

TREASURER'S REPORT

Municipality of the District of East Hants

Kim Ramsay CMA
Director of Finance, Treasurer

July 16, 2013



EAST HANTS

Growth. We live it.



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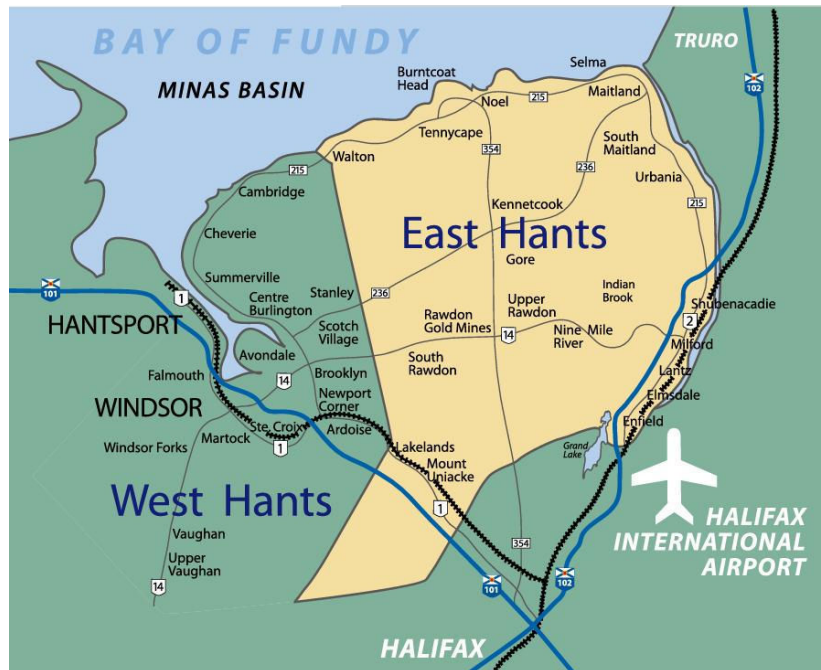
About East Hants

The Municipality of East Hants is centrally located on mainland Nova Scotia. East Hants is approximately 466,426 acres (188,760 hectares) or 1790 square kilometers.

The Municipality is comprised of a very diverse mix of landforms and community types which are divided by the Rawdon Hills which run west to east. The northern and central parts of the Municipality are dominated by vast areas of forest dotted with small communities and villages. Agriculture is prevalent along both the scenic Minas shore and Kennetcook River in this region. This area includes the communities of Walton, Noel, Maitland, Kennetcook, Stanley and Gore.

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 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 "Corridor" adjoins Halifax Regional Municipality and is only minutes from Halifax Stanfield International Airport, Dartmouth and downtown Halifax. The Municipality is a short commute from rail services (passenger and freight) and from the Halifax shipping ports. This transportation network is a valuable resource for industry and investment in East Hants.



(right) Elmsdale Business Park

Mission Statement

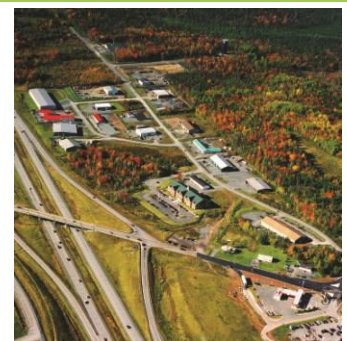
Through innovation and excellence in service delivery, East Hants provides municipal programs and services that continually enhance a healthy and sustainable community.

