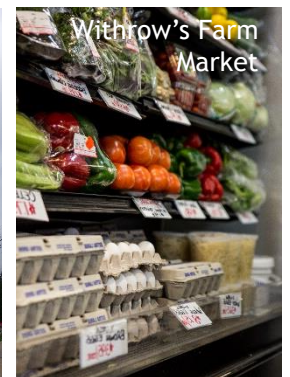
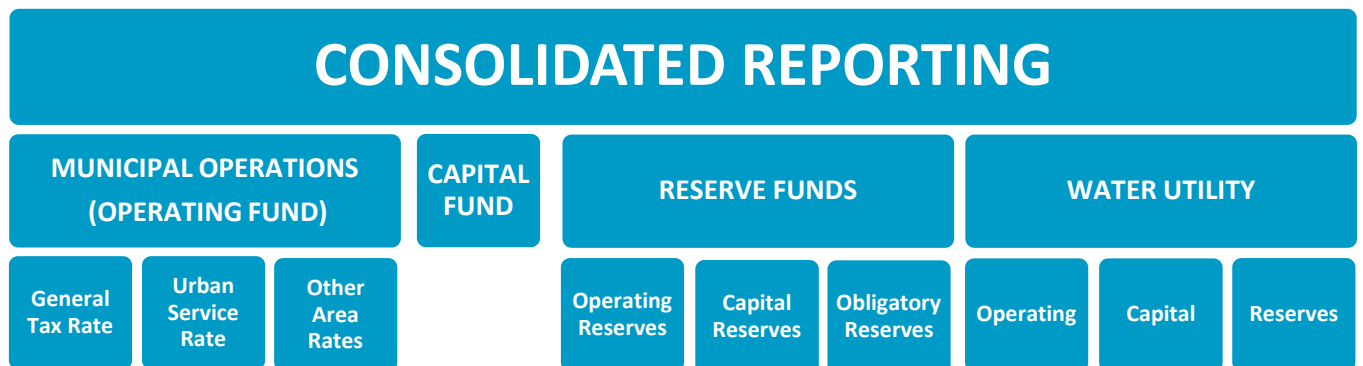
Another factor to consider when comparing East Hants to other rural units is the amount of depreciation we have. East Hants has made significant investment in infrastructure for urban services like new roads, wastewater infrastructure, sidewalks and municipal infrastructure in our business parks. All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



FINANCIAL RESULTS 2016/2017

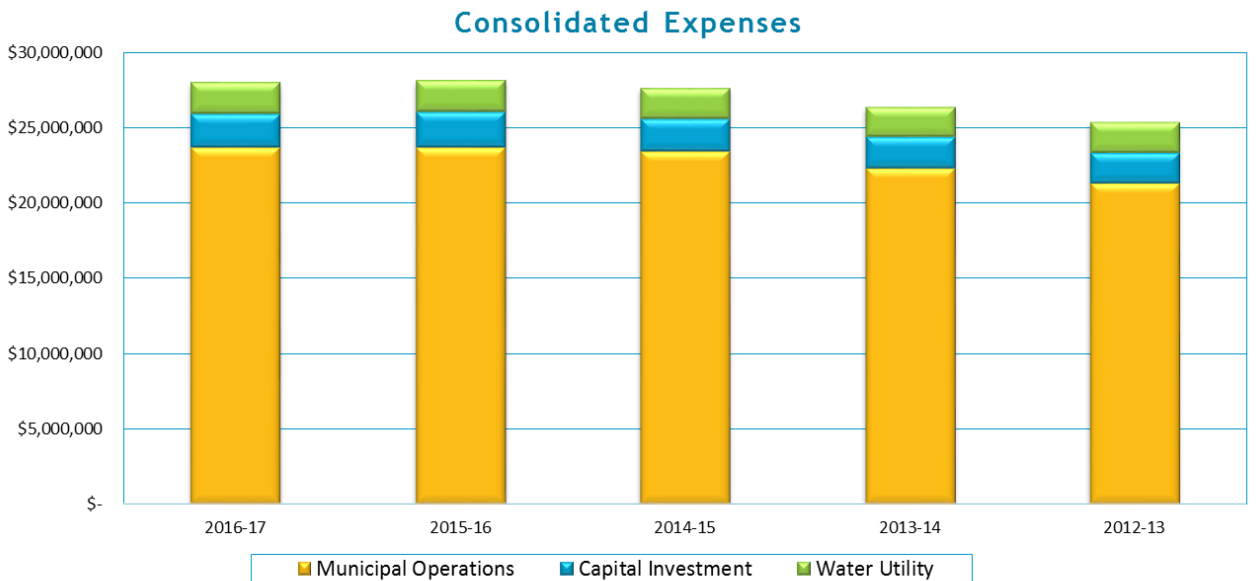
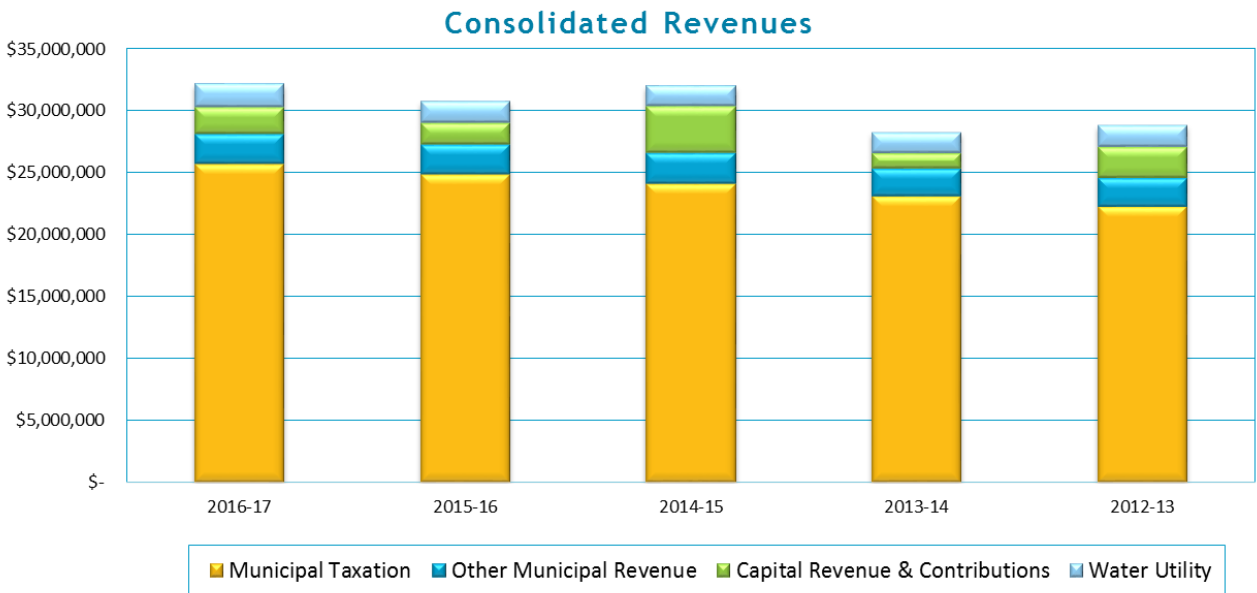
The Municipality of East Hants' Annual Report serves as an opportunity to communicate to stakeholders, residents and local businesses regarding the Municipality's 2016/2017 financial and operational performance.

The 2016/2017 financial results will be discussed below, and variances provided for, on a consolidated basis, and by General Tax, Urban Service Rate and Water Utility operations and reserves. Also outlined is the status of the three municipal reserve funds. The Capital Fund holds our investment in infrastructure discussed earlier in this report under *Investing in our Infrastructure*. 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 2016/2017. The financial statements include a detailed Consolidated Schedule of Operations by Function (Page 107 & 108) which gives the reader more details at the expenditure level (break down of expenditures into salaries/benefits, operating costs and fiscal service type expenditures).

CONSOLIDATED REVENUES								
For years ended March 31 (in thousands of dollars)	Budget		Actual		Actual		Budget to Actual Variance	Actual to Actual Variance
	2017		2017		2016			
Taxation	\$ 25,788	83%	\$ 25,822	80%	\$ 24,995	82%	\$ 34	\$ 827
Sale of services	915	3%	944	3%	895	3%	29	49
Other revenue from own sources	765	2%	994	3%	1,001	3%	229	(7)
Government Grants - Operating	429	1%	624	2%	383	1%	195	241
Water utility	1,702	5%	1,766	5%	1,751	6%	64	15
Revenue before Other	29,599		30,150		29,025		551	1,125
Government Grants - Capital	1,013	3%	1,013	3%	1,321	4%	0	(308)
Development & other contributions	589	2%	969	3%	375	1%	380	594
	1,602		1,982		1,696		380	286
Total Revenue	\$ 31,201		\$ 32,132		\$ 30,721		\$ 931	\$ 1,411
CONSOLIDATED EXPENSES								
General Government	\$ 5,767	19%	\$ 5,491	19%	\$ 5,136	19%	\$ (276)	\$ 355
Protective Services	6,852	23%	6,787	22%	6,575	24%	(65)	212
Transportation	2,129	7%	2,223	8%	2,054	7%	94	169
Environmental Health Services	4,856	16%	4,669	16%	4,620	16%	(187)	49
Environmental Development	1,790	6%	1,462	5%	1,471	5%	(328)	(9)
Education & Social Services	4,935	16%	4,925	17%	4,702	17%	(10)	223
Recreation and Cultural Services	1,827	6%	1,898	6%	1,464	5%	71	434
Water Utility	2,265	7%	2,090	7%	2,103	7%	(175)	(13)
Total expenses	30,421		29,545		28,125		(876)	1,420
SURPLUS	\$ 780		\$ 2,587		\$ 2,596		\$ 1,807	\$ (9)

Description	Amount
Variations from Budget to Actual - Consolidated Surplus	
General tax rate variance as per the general operations section (See Page 58-61)	\$ 413,197
Urban service tax rate variance as per urban service rate section (See Page 61 & 62)	96,429
Transfers (see Page 80)	809,703
Net gain on the sale/disposal of Municipal assets	465,242
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	(284,234)
Landfill liability adjustment based on PSAB requirements	(8,611)
Non-Urban Streetlights, variance to budgeted surplus	11,766
Water utility variance as per the water utility section (See Page 63 & 64)	168,785
Interest earned on capital reserves	156,230
Principal payments general fund - local improvement John Murray Drive (Provincial)	(6,600)
Principal payments general fund - Lantz fire department recoverable	(15,650)
Net Variance from Budget to Actual	1,806,257
Original planned surplus (see Page 83)	780,485
Net Surplus end of Year	\$ 2,586,742

Municipal Operations (Operating Fund)

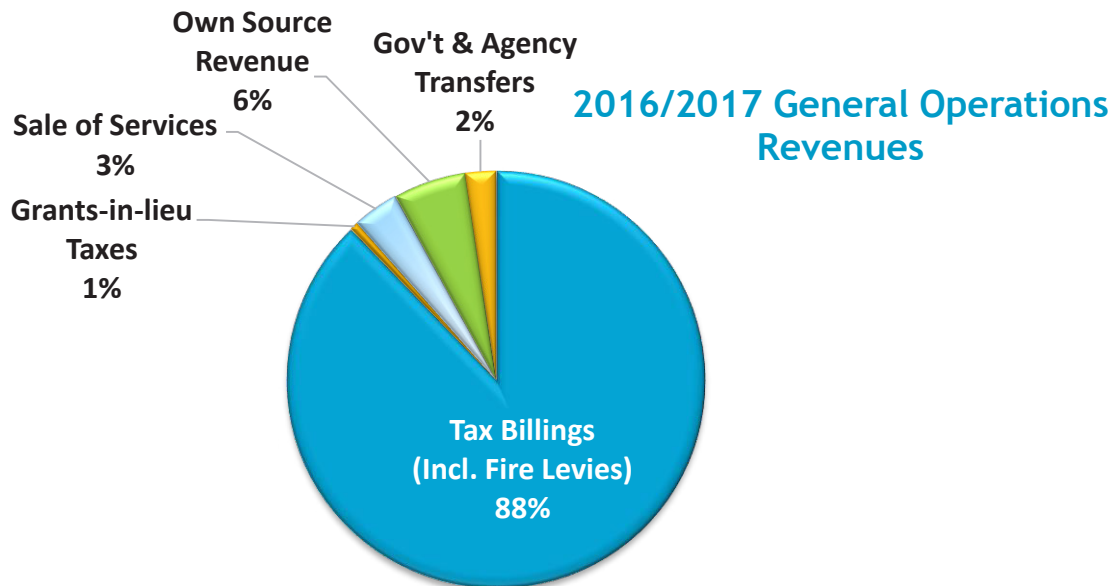
The **Schedule of Current Fund Operations** (Page 98) shows no change in the Operating Fund balance as the surplus in the general operations fund was transferred to reserves as required by the Provincial Financial Reporting Requirements.

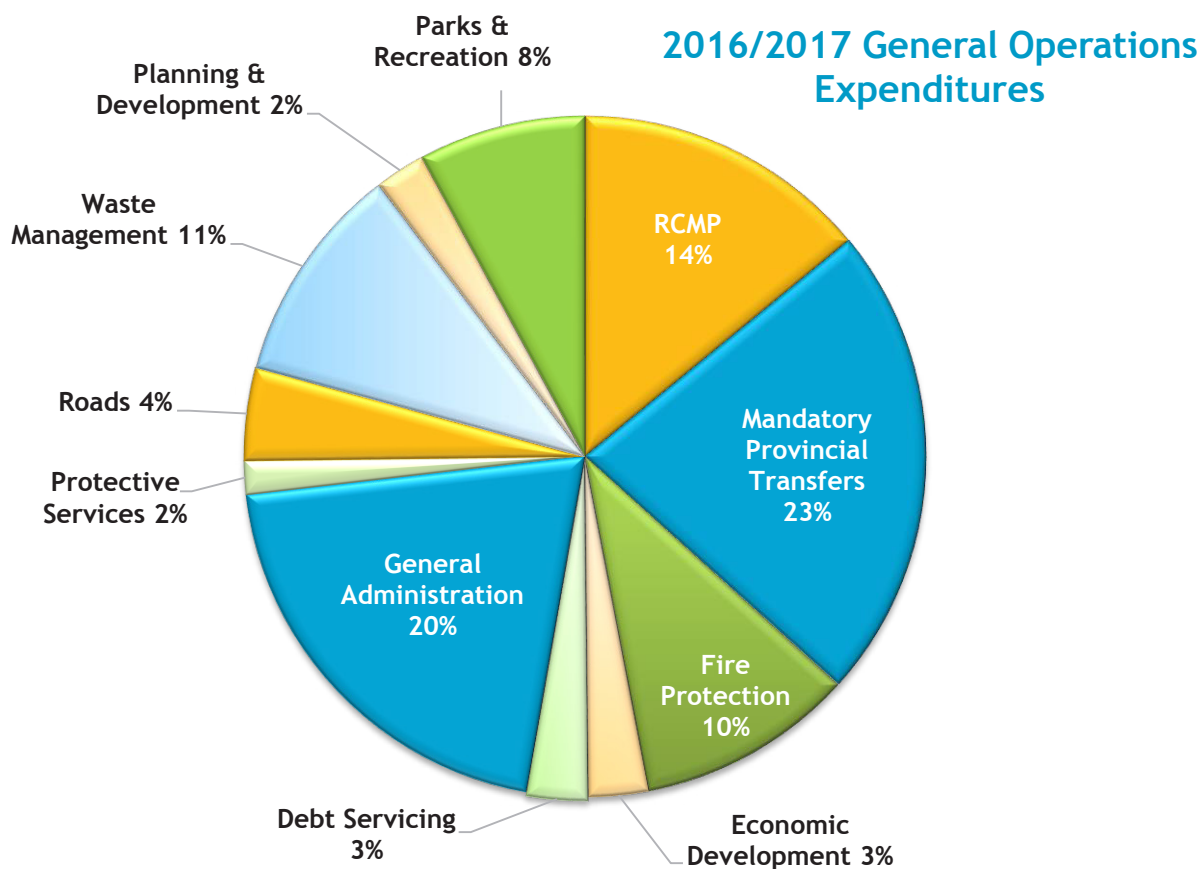
Subsequent to various transfers to reserve and funding adjustments (see General Tax Rate section below), the General Operations surplus was recorded as zero dollars for 2016/2017. The remaining 2016/2017 surplus of \$63,481 can be broken down as follows:

General Operations	\$	-
Urban Service Rates		44,942
Other Lights		18,539
Total	\$	63,481

General Tax Rate

The following pie charts represent the general tax rate revenues and expenses for the Municipality for 2016/2017 (excluding transfers to reserve, amortization expense, pension accounting and landfill closure entries):





The General Operations variance to budget for 2016/2017 was a positive variance of \$413,196 (1.58% of budget). Of this, \$209,823 was approved by Council to carry forward funds to complete projects from 2016/2017 in 2017/2018. Council also approved an additional \$18,789 from the Waste Management Fee surplus to be transferred to reserve for future debt payments. Using operational funds to offset capital work, reducing debt payments, \$96,531 was transferred to Capital to fund the Shubenacadie River Parks Project and the project management of the new Aquatics Centre (in lieu of using in-house engineering resources). The remaining \$88,054 is a result of a \$101,000 projected transfer in from reserves that was not required, offset by variances in debt recovery reserves and planned transfers to the Aquatic Centre reserves from revenue.

The significant variances in general operations revenue and expenses from budget to actual are as outlined/discussed in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUE	
Net taxes, including planned amount for Assessment Appeals of \$45,000	(49,745)
Tipping fee & RRFB Diversion Credit revenue	(41,030)
Scrap metal - favourable current prices on the global trading markets	(34,562)
Interest on investments & receivables (net of bank fees)	(20,687)

Description	Amount
Variance relates to a favorable return on investment in the amount of \$1,900 and an increase of \$18,800 in interest on outstanding taxes.	
MTT Grant/NS Power/HST Offset	(16,283)
Gas Tax Funds related to Hants North Multi-Purpose Pad grant awarded in 2015/2016	(15,150)
Lloyd Matheson Centre Tenant Revenue	(13,462)
Transfers from other governments - student funding	(11,016)
Student employment funding for summer students in the recreation department.	
Pool Program revenue	(7,450)
Grant in lieu	(7,313)
Fines	(7,284)
Farm Acreage	(2,293)
Building permits	(2,080)
Conditional Provincial Grants for projects that did not proceed (Tourism \$3,000;ICCI \$2,000)	5,820
Recreation Grant Revenue	17,548
Anticipated funding for some programs not received; Recreation Master Plan deferred 2017/2018	
Administration fees - Based on a percentage of our operating costs (costs less than expected)	36,942
Variance from budget to actual - Revenue	\$ (168,045)
INCREASES / (DECREASES) IN EXPENSES	
Deed Transfer Tax Transfer to USR (offset by Gas Tax transfer to USR to fund sidewalk debt)	\$ (221,244)
Funding for Rural Fire Capital Assistance Fund - Moved to Municipal Reserves for disbursement in 2017/2018	221,244
Contracts and Agreements (Tourism contracts \$24k & Roads \$36k, to offset snow removal costs)	(65,185)
Training, Education & associated travel	(58,659)
Shifting focus of staff training from external to internal Workplace Education Program	
Solid Waste Processing, Transporting and Collection	(56,893)
RCMP savings for officers of \$53.7k offset by increase in shared cost of \$5,300 & DNA costs of \$6,100	(42,463)
Wages & Honorariums	(80,068)
Savings in various unfilled positions throughout the organization - primarily Parks, Recreation & Culture positions as well as Finance and Engineering. Pension costs were funded from current year in lieu of transferring money in from the pension reserve.	
Power	(30,012)
Budgets across the organization were over-estimated, a prior year credit to power for the RCMP station in Rawdon resulted in \$12,000 savings. Small overages in heating fuel and water offset these savings.	
Promotion and advertising	(27,380)
Uncollectible accounts were less than budgeted	(23,263)
Computer Hardware, Software, & Support - Laptops not replaced for seven returning Councillors after the election, savings in Laserfiche support and internal communication tools.	(21,149)
Property & Plant Equipment Maintenance (savings in Business Park maintenance, Waste Management Centre public drop off, and parking lot repairs at the LMC)	(20,688)
Provincially mandated costs (Corrections, Education, Provincial Housing)	(18,338)

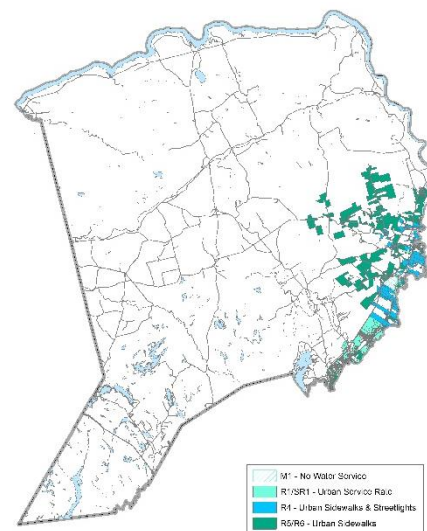
Description	Amount
Vehicle Maintenance and Fuel across the organization	(18,117)
Printing costs - Savings primarily from not printing interim tax bill for accounts with mortgage accounts & savings in the printing of the municipal newsletter.	(17,654)
Business Development included \$20,000 for a viticulture study that was not actioned	(16,106)
Conference registration and travel for staff and Council; savings from shared travel costs, staff vacancies and timing conflicts of conferences.	(15,892)
Miscellaneous Items (includes postage, office supplies, publications & operational materials)	(14,467)
Reduction in Municipal Tax Assistance Program usage	(13,293)
UNSM and FCM expenses (moved to reserves)	(13,054)
Savings in community grant awards and Burntcoat Head Park staffing grants	(12,794)
Association memberships, committee & meeting expenses	(11,541)
Savings in new cell phone contract, moved to reserves to fund future phone replacements	(10,779)
Interest on Burntcoat Park Development borrowing; Originally to be in the Spring of 2016 but was in the Fall of 2016.	(1,130)
Janitorial	(1,020)
Small equipment (includes purchases and rentals)	1,464
Insurance	4,032
Professional fees	24,114
Over-expenditure for environmental monitoring at the Waste Management Centre, Milford pool air quality testing and structural review, pre-planning work for Aquatic Centre and flood plain consultation	
Legal Fees related to Rezoning & Development Agreement appeal (Lantz)	38,965
Building repairs & maintenance, combination of pool mechanical repairs and the new roof for Milford Pool being funded by current year rather than reserves	84,871
Snow removal costs impacted by freeze and thaw patterns early in the season (salt costs) and snow clearing	191,347
Gas Tax Funds to fund Hants North Multi-Purpose Pad \$214,483 & Mount Uniacke Baseball field \$44,951	(259,434)
Municipal grants to Hants North Multi-Purpose Pad \$214,483 & Mount Uniacke Baseball field \$44,951	259,434
	Variance from budget to actual - Expense \$ (245,152)
	Variance from budget to actual surplus (413,197)
Planned transfer in from reserves (not required due to the positive variance at year-end)	101,313
Decrease in planned transfer to reserve for Aquatic Centre, based on 1.5 cents on general tax rate and Deed Transfer Tax coming in \$2,139 under budget	(7,123)
Adjustment to Local Improvement loan reconciliation to offset local improvement debt	(7,118)
Fire Debt Charge Recovery for Communication project - less required from reserves than budgeted	982
Increase in transfer from Operations for Capital purposes to enable funding of the Shubenacadie River Parks Project and the project management of the Aquatic Centre)	96,531
	Original planned deficit/(surplus) -
	Net Variance from Budget to Actual (Surplus) \$ (228,612)
Surplus transferred to 2017/2018 budget as per Council in June 2017:	
F&A -14-022 Unified Communications system	50,000
F&A - Waterless fire suppression system for server room in Lloyd E. Matheson Centre	22,177

Description	Amount
F&A - Computer Support Laserfiche	27,787
F&A - Advertising Disposal of Surplus Properties	5,000
F&A - Cell Phone Replacement	7,500
PRC - 17-011 River Park Signage	15,000
PRC - 17-012 Playground School Road	20,000
PRC - 17-014 Brickyard Park Outhouse	15,000
PRC - TIR Signage (Tourism)	2,500
PRC - Network Upgrades & Access (Tourism)	5,405
PRC - Summer Students Holiday Pay (Tourism)	6,300
PRC - Parking at Wickwire Park	9,500
CAO - Website Design	10,000
Council UNSM & FCM related expenses	13,654
Transfer to reserves surplus from DU Charge	18,789
Total	\$ 228,612

Urban Service Rate

The Urban Service Rate (USR) is the largest of our area rates; charged to residents in the “Corridor” area (Shubenacadie to Enfield), this rate is reported on separately as it affects a significant number of residents and Councilors. The rate covers all urban services (streetlights, wastewater, hydrants and sidewalks) provided by the Municipality with the exception of some sub-urban streetlights.