Municipal Vision

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

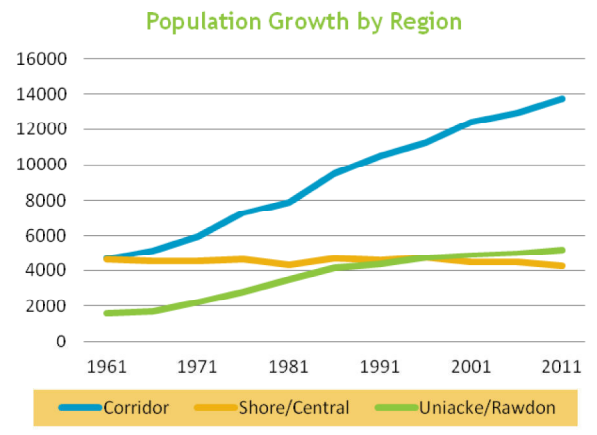
- Blend of urban and rural residential settings
- Commercial activities
- Programs and services
- History
- Cultures and values
- Active healthy lifestyle
- Affordable housing
- Beautiful landscapes
- Volunteers
- Recreation opportunities

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



Our People

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



East Hants has a well-educated population with 70% having achieved high school education and beyond; 15% of the population has achieved apprenticeship or trade certificates or diplomas. This exceeds the provincial average of 12%. With regards to employment; 64% of the East Hants labour force work in sales, trades or business/finance/administration. East Hants is recognized as a bedroom community of the Halifax area: 52% of our labour force of 10,910 is employed outside of East Hants. Two primary industries in East Hants are farming and forestry, with farming being the most prominent. There are 179 farms operating within the Municipality, representing 5% of the total farms operating across the province; the majority of these are sole proprietorship dairy farms.



East Hants has so much to offer its people. There are a vast number of natural wonders to enjoy, rich and diverse communities throughout the Municipality, many services and amenities for families and businesses and many recreational opportunities for residents of all ages. East Hants 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!



MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

Connie Nolan CA CFE



The Municipality of East Hants is a vibrant, successful community with many opportunities for growth and prosperity. Over the past year several exciting initiatives have been undertaken by municipal Council and Staff. Highlights from 2012/2013 include:

Expansion of the Lloyd E. Matheson Centre was completed in December 2012, bringing most of our municipal staff into one building in the Elmsdale area.



Sidewalks were constructed in Milford and construction has begun on sidewalks in the village of Shubenacadie.

The Municipal election was in October 2012; Council welcomed three new Councillors to the chamber, representing Shubenacadie (Dist. 4), Enfield (Dist. 1) and Mt Uniacke (Dist. 13).

In the fall of 2012 the Municipality entered into a provincially-funded partnership with Department of Labour and Advanced Education in order to provide in-house essential skills training to staff in areas such as communications, computers and leadership development.

The Municipality conducted a full-scale emergency response exercise in March 2013. This exercise enabled validation of the Municipal Emergency Response Plan and gave emergency responders within the community an opportunity to gauge their effectiveness in responding to a mass casualty situation.

Solid Waste staff managed a new waste collection contract that came into effect on April 1, 2012.

The organization continued with Phases 2 and 3 of the Information Management Plan. Departments worked on documenting our various business processes and projects to procure both document management (DMS) and

customer relationship management (CRM) solutions were well underway by year end.

The planning department digitized approximately 7,000 files including subdivision plans, permits and other records.

The Municipality implemented an electronic accounts payables system in 2012/2013 to improve the efficiency and security of our A/P process.

On January 1, 2013 the Departments of Engineering and Operations were amalgamated into the Department of Infrastructure and Operations; this new structure is more efficient and cost effective for the Municipality.

The Department of Recreation and Culture completed a full needs assessment of the recreation delivery system and facilities. This information was critical to the strategic direction of the recreation function in East Hants.

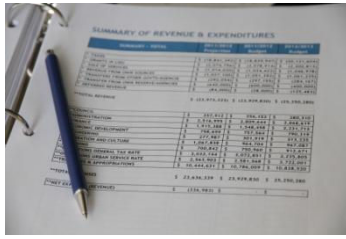
East Hants worked with the Irving Big Stop to fulfill an agreement that connected the property in Enfield to the East Hants Water Utility System.

Council approved a new Procurement Policy in September 2012, in line with the *Public Procurement Act 2011*.

Planning for the extension of Park Road in the Elmsdale Business Park was done in 2012/2013 with construction beginning in April 2013. This will open up several lots with Highway 102 frontage in the Elmsdale Business Park.