The total USR operating budget for 2016/2017 was set at \$2.9 million. The final surplus was \$84,942; the significant variances from budget for the Urban Service Rate are outlined/discussed in the following table:



Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Urban Service Rate tax levies	\$ (11,203)
Sewer Hook-up & Usage revenue, net of reserves transfer	(4,412)
Federal Grant In Lieu	(652)
Deed Transfer Tax General Fund reduced by offset of Gas Tax transferred to fund sidewalk debt	221,244
Gas Tax transferred in to fund sidewalk debt	(221,244)
Miscellaneous Revenue - Irving Oil Contract	5,032
Variance from budget to actual - Revenue	\$ (11,235)

INCREASES / (DECREASES) IN EXPENSES	
Wages & Benefits	\$ (42,566)
Savings in wages and employer benefits from a vacant Engineer position	
Decrease in Public Fire Protection to Water Utility based on UARB Rules & Regulations	(19,306)
Computer & Admin support - overall costs for administration, finance and IT support were less than budget	(17,814)
Professional Fees - Environmental Risk Assessment to be completed in 2017/2018	(15,767)
Operational materials - Primarily savings in wastewater treatment chemicals	(12,229)
Power savings in wastewater operations	(11,402)
General operation of the systems	(3,268)
Debt servicing on wastewater	(1,833)
Property Grounds & Plant Maintenance	(1,297)
Contract for lateral installation as per bylaw 139-3	6,318
Snow removal for sidewalks and wastewater properties	33,970
Variance from budget to actual - Expense	\$ (85,194)
Variance from budget to actual (surplus)	(96,429)
Increase in transfer from Operations for Capital purposes to enable funding a pump replacement in the lift station	12,073
Original planned surplus	(586)
Net Variance from Budget to Actual (Surplus)	\$ (84,942)
Surplus transferred to 2017/2018 budget as per Council in June 2017:	
Sidewalks-Planning for Debt Retirement	40,000
USR Contingency as Surplus	44,942
Net Surplus end of Year	\$ (84,942)

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, 2017 for the USR systems:

For Capital Purposes:	Amount
Sidewalks	\$ 792
Sewer	48,421
Fire Protection Systems	1,020,872
Storm Water	2,479
Total	\$ 1,072,564

For Operating Purposes:	Amount
Sidewalks	\$ 286,098
Sewer	70,635
Fire Protection Systems	210,000
Contingency	1,588,482
Total	\$ 2,155,215

East Hants Water Utility



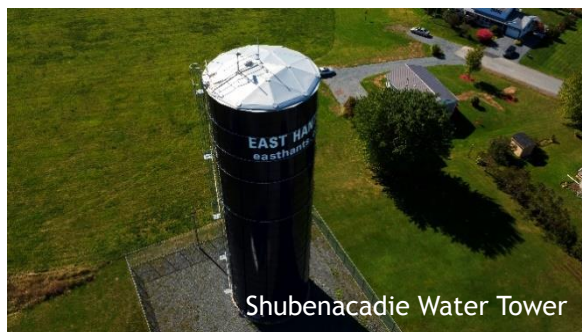
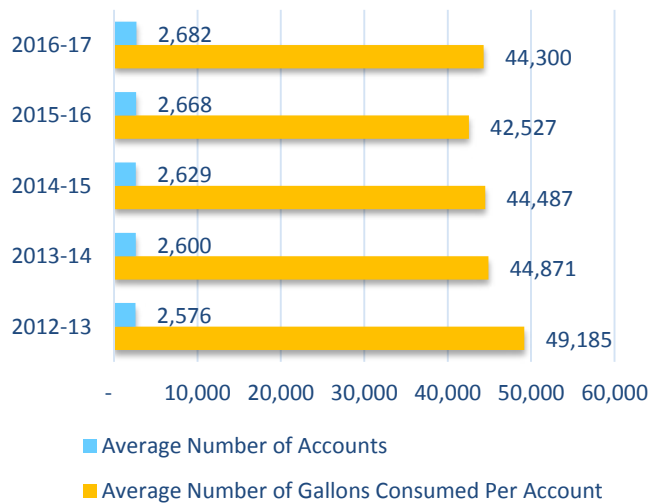
The East Hants Water Utility serves 2,729 customers in the communities of Shubenacadie, Lantz, Elmsdale and Enfield. The Utility also operates a bulk water station in Enfield that serves water haulers and residents throughout the region. The Municipality is accountable to the Nova Scotia Utility and Review Board (NSUARB) for all matters relating to water utility accounting and rate setting. East Hants received an approval from the UARB to increase rates effective July 1, 2017.

At March 31, 2017 the Utility showed an accumulated fund balance of \$908,490. Operating results for 2016/2017 reflect a positive change in fund balance (operating surplus) of \$26,290. This surplus is explained in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Bulk water revenue up due to weather conditions and additional capacity at the station	\$ (31,825)
Water Charges - Increase in Metered Sales \$17.4k and base charges of \$12.1k	(29,587)
Miscellaneous - Increase in water meter connections, installations and disconnections	(2,845)
Customer interest & penalty net of bank fees	1,963
Decrease in Public Fire Protection as per UARB Rules and Regulations	19,306
Water Infrastructure charges to pay for transmission main easements	69,706
Variance from budget to actual - Revenue	\$ 26,718
INCREASES / (DECREASES) IN EXPENSES	
Contracts and agreements	\$ (70,365)
Budgeted \$175k, spent \$105k in easements for both the Lantz & Enfield transmission mains	
Wages & Employer Benefits	(50,416)
Resulting from a vacant Engineer position and part time position plus savings in employer benefits	
Equipment & Property and Grounds Maintenance	(27,083)
Savings in repairs to the pumps, valves and monitors at the water treatment plants as well as repairs at the water towers	

Description	Amount
Computer & Admin support - the overall costs for administration, finance and IT support were less than budget	(19,913)
Other operating costs - savings in postage, advertising, bad debt and other operating costs	(14,297)
Professional fees - primarily savings in lab testing of the source water supply	(13,320)
Operational materials - primarily savings in chemicals	(6,801)
Savings in Vehicle Expenses - primarily in fuel	(4,155)
Amortization of Water Utility assets	496
Snow removal at water treatment plants and towers	10,350
Variance from budget to actual - Expense	(195,504)
Variance from budget to actual (surplus)	(168,786)
Original planned deficit	142,496
Net Surplus end of Year	\$ (26,290)

Average Water Consumption by Year

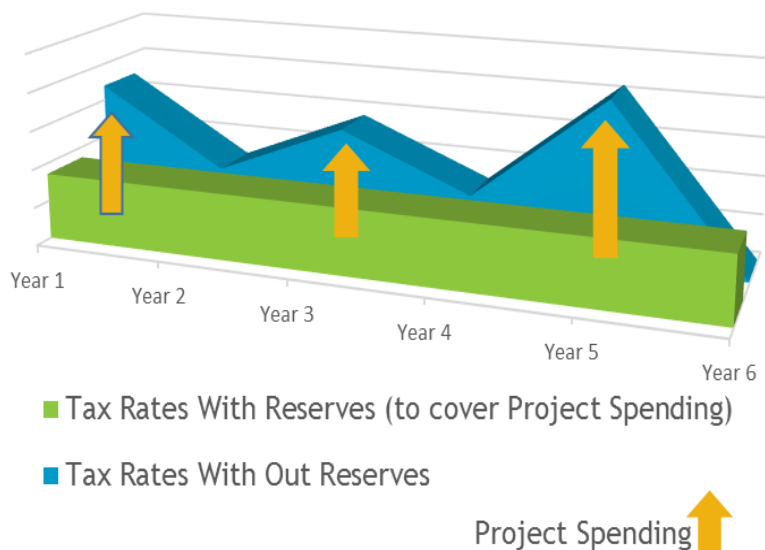


Reserves

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 82); Obligatory reserves are reported in the liabilities section of the Statement of Financial Position (Page 82).

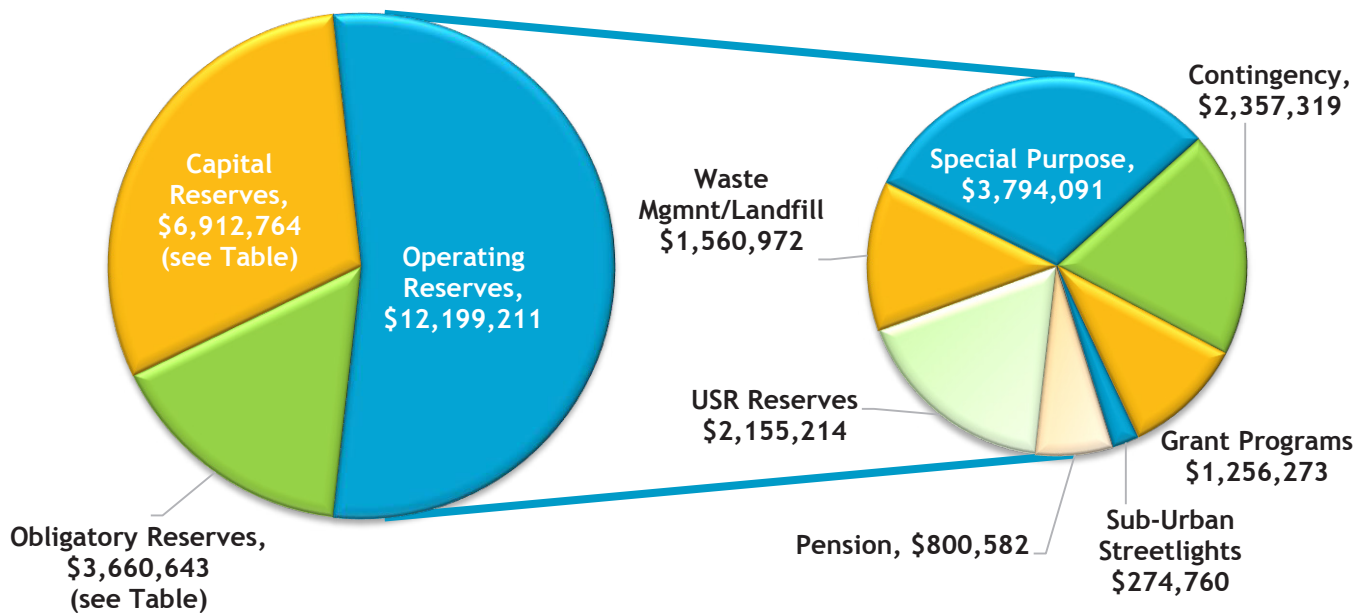


Reserves are key to the financial success of the Municipality and Council's ability to respond to the needs of East Hants residents and future development. Council needs to balance the desire to keep the tax burden as low as possible with the need for healthy reserve balances to ensure financial stability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

The Municipality has approximately \$22.8 million in operating and capital reserves. Of this amount, \$6.9 million is set aside for capital work and \$12.2 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 104, *Schedule of Reserve Operations*. The following graph summarizes the funds:

2016/2017 Reserves Held for Future Use - \$22.8M



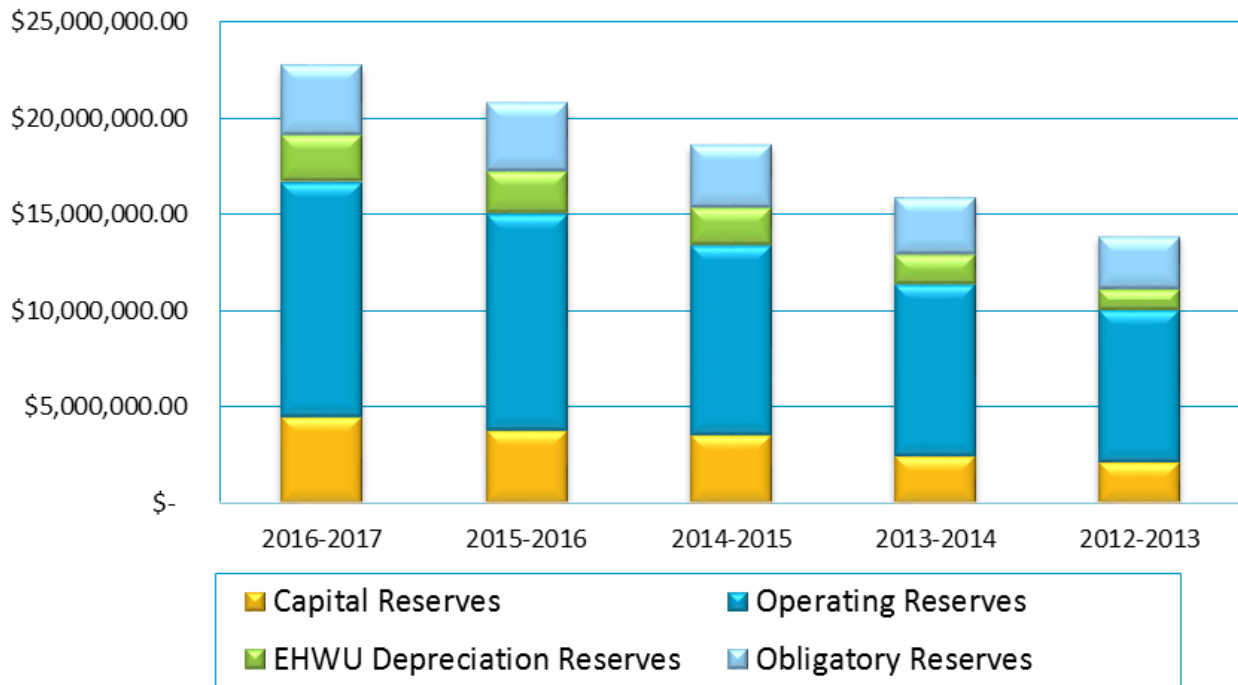
Capital Reserves	Amount	Obligatory Reserves	Amount
Water System Infrastructure	\$ 2,429,177	Sewer Infrastructure	\$ 2,505,722
USR Capital Reserves	1,072,564	Water Infrastructure	1,140,006
Industrial Park Expenditures	1,087,553	Green Space	14,915
Gas Tax Funding	1,823,067		
Landfill Site Post Closure	285,236		
Other	198,391		
Road Paving	16,776		
Total	\$ 6,912,764		\$ 3,660,643

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

- \$291,523 (\$330,643 in 2016) will be repaid to the operating reserve fund as the residents in Shubenacadie pay off the accumulated deficit of the Shubenacadie Water Utility.

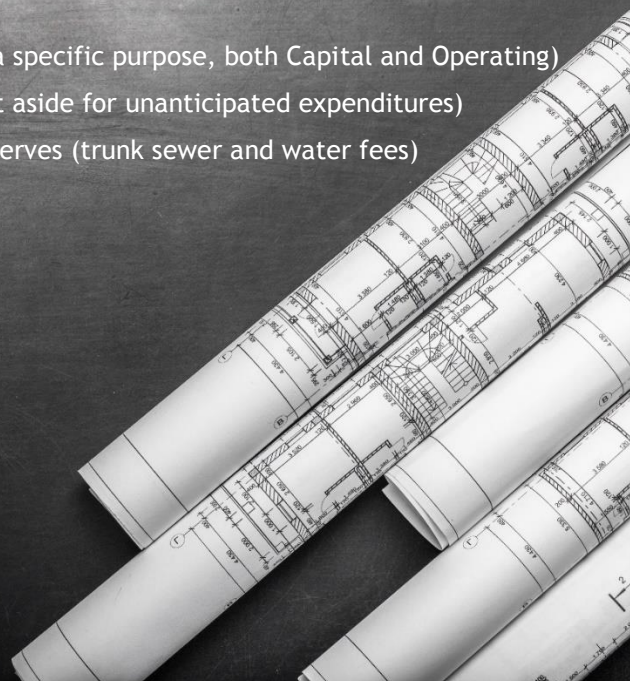
The chart below summarizes the reserve balances by of the municipality over the past five years:

East Hants Five-Year Reserves Comparison



TYPES OF RESERVES

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



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 2016/2017 are:

Grant Type	Recipient	Cost Covered	Amount
Annual Maintenance Grants for municipally owned properties	East Hants Museum Society (Tin Smith Shop)	2016 Annual Maintenance at Tin Smith Shop	\$ 11,000
Annual Maintenance Grants for municipally owned properties	Walton Area Development Association	2016 Annual Maintenance at Walton Lighthouse	4,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	East Hants Museum Society	2016 Staffing Grant	3,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	Burntcoat Head Park Association	2016 Staffing Grant	3,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	Walton Area Development Association	2016 Staffing Grant	3,000
Beautification Grant	Hardwood Lands Hall Committee	Landscaping, finish upgrades on new wheelchair ramp pressure wash siding	1,000
Beautification Grant	East Hants Museum Society	Install planters in front of Tinsmith Museum	350
Beautification Grant	Shubenacadie Community Development Association	Rebuild fence, landscaping and planting shrubs	1,000
Beautification Grant	Hardwood Lands Presbyterian Church	Landscaping and painting	1,000
Beautification Grant	Garden Meadows Community Society	Landscaping and sign	1,000
Beautification Grant	Girl Guides of Canada	Christmas decorations for heritage corner planter	70
Beautification Grant	United Church Cemetery	Grass mowing and trimming	1,820
Beautification Grant	CHart Society	Paint and flowers	600
Beautification Grant	Lantz Recreation Society	New sign at Sports field in Lantz	1,000
Beautification Grant	MDDA	Planting flowers at various sites	600

Grant Type	Recipient	Cost Covered	Amount
Beautification Grant	Maitland Fire Aux	Lawn maintenance	600
Beautification Grant	Four Points Community Club	Flowers and improvements to front area of Hall	600
Beautification Grant	East Hants Historical Society	Lawn mowing at East Hants Historical Society Museum Lower Selma; restoration of lawn at building face; replacement of museum sign posts; museum garden maintenance.	600
Beautification Grant	Admiral Rock Memorial Society	Cleaning and repair to siding on hall, mowing the lawn at the hall and cemetery and repairs to the church building.	600
Beautification Grant	Milford & District Lions Club	Park in Milford	8,000
Beautification Grant	Girl Guides of Canada	Beautification of community through community service, specifically by planting flowers in planter at Heritage Corner.	60
Beautification Grant	Kennetcook Community Visions	Welcome signage for the community.	750
Beautification Grant	Kennetcook District Fire Department	Lawn Maintenance	500
Beautification Grant	East Gore Community Hall	Lawn Maintenance	500
Beautification Grant	Community in Bloom	Flowers and Christmas Wreath	2,000
Beautification Grant	Noel Road Community Hall	Lawn care and painting.	500
Beautification Grant	East Gore Cemetery	Repairs to fence.	750
Beautification Grant	Hants North Baseball Association	Lawn care to ballfields and painting.	750
Beautification Grant	Elmsdale Fire Department	To help cover some of the cost of plants to complete the landscaping in front of the fire hall.	1,125
Beautification Grant	Elmsdale Beautification Society	To help cover some of the cost of hanging baskets.	1,125
Beautification Grant	Jennifer Marlow Woodcarving	To create, carve and paint a "Welcome to Mount Uniacke" sign.	1,348
Beautification Grant	Church of the Holy Spirit	Property upgrade - shrubs, gravel and topsoil.	500
Beautification Grant	Minasville Community Club	Lawn mowing and repairs to outside picnic area.	1,000
Beautification Grant	Walton Shore Volunteer Fire Department	Grounds maintenance and lawn mowing.	200
Beautification Grant	North Noel Road Cemetery	Mowing and landscaping.	1,000

Grant Type	Recipient	Cost Covered	Amount
Beautification Grant	Shubenacadie Community Development Association	Repairs to MacInnis Trail and Maintenance to trail.	650
Beautification Grant	Elmsdale Beautification Society	To assist with payment of poured concrete bases for benches by the gazebo and at corner by Caldwell Roach.	1,000
Beautification Grant	Milford Recreation Association	Promotion and advertising signage for Milford Recreation Association.	285
Charitable Organization Tax Exemptions	Stanley Sport Aviation Association	2016/2017 Taxes Bylaw F-400	2,003
Charitable Organization Tax Exemptions	East Hants Historical Society	2016/2017 Taxes Bylaw F-400	32
Charitable Organization Tax Exemptions	Corridor Community Options	2016/2017 Taxes Bylaw F-400	2,995
Charitable Organization Tax Exemptions	Hants North Medical Association	2016/2017 Taxes Bylaw F-400	1,236
Charitable Organization Tax Exemptions	Shubenacadie Community Development Association	2016/2017 Taxes Bylaw F-400	2
Charitable Organization Tax Exemptions	East Hants Municipal Housing	2016/2017 Taxes Bylaw F-400	174
Charitable Organization Tax Exemptions	Nine Mile River & District Volunteer Fire Department	2016/2017 Taxes Bylaw F-400	245
Charitable Organization Tax Exemptions	C W Saunders Lodge Hall 125	2016/2017 Taxes Bylaw F-400	2,100
Charitable Organization Tax Exemptions	Corridor Community Options Society	2016/2017 Taxes Bylaw F-400	12,225
Charitable Organization Tax Exemptions	Shubenacadie Hall & Grounds	2016/2017 Taxes Bylaw F-400	4,932
Charitable Organization Tax Exemptions	Noel Shore Hall Association	2016/2017 Taxes Bylaw F-400	916
Charitable Organization Tax Exemptions	Burntcoat Community Hall	2016/2017 Taxes Bylaw F-400	547
Charitable Organization Tax Exemptions	Noel Road Willing Workers Community Club	2016/2017 Taxes Bylaw F-400	1,759
Charitable Organization Tax Exemptions	East Gore Community Club Hall	2016/2017 Taxes Bylaw F-400	3,344

Grant Type	Recipient	Cost Covered	Amount
Charitable Organization Tax Exemptions	East Noel Community Club	2016/2017 Taxes Bylaw F-400	948
Charitable Organization Tax Exemptions	East Walton Community Hall	2016/2017 Taxes Bylaw F-400	1,089
Charitable Organization Tax Exemptions	Gore District Volunteer Fire Department	2016/2017 Taxes Bylaw F-400	3,228
Charitable Organization Tax Exemptions	Rawdon Gold Mines Community Hall	2016/2017 Taxes Bylaw F-400	2,810
Charitable Organization Tax Exemptions	Hall Foresters	2016/2017 Taxes Bylaw F-400	1,122
Charitable Organization Tax Exemptions	Hall Northfield	2016/2017 Taxes Bylaw F-400	371
Charitable Organization Tax Exemptions	Stanley & Mosherville Hall Association	2016/2017 Taxes Bylaw F-400	892
Charitable Organization Tax Exemptions	Tennecape Community Club	2016/2017 Taxes Bylaw F-400	1,171
Charitable Organization Tax Exemptions	Enfield & District Lions Club Association	2016/2017 Taxes Bylaw F-400	1,840
Charitable Organization Tax Exemptions	Milford Recreation Association	2016/2017 Taxes Bylaw F-400	10,254
Charitable Organization Tax Exemptions	Minasville Community Centre	2016/2017 Taxes Bylaw F-400	1,382
Charitable Organization Tax Exemptions	Lantz Recreation Society	2016/2017 Taxes Bylaw F-400	3,810
Charitable Organization Tax Exemptions	Trustees Clarksville	2016/2017 Taxes Bylaw F-400	406
Charitable Organization Tax Exemptions	Northern Hants Benevolent	2016/2017 Taxes Bylaw F-400	3,721
Charitable Organization Tax Exemptions	Rainbow Community Club Hall	2016/2017 Taxes Bylaw F-400	4,087
Charitable Organization Tax Exemptions	Trustees Of The Hardwood Land	2016/2017 Taxes Bylaw F-400	3,640
Charitable Organization Tax Exemptions	Maitland & District Development Association	2016/2017 Taxes Bylaw F-400	1,279



Grant Type	Recipient	Cost Covered	Amount
Charitable Organization Tax Exemptions	Trustees Of N M R	2016/2017 Taxes Bylaw F-400	4,010
Charitable Organization Tax Exemptions	Uniacke Lodge No 128 A F & A M	2016/2017 Taxes Bylaw F-400	2,352
Charitable Organization Tax Exemptions	Upper Nine Mile River Hall Association	2016/2017 Taxes Bylaw F-400	3,068
Charitable Organization Tax Exemptions	Four Points Community Centre	2016/2017 Taxes Bylaw F-400	3,607
Charitable Organization Tax Exemptions	East Hants Arena Association (Sportsplex)	2016/2017 Taxes Bylaw F-400	435,954
Charitable Organization Tax Exemptions	Rawdon Hills Health Centre Association	2016/2017 Taxes Bylaw F-400	3,667
Charitable Organization Tax Exemptions	Corridor Community Options Society	2016/2017 Taxes Bylaw F-400	1,575
Charitable Organization Tax Exemptions	Tot's Academy Child Care Society	2016/2017 Taxes Bylaw F-400	18,562
Charitable Organization Tax Exemptions	East Hants Water Utility	2016/2017 Taxes Bylaw F-400	223,464
Charitable Organization Tax Exemptions	Municipality of East Hants leased to E.H. Horne School Preservation Society	2016/2017 Taxes Bylaw F-400	6,596
Charitable Organization Tax Exemptions	Municipality of East Hants leased to Enfield Earthkeepers	2016/2017 Taxes Bylaw F-400	2,810
Charitable Organization Tax Exemptions	Landar - South Maitland Society	2016/2017 Taxes Bylaw F-400	4,311
Charitable Organization Tax Exemptions	Hants North Baseball Association	2016/2017 Taxes Bylaw F-400	879
Community Grants	Uniacke District Home and School	Running Club start up	250
Community Grants	EH Minor Hockey	Recreation Programming - Program Equipment	960
Community Grants	ACA Rangers Major Bantam Hockey	Recreation Programming - Travel to Atlantics	2,036
Community Grants	MADD East Hants	Event Hosting -Annual Tea Party	250
Community Grants	HNRH SAC	Recreation Programming- Keji Trip	1,000
Community Grants	Hants North Baseball Assoc.	Event Hosting - Hosting PeeWee Tournament	250
Community Grants	EH Family Resource Centre	Recreation Programming - Program equipment	985
Community Grants	EH Fundamental -	Recreation Programming - Purchase Floor Curling Equipment	1,000