Planning staff completed several important reviews this year, of note the Floodplain study was well underway by March 2013.

Council finalized a new policing model for the community, resulting in plans for a new satellite detachment in the Rawdon area and improvements to the Community Policing office in Mt Uniacke.



TREASURER'S REPORT

The Municipality of East Hants' Treasurer's Report serves as an opportunity to communicate to stakeholders, residents and local businesses regarding the Municipality's 2012/2013 financial performance. The Municipality's financial statements (Section 2) have been prepared in accordance with the Provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). The Department Reports (Section 3) provide information to the reader with respect to civic activity throughout the year.

The financial cycle for 2012/2013 began in October 2011 with the development of the operating and capital budgets. There was significant consultation amongst Municipal staff at the business planning stage; staff strives to find efficiencies and cost savings where ever possible while ensuring an effective level of service and sustainable programs are maintained for the taxpayers of East Hants. Several meetings between senior managers and the CAO took place prior to the first draft of the budget going before Council in January 2012. After much debate at the Council table, the general operating budget for 2012/2013, including area rates, was approved by Council at approximately \$25.2 million. The individual rates for 2012/2013 compared to 2011/2012 were as follows (rates per \$100 of assessment):

	2012/2013	2011/2012
General tax rate - Residential/Resource	\$0.8764	\$0.8895
General tax rate - Commercial/Business Occupancy	2.7100	2.7000
Urban service rate (Enfield, Elmsdale, Lantz) - Residential	0.2010	0.2310
Urban service rate (Milford) - Residential	0.3170	0.3100
Urban service rate (Shubenacadie) - Residential	0.4210	0.4510
Urban service rate (Enfield, Elmsdale, Lantz) - Commercial	1.0400	1.1230
Urban service rate (Milford) - Commercial	1.2600	1.2700
Urban service rate (Shubenacadie) - Commercial	1.1400	1.2230
Streetlights - Mount Uniacke	0.0050	0.0400
Streetlights - Nine Mile River	0.0250	0.0403
Streetlights - Rawdon	0.0400	0.0840
Wastewater Management Fee (rate per 1000 gallons of water)	3.00	2.00



PROPERTY TAX

Tax Rates Across the Province

When discussing property taxes the actual tax rate is only part of the story; one must consider the tax burden being placed on residents in a community (average assessment multiplied by the tax rate) rather than tax rates alone. East Hants has a relatively high average home assessment (especially high in particular areas) which translates into a relatively high average tax burden.

Council's strategic objective of growing the commercial tax base will help in improving the residential tax burden felt across the Municipality. A higher commercial tax base should translate into higher commercial tax revenue and a reduced residential tax rate to fund municipal services. East Hants has historically had a low commercial/industrial assessment base relative to residential (discussed further under Property Assessment).



Tax Rates for 2012/2013 - Municipalities in Nova Scotia:

- 2 of 21 units (10%) increased their residential tax rates;
- 2 of 21 (10%) reduced their residential tax rate (including East Hants);
- 17 units held their rates constant;
- 12 units had general residential tax rates which exceeded East Hants;
- Residential rates ranged from \$0.61 in Guysborough to \$1.30 in Digby*.

- General Commercial rates (excluding area rates) increased by 1 cent for East Hants;
- 10% of general commercial rates increased;
- 81% of general commercial rates remained the same;
- General Commercial rates ranged from \$1.48 (Antigonish) to \$2.71 (East Hants)*.

*In municipal units, the residential/commercial tax rates are usually supplemented by area rates and other property related charges, which makes this figure difficult to use as a comparison.

The area in East Hants known as the Corridor, that runs from Shubenacadie to Enfield, is a fully serviced area, similar to what one would see in a town. These homes are serviced with fire protection, wastewater, streetlights, hydrant services, sidewalks and water (with the exception of Milford which has no water utility). The “all-in” tax rates (general plus area rates) for the serviced areas of East Hants can be compared to the rate charged in a town where area rates are generally not used. Again, some units charge for wastewater based on assessment, others on the water bill based on usage, as such these figures should be compared with caution. East Hants charges for wastewater partially through assessment the other portion based on water consumption.