Grant Type	Recipient	Cost Covered	Amount
Community Grants	Cobequid 4-H Club	Recreation Programming - Woodsman Program Equipment	1,000
Community Grants	HN Rec & Dev. Assoc.	Event Hosting - Outdoor Movie Night	250
Community Grants	HN Rec. Assoc.	Recreation Programming - Purchase equipment for programs	1,000
Community Grants	Walton Shore Fire Ways & Means	Event Hosting- 50th anniversary celebration	250
Community Grants	Canoe to the Sea	Event Hosting- Canoe to the Sea	250
Community Grants	CG '16 - Uniacke District Vol. Fire Dept.	Event Hosting - Uniacke Fire Fighters Youth Run	250
Community Grants	E.H. Swim Team	Leadership - Coaching Costs	2,500
Community Grants	Enfield Elmsdale & Dist. Lions	Event Hosting - Canada Day celebrations	250
Community Grants	JumpStart '16 - Stacy Pilgrim	Jumpstart - Lessons	600
Community Grants	Kathleen Singer	Ball NS U 15 Tournament Travel	100
Community Grants	Shubie Hay Days Committee	Canada Day Celebrations	250
Community Grants	Scotia Sting Basketball -16	Tournament Travel to T.O., Mont. & Maine - 3 EH Players	75
Community Grants	Basketball Nova Scotia U17	Gwenyth Ettinger-O'Leary U-18& provincial Basketball travel	100
Community Grants	Burntcoat Head Park Assoc.	Canada Day Celebrations	250
Community Grants	Enfield Races	Sparks Fly Stationary cycles for Schools	1,000
Community Grants	Scotia Sting Basketball	Tournament Travel to T.O., Mont. & Maine - 5 EH Players	125
Community Grants	Scotia Sting Basketball -12	Tournament Travel to T.O., Mont. & Maine - 2 EH Players	50
Community Grants	East Hants Senior Games	2016 Games events	250
Community Grants	Lantz Recreation Society	Lifeguard costs	1,000
Community Grants	BNS -U19 Provincial Team	Baseball NS Under 15 Tournament Travel	100
Community Grants	HN Jays - Mosquitos AA Team	Travel to Tournament	300
Community Grants	Noel & Dist. Fire Dept. Ladies	Teddy Bear Picnic	250
Community Grants	Wyatt Sanford	Travel for Boxing to Quebec	100
Community Grants	Lantz Recreation Society	Lantz Fall Fun Fair	250
Community Grants		Grant reversed from prior year	-250
Community Grants	Maple Ridge H&S	Fit Club start up	250
Community Grants	Tri County Basketball	Coaching Certifications	1,500
Community Grants	Special Olympics (Randall Leahy)	Special Olympics (soccer, baseball, bowling and curling)	165
Community Grants	Rawdon District Home and School	Fitness Program	500
Community Grants	Uniacke & District Scouting Ass'n	Community tree lighting/song books	250
Community Grants	East Hants Soccer Club U15 International team	International Soccer Tournament in Florida	375
Community Partnership Grant	East Hants Community Rider	Increase visibility and expansion of services to Hants North and Mount Uniacke.	15,000

Grant Type	Recipient	Cost Covered	Amount
Community Partnership Grant	East Hants Family Resource Centre	Annual operating grant	10,000
Community Partnership Grant	East Hants Sport Heritage Society	Organizational seed funding that included but was not limited to establishing a website and covering the costs of events and the annual awards	5,000
District Recreation Fund	Hants North Baseball Association	"Transfer Food Service from current food bus to building which includes buying proper kitchen hood and Fire Suppression equipment and install."	10,000
District Recreation Fund	Shubenacadie Elementary Home & School	Green Natural Playground and Outdoor Classroom.	6,352
District Recreation Fund	Shubenacadie Development Association	Top Coat Crusher Dust for Trail repair.	1,375
District Recreation Fund	Hants North Recreation & Development Association	Portable Basketball Nets for the Multi-purpose pad	2,000
District Recreation Fund	Maitland District Development Association	Park Maintenance, includes mowing of Dawson Dowell Park and insurance.	4,000
District Recreation Fund	Kennetcook District Fire Department	Construct a wheelchair ramp to community hall	2,035
District Recreation Fund	Uniacke District Home and School Association	Purchase new tables for cafeteria which are easily movable to be able to create a multipurpose room for community use.	8,000
District Recreation Fund	Upper Nine Mile River Community Hall Association	Painting the interior of the main hall.	1,500
District Recreation Fund	Hardwood Lands Community Centre	Replacing large windows, insulation and trim in the community hall	4,605
District Recreation Fund	Enfield Elmsdale and District Lions Club	Upgrade and Repair Ball field & 2 New sets of Bleachers.	3,854
District Recreation Fund	Minasville Community Centre	Purchase and Install a Heat Pump	1,294
District Recreation Fund	Rainbow Community Hall	Paving Community Hall parking lot	1,294
District Recreation Fund	Shubenacadie Hall and Grounds	Pool chemicals and Rubber Paint for Pool Tank, replacement of swing set swing seats and insurance.	1,321
District Recreation Fund	Milford Recreation Association	Main Entryway Renewal and Replacement; Costs include trails Maintenance and rebuilding, window replacements and surveying of property.	21,517
District Recreation Fund	Lantz Recreation Society	Athletic Field and fencing repairs, secondary parking lot and road repairs, canteen repairs and pool upgrades and repairs.	20,097
District Recreation Fund	Enfield Legion (Corridor Minor Baseball)	Ball field upgrades to meet district and provincial requirements; costs include the replacement of Replace dugouts, protective fence topping and batting cage.	14,167
District Recreation Fund	E.H. Horne School Preservation Society	Fire Code Upgrades, Heat Coil	15,074
Dr. JT Snow Bursary	Hants North Rural High School	High School Bursary	1,000
Dr. JT Snow Bursary	Hants East Rural High School	High School Bursary	1,000

Grant Type	Recipient	Cost Covered	Amount
Dr. JT Snow Bursary	Windsor and Area Education Fund Association (Avon View High School)	High School Bursary	1,000
Facility Access Grant	E.H. Youth Links	Facility Rentals	5,946
Fire Department Annual Operating Grant	Gore Volunteer Fire Department	2016/2017 Annual Operating Grant	9,209
Fire Department Annual Operating Grant	Walton Volunteer Fire Department	2016/2017 Annual Operating Grant	9,209
Fire Department Annual Operating Grant	Kennetcook Volunteer Fire Department	2016/2017 Annual Operating Grant	9,209
Fire Department Annual Operating Grant	Noel and District Volunteer Fire Department	2016/2017 Annual Operating Grant	9,209
Fire Department Annual Operating Grant	Rawdon District Volunteer Fire Department	2016/2017 Annual Operating Grant	9,209
Fire Department Annual Operating Grant	Maitland & District Volunteer Fire Department	2016/2017 Annual Operating Grant	9,209
Fire Department Emergency Grant	Maitland & District Volunteer Fire Department	Financial assistance for mold remediation.	16,044
Fire Department Emergency Grant	Walton Volunteer Fire Department	One third of the cost of a replacement pumper.	13,333
EMO Grant	Ground Search & Rescue	2016/2017 Annual operating grant	7,500
EMO Grant	Emergency Management Office (EMO) 2015/2016 Contribution - East Hants Special Hazards Response Unit	2016/2017 Annual operating grant	5,133
Event Grants	Uniacke Estate Museum	200 th Anniversary Celebrations	2,500
Event Grants	East Hants Arena Association Society/Tidefest	Three day Come Home East Hants Summer Festival. Cost include East Hants Music Festival, World's Largest Waster Toss Tournament, Everything Local Fair, Cards, Darts and Crib Tournament, etc.	10,000
Gas Tax Grant	Hants North Baseball Association	Grant to complete construction on Multipurpose Sport Pad	214,484
Gas Tax Grant	Mount Uniacke Mustangs Fastball Association	Baseball field improvements at the Uniacke & District Legion Branch #165	44,951
General Government Grant	Union of Nova Scotia Municipalities	Donation to Fort McMurray	1,000
General Government Grant	Hants County Christmas Angels Society	To support and assist Hants Country families and children at Christmas time to participate in the shared enjoyment of buying Christmas gifts and participating in their family traditions of celebrating the Christmas holidays.	1,000
General Government Grant	East Hants Historical Society	2016/2017 Annual Operating Grant	12,650

Grant Type	Recipient	Cost Covered	Amount
General Government Grant	Canadian Red Cross	2016/2017 Annual contribution to Canadian Red Cross prepared Campaign	4,423
General Government Grant	SPCA	2016/2017 Annual operating grant	3,000
General Government Grant	Hants County Exhibition	Operating grant for Hants County Exhibition	300
General Government Grant	Enfield, Elmsdale & District Lion's Club	Lion's club Enfield Playground	1,000
General Government Grant	EH Museum Society - Tin Smith Museum	Building Repairs	591
Heritage Incentive Program	Moose Brook Chapel & Cemetary Society	Re-shingle roof	2,000
Heritage Incentive Program	Merrill Miller of Maitland	Replace roof shingles	2,000
Heritage Incentive Program	Lisa Annand	Replace windows	2,000
Heritage Incentive Program	Catherine Yuill	Replace windows	2,000
Heritage Incentive Program	EH Historical Society	New Storm Windows	2,000
Insurance Premiums for Municipally owned and/or leased Tourism Properties	Walton Area Development Association	2016 Insurance Grant	1,154
Insurance Premiums for Municipally owned and/or leased Tourism Properties	Burntcoat Head Park Association	2016 Insurance Grant	1,815
Insurance Premiums for Municipally owned and/or leased Tourism Properties	East Hants Museum Society	2016 Insurance Grant	500
MTAP Program		Individual tax assistance based on Municipal Tax Assistance Program Council policy	95,482
Tourism Grants	Walton Area Development Association	"To support operations of the facility, banners through the community, webcam and internet costs, upgrades to interpretation on second floor, accessibility improvements and safety equipment, cover balance of federal and provincial student employment."	5,500
Tourism Grants	Burntcoat Head Park Association	To support the operations of the lighthouse and programming.	6,300
Tourism Grants	Maitland District Development Association	To support operations, facility improvements and visitor experience enhancements at the gallery. To support operations, signage and advertising costs at Dawson Dowell Park.	9,700
Tourism Grants	CHart Society	To Support the Maitland Launch Festival which will include events from April through December	3,500

Grant Type	Recipient	Cost Covered	Amount
Tourism Grants	East Hants Historical Society	To support replacing 10 windows in the Lower Selma Museum. They are applying for Canada 150 funding as well.	15,000
Total			\$1,561,914

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2017



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, 2017.

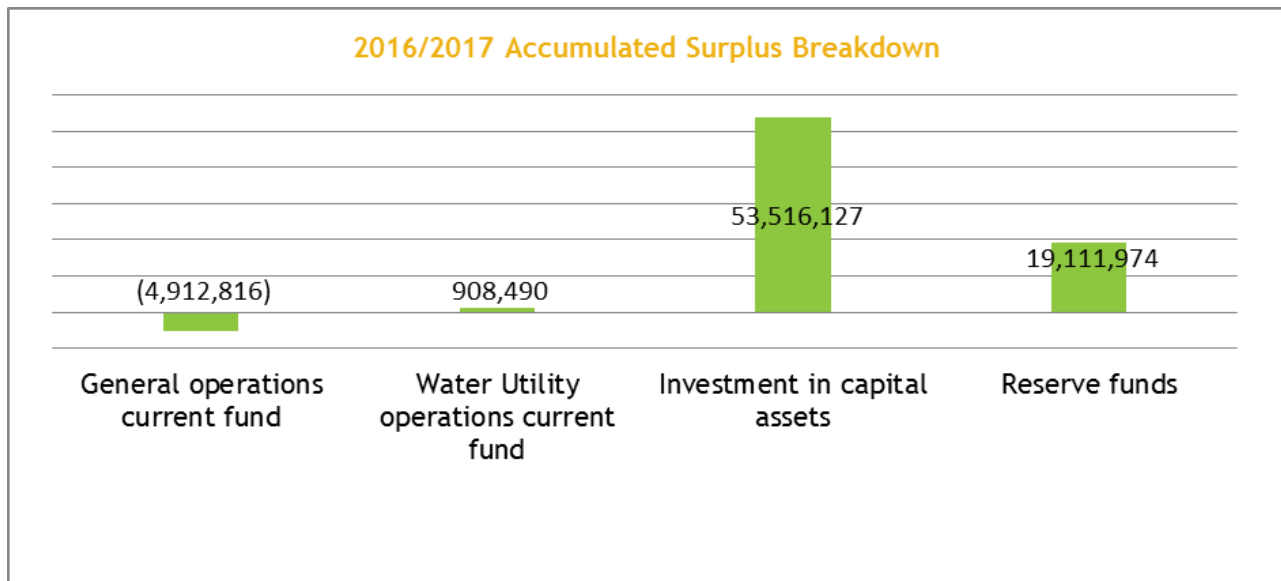
Management is responsible for such internal controls as determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audited Financial Statements are available on the Municipal website at www.easthants.ca.