Tax Rates for 2012/2013- Towns in Nova Scotia:

- Home owners in Elmsdale (for example) paid an all-in residential rate of \$1.25
- The average residential rate for towns in Nova Scotia was \$1.73
- Residential rates ranged from \$1.00 (Antigonish) to \$2.28 (Lockeport)

- Businesses in Elmsdale (for example) paid an all-in commercial rate of \$3.92
- Elmsdale all-in commercial rate is 5.1% lower than the \$4.13 average rate for towns
- 53% of towns have commercial rates in excess of \$4.00 per \$100 of assessment
- Commercial rates for NS Towns ranged from \$2.53 (Antigonish) to \$5.58 (Clark's Harbour)

Property Assessment



The 2012 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% of the taxable base (see Note 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 an 80% residential and 20% commercial. 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 Economic Development department report (in Section 3 of this report) outlines the on-going effort to bring economic prosperity to East Hants while building a healthy and sustainable commercial tax base.

With assessments capped at 3.9% increase for 2012, 67% of the residential assessment increase was related to an increase in market value of existing homes, the majority of that increase coming from the Corridor districts. An estimated thirty-three percent of the residential assessment increase is related to new homes, primarily in the corridor communities.

	Assessment Year 2012	Assessment Year 2011	% Increase (Decrease)
Residential/Resource	\$1,280,948,700	\$1,199,596,600	6.8%
Commercial	\$109,643,100	\$92,733,300	18.2%*
Business Occupancy	\$1,399,000	\$1,358,000	3.0%

*The significant increase in commercial assessment was due to the expansion of the East Hants Sportsplex; this property is exempt from taxation. The adjusted percentage increase, without the Sportsplex is 4%.

In an attempt to keep the assessments in East Hants up to date, the Municipality hires a property assessment student during the summer months. Using Property Valuation Services Corporation (PVSC) resources, this student is charged with performing site visits and reviewing assessments in assigned geographical areas. The 2013 residential assessment roll increased by \$1.2 million as a result of the student's work in 2012 (resulting primarily from un-assessed home improvements). This will result in additional residential tax revenue of close to \$10,000 for 2013 and each year thereafter.

Property Assessment Capping

The Assessment Cap Program, introduced in April 2005, caps the annual increase in taxable assessment values (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 2010, 2011 and 2012 assessments were capped at 0%, 2.9% and 3.9% respectively; this has had a profound effect on the distribution of tax burden in East Hants.

The table below shows the effect these changes have had on the residential tax rate in East Hants. The table shows the loss of taxable assessment and the associated revenue that would have been realized had the CAP not been in place. 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

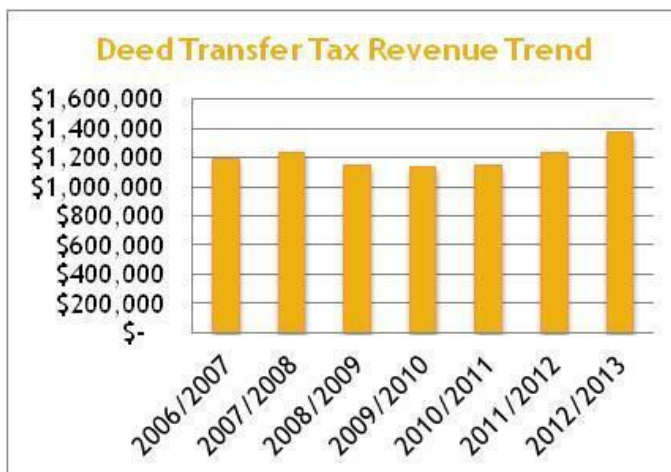


home owners and newly constructed or renovated homes (which are not part of the CAP) are most certainly paying a higher tax bill due to the CAP system being in place.

Year	Assessment Not Subject to Taxation	Equivalent Revenue	Tax Rate Differential
2012/2013	\$152,000,000	\$1,334,000	9¢
2011/2012	186,000,000	1,654,000	12¢
2010/2011	180,000,000	1,550,000	12¢

This is not an East Hants phenomenon, but the result of the CAP program affecting the entire province. Using East Hants 2012/2013 values, a new home assessed at \$380,000 had a general tax bill of \$3,276. The same home, in a system without assessment capping, would have a tax bill of \$2,822 (a difference of \$454). Similarly, a home with a \$380,000 market value that is capped at \$340,000 would pay \$110 more in taxes.

Deed Transfer Tax



Deed Transfer Tax (DTT) of \$1,378,172 was collected during 2012/2013 (\$1,232,090 for 2011/2012), exceeding budget by \$228,172. As per Council policy, \$400,000 of DTT collected was credited to the Urban Service Rate; the surplus of \$228,172 was transferred, at Council's direction, as a source of funding for the addition to the Lloyd Matheson Centre in Elmsdale. Revenue from DTT has trended over a million dollars since the increase in 2005/2006 to a tax rate of 1.5%.



Year over year the statistics for each area are fairly consistent. The

trend continues to show a significant volume of homes changing hands in East Hants. Below is an analysis of the 2012/2013 transactions involving deed transfer tax.

Summary of Deed Transfer Tax Collections - 2012/2013	% Homes Trading Hands	% Land Sales	DTT Collected	% of Total DTT Revenue
Enfield, Elmsdale, Lantz, Milford & Shubenacadie	50%	21%	\$ 706,879	51%
Mount Uniacke	22%	19%	\$ 326,697	24%
Nine Mile River	10%	17%	\$ 171,252	12%
Maitland, Noel, Gore and Rawdon	19%	43%	\$ 173,344	13%
Total Dollar Value			\$ 1,378,172	
Total Number of Transactions	418	107		913*

* There are a number of land transactions that do not result in the payment of DTT.