There are four required PSAB 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 (\$68.6M) and a significant net debt which must be recovered through future tax revenues (see Statement of Changes in Net Debt). The following table shows a breakdown of the accumulated surplus by fund.



Consolidated Statement of Operations

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

The Consolidated Statement of Operations shows an annual surplus for the year of \$2,586,742 with a budgeted surplus of \$780,485. The variance of \$1,806,257 is accounted for as follows:

Description	Amount
VARIANCES FROM BUDGET TO ACTUAL - CONSOLIDATED SURPLUS	
General tax rate variance as per the general operations section (See Page 58-61)	\$ 413,197
Urban service tax rate variance as per the urban service rate section (See Page 61 & 62)	96,429
Transfers (see below)	809,703
Net gain on the sale/disposal of Municipal assets	465,242
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report - See Page 94)	(284,234)
Landfill liability adjustment based on PSAB requirements	(8,611)
Non Urban Streetlights, variance to budgeted surplus	11,766
Water utility variance as per the water utility section (See Page 63 & 64)	168,785
Interest earned on capital reserves	156,230
Principal Payments General Fund - Local Improvement - John Murray Drive (Provincial)	(6,600)
Principal Payments General Fund - Lantz Fire Department Recoverable	(15,650)
NET VARIANCE FROM BUDGET TO ACTUAL	\$ 1,806,257

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

Description	Amount
LED Streetlight savings (USR)	\$ 11,251
Pension surplus - Budget pension expense at 10.5% (GTR \$79,470 & USR \$2,695)	82,165
Fire Department - Training	10,000
Professional Fees - as per Council policy, transfer unspent funds to reserve	58,000
Grants - as per Council policy, transfer unspent funds to reserve	81,604
Other variances affecting to (from) reserves (pool roof & repairs, election, viticulture, FTIC, etc)	327,183
Properties, Parks Master Plan, Fundy Tidal Interp. Centre, CCME, EBD's REN, WMC Public Drop-Off &	239,500
TOTAL TRANSFERS	\$ 809,703

Statement of Changes in Net Debt

The statement is unique to PSAB reporting; the statement outlines the changes in net debt as a result of annual operations, tangible capital asset transactions and changes in other non-financial assets (pre-paid expenses and inventories). East Hants has strengthened its financial position in 2017 by reducing its net debt by \$3.0 million.

Statement of Cash Flow

The Statement of Cash Flow reports changes in cash and cash equivalents resulting from operating activity and shows how the Municipality financed its activities during the year and met its cash requirements. East Hants values fiscal responsibility and as such has a reserve program; including reserve balance, as of 2017 the consolidated cash balance is \$23.5 million.

MARCH 31, 2017 - CONSOLIDATED FINANCIAL STATEMENTS

Municipality of the District of East Hants

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March 31, 2017

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Municipality of the District of East Hants
 Consolidated Statement of Financial Position
 As at March 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash (Note 2)	\$ 23,461,556	\$ 21,832,056
Taxes and water rates receivable (Note 3)	2,519,597	2,471,186
Accounts receivable (Note 4)	1,175,707	1,508,049
	<u>27,156,860</u>	<u>25,811,291</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	1,838,252	2,882,559
Deferred revenue - general	1,548,185	1,479,203
Deferred revenue - obligatory reserve (Note 6)	3,660,644	3,578,057
Employee future benefits (Note 9 & 10)	1,264,565	959,334
Tax sale surplus	377,356	258,293
Net Long-term liabilities (Note 8)	26,479,010	27,688,711
	<u>35,168,012</u>	<u>36,846,157</u>
NET DEBT	<u>(8,011,152)</u>	<u>(11,034,866)</u>
NON FINANCIAL ASSETS		
Tangible capital assets (Note 7)	75,098,580	75,847,972
Work in progress (Note 7)	1,275,973	957,501
Inventory and prepaid expenses	260,374	266,426
	<u>76,634,927</u>	<u>77,071,899</u>
ACCUMULATED SURPLUS (Note 12d)	<u>\$ 68,623,775</u>	<u>\$ 66,037,033</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, 2017

	2017 Budget Unaudited (Note 16)	2017 Actual	2016 Actual
Revenues			
Property taxes (Note 13)	\$ 25,608,263	\$ 25,636,758	\$ 24,808,421
Grants in lieu of taxes	180,165	188,129	186,160
Sale of services	914,515	943,658	894,849
Other revenue from own sources	765,466	993,510	1,001,021
Unconditional transfers from other governments	179,300	461,305	204,181
Conditional transfers from federal or provincial government	249,706	162,850	178,559
Government grants	1,012,845	1,012,845	1,321,100
Development and other contributions applied	588,841	503,593	108,016
Water utility	1,702,085	1,765,578	1,751,389
Total Revenues	31,201,186	31,668,226	30,453,696
Expenses			
General government services	5,767,361	5,491,222	5,135,555
Protective services	6,852,029	6,787,112	6,575,019
Education services (Note 13)	4,860,710	4,861,500	4,641,048
Social services (Note 13)	74,000	63,130	61,121
Transportation services	2,128,754	2,223,469	2,054,185
Environmental health services	4,855,637	4,660,564	4,598,343
Environmental development services	1,789,830	997,119	1,204,153
Landfill closure/post closure costs	-	8,610	22,139
Recreation and cultural services	1,827,437	1,898,351	1,463,601
Water utility	2,264,943	2,090,407	2,103,007
Total Expenses	30,420,701	29,081,484	27,858,171
Annual Surplus	780,485	2,586,742	2,595,525
Accumulated Surplus, Beginning of Year	66,037,033	66,037,033	63,441,508
Accumulated Surplus, End of Year	\$ 66,817,518	\$ 68,623,775	\$ 66,037,033

Municipality of the District of East Hants
 Consolidated Statement of Changes in Net Debt
 Year Ended March 31, 2017

	2017 Budget Unaudited (Note 16)	2017 Actual	2016 Actual
Annual Surplus	\$ 780,485	\$ 2,586,742	\$ 2,595,525
Tangible Capital Assets and Work-in-Progress			
Acquisition of tangible capital assets	(3,644,246)	(2,357,616)	(2,413,378)
Amortization of tangible capital assets	2,740,804	2,740,804	2,714,763
Net gain on sale of tangible capital assets	(465,242)	(465,242)	(258,198)
Proceeds on sale of tangible capital assets	512,974	512,974	302,480
	<u>(855,710)</u>	<u>430,920</u>	<u>345,667</u>
Other Non-Financial Assets			
Decrease in inventory and prepaid expenses	-	6,052	93,834
Decrease (Increase) in Net Debt	(75,225)	3,023,714	3,035,026
Net Debt, Beginning of Year	(11,034,866)	(11,034,866)	(14,069,892)
Net Debt, End of Year	\$ (11,110,091)	\$ (8,011,152)	\$ (11,034,866)

Municipality of the District of East Hants
 Consolidated Statement of Changes of Cash Flow
 Year Ended March 31, 2017

	2017	2016
Operating Transactions		
Annual surplus	\$ 2,586,742	\$ 2,595,525
Add amortization of tangible capital assets	2,740,804	2,714,763
	<u>5,327,546</u>	<u>5,310,288</u>
Changes in Non-Cash Assets and Liabilities		
Decrease (increase) in accounts receivable	332,342	(276,864)
Increase in taxes receivable	(48,411)	(179,159)
Decrease in accounts payable and accruals	(1,044,307)	(130,939)
Increase in tax sale surplus	119,063	72,738
Increase in deferred revenue	151,569	334,646
Increase in employee benefits/other obligations	305,231	231,349
Decrease in inventory and prepaid expenses	6,051	93,834
Net gain on sale of tangible capital assets	(465,242)	(258,198)
	<u>(643,704)</u>	<u>(112,593)</u>
Net Change in Cash From Operations	<u>4,683,842</u>	<u>5,197,695</u>
Financing Transactions		
Long-term liabilities issued (Note 8e)	340,000	1,071,000
Long-term liabilities retired (Note 8c)	(1,549,700)	(1,635,953)
	<u>(1,209,700)</u>	<u>(564,953)</u>
Capital Transactions		
Additions to tangible capital assets	(2,039,144)	(2,329,304)
Increase in work in progress	(318,472)	(84,074)
Proceeds on sale of tangible capital assets	512,974	302,480
	<u>(1,844,642)</u>	<u>(2,110,898)</u>
Increase in Cash Position	1,629,500	2,521,844
Cash Position, Beginning of Year	21,832,056	19,310,212
Cash Position, End of Year	<u>\$ 23,461,556</u>	<u>\$ 21,832,056</u>

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 2017 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 2,729 customer utility that operates two modern water treatment plants and related infrastructure.

2. **Cash**

Cash is comprised of:

	<u>2017</u>	<u>2016</u>
Bank	\$ 20,305,913	\$ 18,838,420
Restricted cash (obligatory reserves)	3,155,643	2,993,636
	<u>\$ 23,461,556</u>	<u>\$ 21,832,056</u>

Cash (Continued)

Administered bank accounts

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

3. Taxes and Rates Receivable

Taxes receivable have been recorded net of an allowance for doubtful accounts of \$31,967 (2016 - \$30,215), representing management's estimate of uncollectible accounts.

4. Accounts Receivable

The balance for accounts receivable on the consolidated Statement of Financial Position totaled \$1,175,707 (2016 - \$1,508,049). The balance is comprised of the following:

	<u>2017</u>	<u>2016</u>
Amounts due from provincial/federal government	\$ 234,923	\$ 264,265
Loan to Lantz fire department	270,484	286,466
Local Improvement Loan	119,400	66,000
Council Stipend/Salary Overpayment	-	11,040
Other	550,900	880,278
	<u>\$ 1,175,707</u>	<u>\$ 1,508,049</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>2017</u>	<u>2016</u>
Liability for closure/post closure costs - landfill	\$ 285,236	\$ 276,625
Salaries & wages payable	223,716	216,371
Trade payables and accruals	1,329,300	2,389,563
	<u>\$ 1,838,252</u>	<u>\$ 2,882,559</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

6. Deferred Revenue - Obligatory Reserve

	<u>2017</u>	<u>2016</u>
Sewer balance at beginning of year	\$ 2,403,946	\$ 2,255,523
Sewer developer charges (including interest)	112,348	188,951
Transfer - Capital Projections	(7,115)	(10,372)
Transfer - Sewer Capacity Study	(3,457)	(30,156)
Sewer balance at end of year	<u>\$ 2,505,722</u>	<u>\$ 2,403,946</u>
Water balance at beginning of year	\$ 1,159,329	\$ 1,002,322
Water developer charges (including interest)	85,972	157,007
Transfer - Lantz & Enfield Easements	(105,295)	-
Water balance at end of year	<u>\$ 1,140,006</u>	<u>\$ 1,159,329</u>
Green Space balance at beginning of year	\$ 14,782	\$ 14,643
Green Space contributions (including interest)	134	139
Green Space balance at end of year	<u>\$ 14,916</u>	<u>\$ 14,782</u>
Sewer Developer Charges	\$ 2,505,722	\$ 2,403,946
Water Developer Charges	1,140,006	1,159,329
Green Space Contributions	14,916	14,782
	<u>\$ 3,660,644</u>	<u>\$ 3,578,057</u>