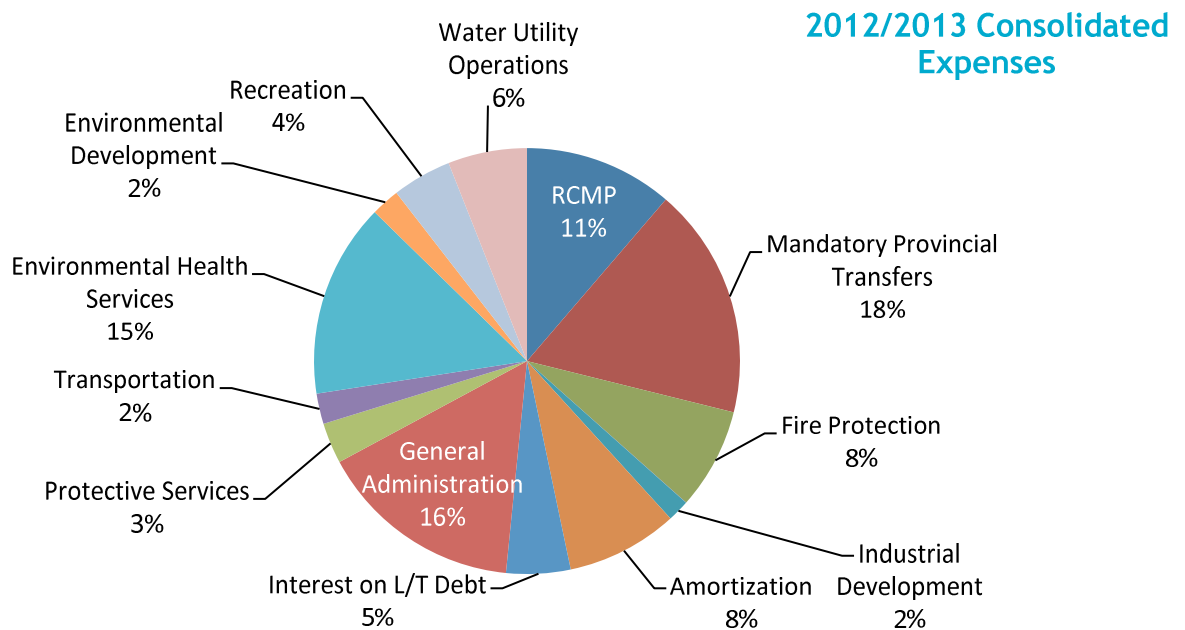
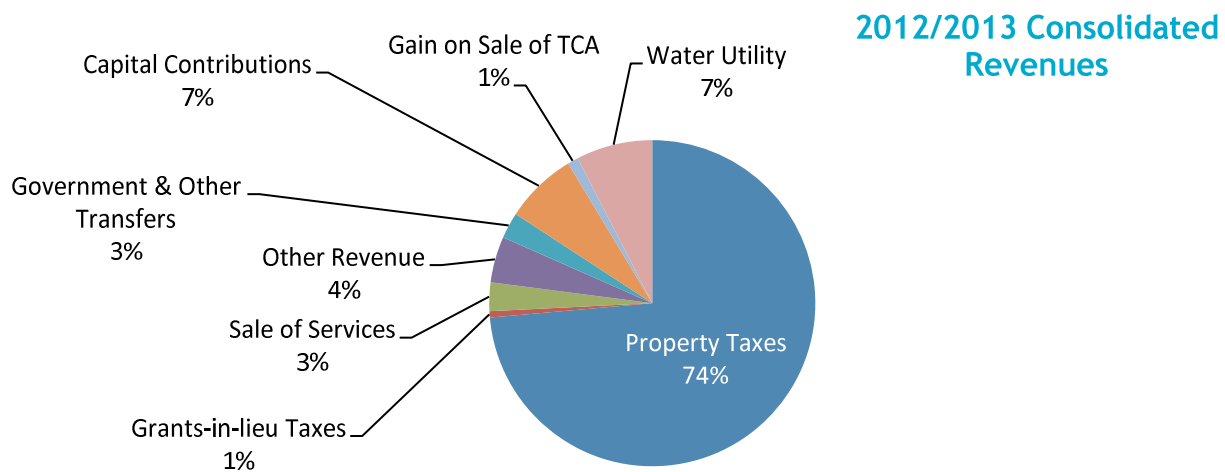
FINANCIAL RESULTS

This section of the Treasurer's Report contains an overview of the financial results and variances for the year on a consolidated basis, for the General Tax, Urban Service and Water Utility operations. It also gives a summary of capital activity and the status of the municipal reserve funds.

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

Consolidated Revenues and Expenses

The following charts represent the consolidated revenues and expenses for the Municipality for 2012/2013:



Comparative Statement of Consolidated Revenues and Expenses

The following is a comparative summary of revenues by type and expenditures by function for fiscal 2012/2013. The financial statements include a detailed Consolidated Schedule of Operations by Function (Page 2-25 & 2-26) which gives the reader more details at the expenditure level (break down of expenditures into salaries/benefits, operating costs and fiscal service type expenditures).