7. Tangible Capital Asset Continuity Schedule

	General Capital Assets				Infrastructure				2017 TOTAL	2016 TOTAL
	Land & Land Improvements	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities	Assets in WIP		
Cost										
Opening Costs	\$ 3,437,221	\$ 12,499,678	\$ 2,629,666	\$ 270,694	\$ 56,799,557	\$ 6,301,004	\$ 23,820,346	\$ 957,501	\$ 106,715,667	\$ 104,347,061
Additions during year	824,509	533,329	210,136	85,359	263,205	-	122,607	869,094	2,908,239	2,936,193
Disposals & Write downs	(47,732)	-	-	-	-	-	-	(550,622)	(598,354)	(567,587)
Closing Costs	4,213,998	13,033,007	2,839,802	356,053	57,062,762	6,301,004	23,942,953	1,275,973	109,025,552	106,715,667
Accumulated Amortization										
Opening Accum. Amortization	N/A	3,274,715	1,822,036	144,986	18,468,946	1,266,009	4,933,502	-	29,910,194	27,195,921
Amortization in Year	N/A	320,885	228,372	29,638	1,641,858	165,723	354,329	-	2,740,805	2,714,763
Adj/Disposals - Accum Amort	N/A	-	-	-	-	-	-	-	-	(490)
Acc Amort - End of Year	-	3,595,600	2,050,408	174,624	20,110,804	1,431,732	5,287,831	-	32,650,999	29,910,194
Net Book Value	\$ 4,213,998	\$ 9,437,407	\$ 789,394	\$ 181,429	\$ 36,951,958	\$ 4,869,272	\$ 18,655,122	\$ 1,275,973	\$ 76,374,553	\$ 76,805,473

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

8. Long-Term Liabilities

a) Of the \$26,479,010 long-term liabilities (2016 - \$27,688,711) certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2017</u>	<u>2016</u>
General revenues	\$ 2,895,497	\$ 2,760,981
Local improvement charges	214,245	211,556
Area rates	9,373,823	10,043,572
Sale of land in Industrial Parks	2,710,124	2,900,267
Water charges	4,529,546	4,741,660
Tenants rent	6,491,455	6,750,705
Loan to Lantz fire department	264,320	279,970
	<u>\$ 26,479,010</u>	<u>\$ 27,688,711</u>

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

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2023-2031</u>
General Government	\$ 19,400	\$ 310,700	\$ -	\$ -	\$ -	\$ -
Transportation	473,671	746,878	406,386	404,013	408,274	2,924,364
Environmental Development	192,419	251,251	783,226	344,044	117,570	1,021,615
Environmental Health	231,981	89,351	62,989	66,140	623,265	363,204
Sewers	115,766	119,753	95,897	99,213	102,780	939,928
Recreation	142,821	149,162	156,046	163,522	171,568	1,958,717
Buildings	269,290	279,960	291,280	3,086,875	98,000	2,466,050
Water Utilities	220,424	229,162	228,213	237,421	1,615,340	1,998,986
Hospital	30,016	31,356	32,770	34,563	35,932	657,850
Lantz Fire Department	16,455	17,300	18,200	19,135	20,120	173,110
Tourism	28,000	28,000	28,000	28,000	28,000	140,000
Fire Dept Equipment	8,298	8,627	8,988	9,379	-	-
Total:	<u>\$ 1,748,541</u>	<u>\$ 2,261,500</u>	<u>\$ 2,111,995</u>	<u>\$ 4,492,305</u>	<u>\$ 3,220,849</u>	<u>\$ 12,643,824</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>2017</u>	<u>2016</u>
Principal	\$ 1,549,700	\$ 1,635,953
Interest	1,200,254	1,252,249
	<u>\$ 2,749,954</u>	<u>\$ 2,888,202</u>

8. Long-Term Liabilities (Continued)

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

	<u>2017</u>	<u>2016</u>
General revenues	\$ 821,860	\$ 930,618
Local improvement charges	76,603	116,532
Area rates	1,119,784	1,104,792
Sale of land in industrial parks	301,511	304,519
Water charges	430,196	431,741
	<u>\$ 2,749,954</u>	<u>\$ 2,888,202</u>

e) Total long-term liabilities issued in 2016 were for the Burntcoat Park Development \$280,000 and Lohnes & Hubley Road Paving \$60,000. Both are being amortized over 10 years and the interest rate is 1.15% to 2.506%.

9. Employee Future Benefits

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

10. Pension Plan

The Municipality operates a defined benefit pension plan, which provides benefits to employees upon retirement. The accrued benefit obligation as at March 31, 2017 is based on an actuarial valuation for accounting purposes as at December 31, 2015, with adjustments based on additional information provided to the actuary in 2016. The next actuarial valuation for accounting purposes is to be prepared as of December 31, 2016. The accrued benefit obligation has changed due to, among other assumption changes, a decrease in the discount rate used and the change in the mortality assumption. All plan assets are held by various Manulife Funds.

	Estimated <u>December 31, 2016</u>	Estimated <u>December 31, 2015</u>
Accrued Benefit Obligation	\$14,845,731	\$13,694,166
Fair Value Plan Asset	<u>9,664,770</u>	<u>9,547,285</u>
Funded Status - (Plan Deficit) Surplus	<u>\$(5,180,961)</u>	<u>\$(4,146,881)</u>

10. Pension Plan (Continued)

The significant actuarial assumptions adopted measuring the Municipality's accrued benefit obligation as at December 31, 2016 were as follows:

	<u>Dec.31, 2016</u>	<u>Dec. 31, 2015</u>
Expected long-term rate of return on plan assets	6.25%	6.25%
Rate of compensation increase	3.00%	3.00%
Discount rate used to determine benefit obligation	3.75%	3.75%

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

An actuarial valuation of the pension plan was performed for accounting purposes using the projected benefit method prorated on service. The unamortized actuarial loss is amortized over the expected average remaining service life ("EARSL") of the employee group; EARSL in 2017 was 17 years and it was 16 years in 2016.

	<u>Dec.31, 2016</u>	<u>Dec. 31, 2015</u>
Accrued benefit obligation, net of plan assets	\$5,180,961	\$4,146,881
Unamortized actuarial loss	<u>(4,117,705)</u>	<u>(3,367,859)</u>
Benefit liability recorded in the statement of financial position	<u>\$1,063,256</u>	<u>\$779,022</u>

During the year, the Municipality contributed \$228,552 (\$261,194 in 2016) and the employees contributed \$163,127 (\$183,165 in 2016) to the plan. Benefit payments for the year totaled \$436,598 (\$668,742 in 2016).

Administrative fees paid during the 2016/2017 fiscal year totaled \$16,103; Plan Valuation costs were \$16,834.

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 \$285,236 (2016 - \$276,625) 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>2017</u>	<u>2016</u>
Long term liabilities issued to fund Hospital	(822,488)	(851,238)
Long term liabilities issued to fund Sportsplex	(2,741,836)	(2,878,867)
Unfunded pension liability	(1,063,256)	(779,022)
Landfill liability funded by reserves	(285,236)	(276,625)
	<u>(4,912,816)</u>	<u>(4,785,752)</u>
Water utility operation	908,490	882,200
	<u>\$ (4,004,326)</u>	<u>\$ (3,903,552)</u>

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

	<u>2017</u>	<u>2016</u>
Tangible capital assets	\$ 75,098,580	\$ 75,847,972
Work in progress	1,275,973	957,501
Funds yet to be provided from long term debt	(327,459)	(475,145)
Long term liabilities capital	(22,530,967)	(23,612,637)
	<u>\$ 53,516,127</u>	<u>\$ 52,717,691</u>

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

	<u>2017</u>	<u>2016</u>
Working funds	\$ 12,199,210	\$ 11,236,147
Replacement of equipment/assets	6,627,528	5,710,122
Landfill closure/post closure liability	285,236	276,625
	<u>\$ 19,111,974</u>	<u>\$ 17,222,894</u>

12. Municipal Fund Balances (Continued)

d) Consolidated Accumulated Surplus:

	<u>2017</u>	<u>2016</u>
Current funds	\$ (4,004,326)	\$ (3,903,552)
Capital asset funds	53,516,127	52,717,691
Reserve funds	19,111,974	17,222,894
	<u>\$ 68,623,775</u>	<u>\$ 66,037,033</u>

13. Taxation

	<u>2017</u>	<u>2016</u>
Taxation from real property	\$ 25,636,758	\$ 24,808,421
Less: Taxation collected to pay mandatory provincial taxes for:		
Education Services	(4,861,500)	(4,641,048)
Social Services	(63,130)	(61,121)
Corrections	(285,881)	(284,519)
Net taxes available for municipal purposes	<u>\$ 20,426,247</u>	<u>\$ 19,821,733</u>

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

	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
Council			
Warden James D. Smith	\$ 38,776	\$ 4,769	\$ 43,545
Cecil Dixon	19,902	544	20,446
Stephen King	8,540	227	8,767
Eldon Hebb	19,902	544	20,446
Pam Macinnis	8,540	227	8,767
Keith Rhyno	14,705	2,595	17,300
Wayne Greene	21,001	688	21,689
Heather A. Smith	8,540	1,033	9,573
Cyril McDonald	24,173	836	25,009
Elie Moussa	9,169	227	9,396
Eleanor Roulston	22,711	2,551	25,262
Rosanne Bland	18,218	317	18,535
Albert Flemming	11,648	847	12,495
Greg Grant	11,859	317	12,176
John A. MacDonald	11,438	317	11,755
Norval Mitchell	11,438	960	12,398
Willy Versteeg	11,438	317	11,755
Chief Administrative Officer*	211,326	6,343	217,669
	<u>\$ 483,324</u>	<u>\$ 23,659</u>	<u>\$ 506,983</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 \$264,320 (2016 - \$279,970).

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.

17. **Commitments**

The Municipality has outstanding contractual obligations of approximately \$1.1 million at March 31, 2017 for the design and project management of the Aquatics Facility.

The Municipality has also entered into an agreement with the Penny Group Inc. to fund a portion of the Sherwood Park Pumping Station to a maximum contribution of \$83,860.00 excluding HST. Work is expected to take place summer/fall 2017.

Council has authorized the financing of these obligations.

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Municipal Operations
 Year Ended March 31, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
Revenue			
Property taxes	\$ 25,608,263	\$ 25,636,758	\$ 24,808,421
Grants in lieu of taxes	180,165	188,129	186,160
Sale of services	914,515	943,658	894,849
Other revenue from own sources	1,596,716	1,653,781	1,655,985
Unconditional transfers from other governments	179,300	461,305	204,181
Conditional transfers from federal or provincial government agencies	249,706	162,850	178,559
Development and other contributions applied	19,000	3,457	24,685
Other transfers	400,000	178,756	400,000
	<u>29,147,665</u>	<u>29,228,694</u>	<u>28,352,840</u>
Expenses			
General government services	5,986,828	5,729,520	5,375,738
Protective services	7,366,793	7,282,570	7,029,522
Education	4,860,710	4,861,500	4,641,048
Social services	74,000	63,130	61,121
Transportation services	1,096,613	1,191,327	1,029,377
Environmental health services	4,567,087	4,132,955	4,285,773
Environmental development services	1,618,221	1,290,751	1,299,118
Landfill closure/post closure costs	-	8,610	22,139
Recreation and cultural services	1,887,758	1,962,676	1,528,562
	<u>27,458,010</u>	<u>26,523,039</u>	<u>25,272,398</u>
Net Revenue	<u>1,689,655</u>	<u>2,705,655</u>	<u>3,080,442</u>
Financing and Transfers			
Debt principal repayment	1,337,591	1,315,336	1,416,863
(Decrease) increase in amounts to be recovered	-	(292,844)	(235,537)
Transfer to capital fund	165,000	273,605	123,533
Transfer to capital reserves	328,161	305,505	(12,445)
Transfer to operating reserves	(141,097)	1,104,053	1,788,028
	<u>1,689,655</u>	<u>2,705,655</u>	<u>3,080,442</u>
Change in Fund Balance	-	-	-
Opening Fund Balance	(4,785,752)	(4,785,752)	(4,709,586)
Change in Long-Term Liabilities	165,783	165,781	159,371
Change in Unfunded Pension Liability	-	(284,235)	(213,398)
Change in Landfill Liability	-	(8,610)	(22,139)
Closing Fund Balance (Note 12)	<u>\$ (4,619,969)</u>	<u>\$ (4,912,816)</u>	<u>(4,785,752)</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Municipal Operations
 Year Ended March 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 4,243,691	\$ 4,849,844
Taxes and rates receivable	1,932,070	1,922,971
Accounts receivable	1,009,611	1,163,997
	<u>7,185,372</u>	<u>7,936,812</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,591,805	2,667,962
Deferred revenue - general	1,501,492	1,431,713
Deferred revenue - obligatory reserve	3,660,644	3,578,057
Employee benefits and other obligations	1,264,565	959,334
Tax sale surplus	377,356	258,293
Long term liabilities	3,948,043	4,076,078
	<u>12,343,905</u>	<u>12,971,437</u>
NET DEBT	<u>(5,158,533)</u>	<u>(5,034,625)</u>
NON FINANCIAL ASSETS		
Inventory and prepaid expenses	<u>245,717</u>	<u>248,873</u>
ACCUMULATED SURPLUS	<u>\$ (4,912,816)</u>	<u>\$ (4,785,752)</u>

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Water Utility
 Year Ended March 31, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
Revenue	<u>\$ 2,279,243</u>	<u>\$ 2,323,428</u>	<u>\$ 2,268,286</u>
Expenses			
Operating	1,812,709	1,617,908	1,622,068
Interest on debt	218,082	218,082	227,531
Amortization expense	353,833	354,329	342,114
	<u>2,384,624</u>	<u>2,190,319</u>	<u>2,191,713</u>
Net Revenue	<u>(105,381)</u>	<u>133,109</u>	<u>76,573</u>
Transfers and Financing			
Principal debt payment	212,115	212,114	204,210
Transfer from Obligatory Water Reserve	(175,000)	(105,295)	-
Transfer to capital	-	-	27,853
	<u>37,115</u>	<u>106,819</u>	<u>232,063</u>
Change in Fund Balance	<u>(142,496)</u>	<u>26,290</u>	<u>(155,490)</u>
Opening Fund Balance	<u>1,037,690</u>	<u>882,200</u>	<u>1,037,690</u>
Closing Fund Balance	<u>\$ 895,194</u>	<u>\$ 908,490</u>	<u>\$ 882,200</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Water
 Year Ended March 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 394,028	\$ 377,779
Water rates receivable	587,527	548,215
Accounts receivable	36,540	74,402
	<u>1,018,095</u>	<u>1,000,396</u>
LIABILITIES		
Accounts payable and accrued liabilities	88,815	97,897
Deferred revenue - general	35,447	37,854
	<u>124,262</u>	<u>135,751</u>
NET ASSETS	<u>893,833</u>	<u>864,645</u>
NON FINANCIAL ASSETS		
Inventory and prepaid expenses	14,657	17,555
ACCUMULATED SURPLUS	<u>\$ 908,490</u>	<u>\$ 882,200</u>

Municipality of the District of East Hants
 Schedule of Capital Fund Operations - Municipal Operations
 Year Ended March 31, 2017

	2017 Actual	2016 Actual
Revenue		
Government grants	\$ 229,293	\$ 320,140
Development and other contributions applied	394,841	58,930
	<u>624,134</u>	<u>379,070</u>
Expenses		
General government services	275,572	276,684
Protective services	62,394	62,394
Transportation services	1,032,140	1,024,807
Environmental health services	795,468	796,239
Environmental development services	(293,632)	(94,964)
Recreation and cultural services	49,291	49,291
	<u>1,921,233</u>	<u>2,114,451</u>
Net	(1,297,099)	(1,735,381)
Financing and Transfers		
Principal payments	(1,361,669)	(1,461,702)
Transfers from reserves	(460,261)	(1,071,727)
Transfers from operations	(273,605)	(151,386)
	<u>(2,095,535)</u>	<u>(2,684,815)</u>
Change in Fund Balance	798,436	949,434
Opening Fund Balance	52,717,691	51,768,257
Closing Fund Balance (Note 12)	<u>\$ 53,516,127</u>	<u>\$ 52,717,691</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Municipal Capital Fund
 Year Ended March 31, 2017

	2017	2016
FINANCIAL ASSETS		
Accounts receivable	\$ 129,556	\$ 269,650
	<u>129,556</u>	<u>269,650</u>
LIABILITIES		
Bank Indebtedness	288,137	618,461
Accounts payable and accrued liabilities	157,632	116,699
Deferred revenue - general	11,246	9,636
Net long term liabilities	22,530,967	23,612,636
	<u>22,987,982</u>	<u>24,357,432</u>
NET DEBT	<u>(22,858,426)</u>	<u>(24,087,782)</u>
NON FINANCIAL ASSETS		
Tangible capital assets	75,098,580	75,847,972
Work in progress	1,275,973	957,501
	<u>76,374,553</u>	<u>76,805,473</u>
ACCUMULATED SURPLUS	<u>\$ 53,516,127</u>	<u>\$ 52,717,691</u>

Municipality of the District of East Hants
 Schedule of Reserve Operations
 Year Ended March 31, 2017

	2017 Actual	2016 Actual
Revenue		
Investment income	\$ 156,231	\$ 148,531
Non Governmental Grants	-	24,401
Government grants	783,553	1,000,960
	<u>939,784</u>	<u>1,173,892</u>
Net Transfers From/To Other Funds		
Transfers from Current Fund	(1,409,558)	(1,775,583)
Transfers to Capital Fund	460,261	1,071,727
	<u>(949,297)</u>	<u>(703,856)</u>
Net Change in Reserve Funds	1,889,081	1,877,747
Opening Reserve Fund Balance	17,222,894	15,345,147
Closing Reserve Fund Balance (Note 12)	<u>\$ 19,111,974</u>	<u>\$ 17,222,894</u>
Analyzed as follows:		
Reserves set aside for specific purposes		
Operating Contingencies/Surplus	\$ 3,308,689	\$ 3,008,931
Solid Waste Diversion Operations	13,445	43,000
General Government	942,871	875,441
Solid Waste Management Facilities/Equipment	1,589,613	1,425,145
Office Equipment	272,019	215,588
Computer Hardware/Software	298,908	205,829
Pool Building and Equipment	446,841	750,299
Transportation and Equipment	1,040,046	953,528
Recreation and Leisure	71,351	16,351
Emergency Measures	194,899	184,899
Passenger Vehicles	156,702	164,750
Gas Tax Excess	1,823,067	1,693,318
Resource Center	160,000	140,000
Industrial Park Land Development (fr Sales)	1,087,553	607,449
Landfill Closure/Post Closure Costs	285,236	276,625
District Beautification Funds	12,106	31,989
Emergency Grant Fund-Fire Departments	541,943	322,360
Tourism Grant Fund/Capital	127,113	123,695
Economic Development Operations	151,040	188,248
District Recreation Grant Fund	263,917	230,421
Tourism Economic Development Fund	120,000	90,000
Rural Economic Development Fund	207,787	177,787
CSR Contingencies	1,588,482	1,395,001
Lights Communities	146,126	131,751
Lights Other Surplus	128,335	114,864
Corridor Fire Protection System	1,230,873	1,243,200
Sportsplex	67,889	30,383
Sewer System	119,056	169,531
Sidewalks Excess Debenture/Operations	286,890	234,776
East Hants Water system	2,429,177	2,177,735
	<u>\$ 19,111,974</u>	<u>\$ 17,222,894</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Reserves Fund
 Year Ended March 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 19,111,974	\$ 17,222,894
	<u>19,111,974</u>	<u>17,222,894</u>
ACCUMULATED SURPLUS	<u>\$ 19,111,974</u>	<u>\$ 17,222,894</u>

Municipality of the District of East Hants
 Reconciliation of the Financial Plan to the PSAS Budget
 Year Ended March 31, 2017

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	Elimination Entries	PSAS Budget
REVENUE								
Taxes	\$ 25,608,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,608,263
Water utility	-	2,279,243	-	-	-	-	(577,158)	1,702,085
Grants in lieu of taxes	180,165	-	-	-	-	-	-	180,165
Sale of services	914,515	-	-	-	-	-	-	914,515
Other revenue from own sources	1,596,716	-	-	-	-	-	(831,250)	765,466
Unconditional transfers from other	179,300	-	-	-	-	-	-	179,300
Conditional transfers from government	249,706	-	-	-	-	-	-	249,706
Government grants	-	-	-	1,012,845	-	-	-	1,012,845
Development and other contributions applied	19,000	-	-	394,841	-	-	-	413,841
Other transfers	400,000	-	-	-	-	-	(400,000)	-
Transfers from reserves (capital/operating)	-	175,000	-	-	-	-	-	175,000
Total revenue	29,147,665	2,454,243	-	1,407,686	-	-	(1,808,408)	31,201,186
EXPENSES								
General government services	5,986,828	-	275,572	-	-	-	(495,039)	5,767,361
Protective services	7,366,793	-	62,394	-	-	-	(577,158)	6,852,029
Education services	4,860,710	-	-	-	-	-	-	4,860,710
Social Services	74,000	-	-	-	-	-	-	74,000
Transportation services	1,096,613	-	1,032,141	-	-	-	-	2,128,754
Environmental health services	4,567,087	-	795,468	-	-	-	(506,918)	4,855,637
Water utility	-	2,384,624	-	-	-	-	(119,681)	2,264,943
Environmental development services	1,618,221	-	171,609	-	-	-	-	1,789,830
Landfill closure/post closure costs	-	-	-	-	-	-	-	-
Recreation and cultural services	1,887,758	-	49,291	-	-	-	(109,612)	1,827,437
Transfer to capital	165,000	-	-	(1,361,669)	(165,000)	-	-	-
Debt charges - principal payment	1,337,591	212,115	-	-	(188,037)	-	-	-
Transfer to reserves (capital/operating)	187,064	-	-	-	(187,064)	-	-	-
Total expenses	29,147,665	2,596,739	2,386,475	(1,361,669)	(352,064)	(188,037)	(1,808,408)	30,420,701
Surplus (Deficit)	\$ -	\$ (142,496)	\$ (2,386,475)	\$ 2,769,355	\$ 352,064	\$ 188,037	\$ -	\$ 780,485

Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2017

	*General Government	Protective Services	Transportation Services	Env. Health Services	Env. Development Services	Other
REVENUE						
Property taxes	\$ 20,514,132	\$ 2,454,314	\$ 80,785	\$ 2,291,347	\$ -	\$ -
Grants in lieu of taxes	176,363	-	-	11,767	-	-
Sale of services	304,302	-	-	447,742	15,415	-
Other revenue from own sources	1,221,427	110,474	-	193,069	96,436	156,231
Unconditional transfers from other governments	111,593	-	-	75,128	-	-
Conditional transfers from federal or provincial government	11,237	-	-	90,761	2,180	-
Government grants	-	-	-	-	-	1,012,845
Development and other contributions applied	-	-	-	3,457	-	394,841
Other transfers	-	-	-	178,756	-	-
Water utility	-	-	-	-	-	-
Elimination Entries	(816,503)	-	-	(178,756)	-	-
Total revenue	21,522,551	2,564,788	80,785	3,113,271	114,031	1,563,917
EXPENSES						
Salaries, wages and benefits	2,547,573	293,616	-	1,126,285	884,117	-
Operating costs	2,895,413	6,953,189	927,589	2,881,580	274,014	4,924,630
Elimination Entries	(513,872)	(557,852)	-	(267,859)	-	-
Amortization	275,572	62,394	1,032,141	795,468	171,609	-
Interest on long term debt	286,535	35,765	263,738	133,701	132,621	-
Total expenses	5,491,221	6,787,112	2,223,468	4,669,175	1,462,361	4,924,630
Net Gain on sale of TCA	-	-	-	-	465,242	-
Surplus (Deficit)	\$ 16,031,330	\$ (4,222,324)	\$ (2,142,683)	\$ (1,555,904)	\$ (883,088)	\$ (3,360,713)

* 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, 2017

	Recreation and Cultural Services	Water Utility	2017 Total	2016 Total
REVENUE				
Property taxes	\$ 296,180	\$ -	\$ 25,636,758	\$ 24,808,421
Grants in lieu of taxes	-	-	188,129	186,160
Sale of services	176,199	-	943,658	894,849
Other revenue from own sources	32,376	-	1,810,012	1,804,516
Unconditional transfers from other governments	-	-	186,721	204,181
Conditional transfers from federal or provincial government	58,672	-	162,850	178,559
Government grants	274,584	-	1,287,429	1,321,100
Development and other contributions applied	-	-	398,298	108,016
Other transfers	-	-	178,756	400,000
Water utility	-	2,428,725	2,428,725	2,268,286
Elimination Entries	-	(557,852)	(1,553,111)	(1,720,392)
Total revenue	838,011	1,870,873	31,668,226	30,453,696
EXPENSES				
Salaries, wages and benefits	723,755	528,683	6,104,029	5,634,916
Operating costs	1,109,108	1,089,225	21,054,748	20,234,833
Elimination Entries	(113,616)	(99,912)	(1,553,111)	(1,720,392)
Amortization	49,291	354,329	2,740,805	2,714,763
Interest on long term debt	129,812	218,082	1,200,254	1,252,249
Total expenses	1,898,350	2,090,407	29,546,725	28,116,369
Net Gain on sale of TCA	-	-	465,242	258,198
Surplus (Deficit)	\$ (1,060,339)	\$ (219,534)	\$ 2,586,742	\$ 2,595,525



EAST HANTS

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