	2012/2013	2011/2012	% of Total 2012/2013	% of Total 2011/2012
REVENUE				
Property taxes	\$ 22,269,818	\$ 20,878,969	74%	74%
Grants-in-lieu taxes	\$ 188,970	\$ 163,989	1%	1%
Sale of services	\$ 857,989	\$ 999,705	3%	4%
Other revenue	\$ 1,378,814	\$ 1,283,941	4%	5%
Unconditional transfers government	\$ 197,181	\$ 172,593	<1%	<1%
Conditional transfers from government	\$ 188,526	\$ 129,419	<1%	<1%
Government grants	\$ 1,151,878	\$ 1,661,608	4%	6%
Development & other contributions applied	\$ 1,016,850	\$ 267,821	3%	1%
Other transfers	\$ 400,000	\$ 400,000	1%	1%
Gain on sale of TCA	\$ 357,017	\$ 148,215	1%	1%
Water utility	\$ 2,289,314	\$ 2,183,629	7%	8%
Total revenue	\$ 30,296,357	\$ 28,289,889		
EXPENSES				
RCMP	\$ 3,026,900	\$ 2,914,436	11%	11%
Education	\$ 3,992,868	\$ 3,727,368	15%	15%
Fire Protection	\$ 2,061,079	\$ 1,959,367	8%	8%
Corrections	\$ 282,473	\$ 210,564	1%	1%
Assessment	\$ 378,488	\$ 376,399	1%	1%
Uncollectible Accounts	\$ 3,920	\$ 13,088	<1%	<1%
Industrial Development	\$ 444,209	\$ 533,164	2%	2%
Amortization	\$ 2,268,705	\$ 1,999,903	8%	8%
Interest on long term debt	\$ 1,305,756	\$ 1,314,732	5%	5%
Loss on sale of TCA	\$ 35,491	\$ 65,382	<1%	<1%
General Administration	\$ 4,169,597	\$ 3,721,244	16%	15%
Protective Services	\$ 828,530	\$ 767,127	3%	3%
Transportation	\$ 620,494	\$ 830,716	2%	3%
Environmental Health Services	\$ 3,923,887	\$ 3,931,985	15%	15%

Environmental Development	\$ 582,123	\$ 513,669	2%	2%
Recreation	\$ 1,207,078	\$ 1,256,956	4%	5%
Social Services	\$ 53,132	\$ 51,560	<1%	<1%
Other	\$ 32,273	\$ (17,130)	<1%	<1%
Water Utility	\$ 1,607,343	\$ 1,248,508	6%	5%
Total expenses	\$ 26,824,346	\$ 25,419,038		
Surplus	\$ 3,472,011	\$ 2,870,851		

Municipal Operations

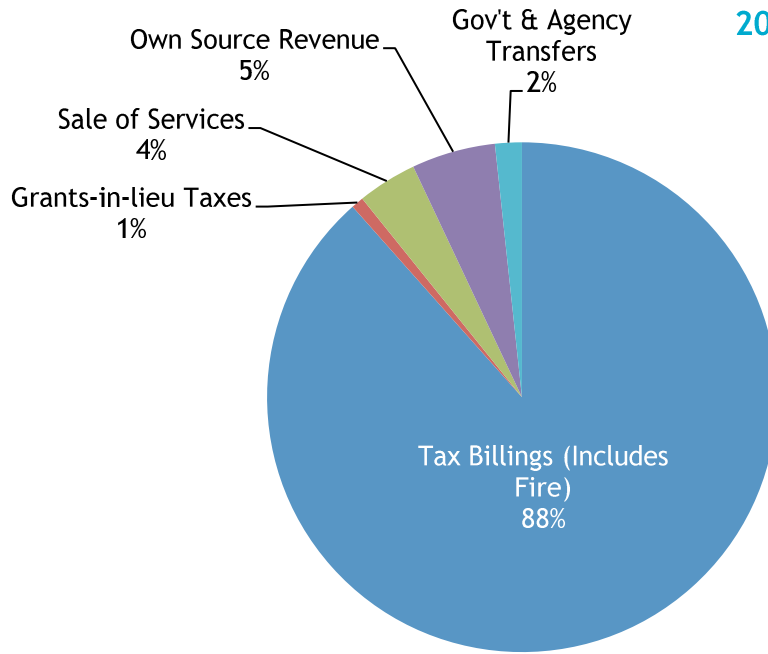
The **Schedule of Current Fund Operations** (Page 2-20) shows no change in the Operating Fund balance as the surplus in the general operations fund was transferred to reserves as part of the year end accounting process. The 2012/2013 surplus of \$318,254 can be broken down as follows:

General Operations	\$276,427
Urban Service Rates	\$27,783
Other Lights	\$14,044
Total	\$318,254

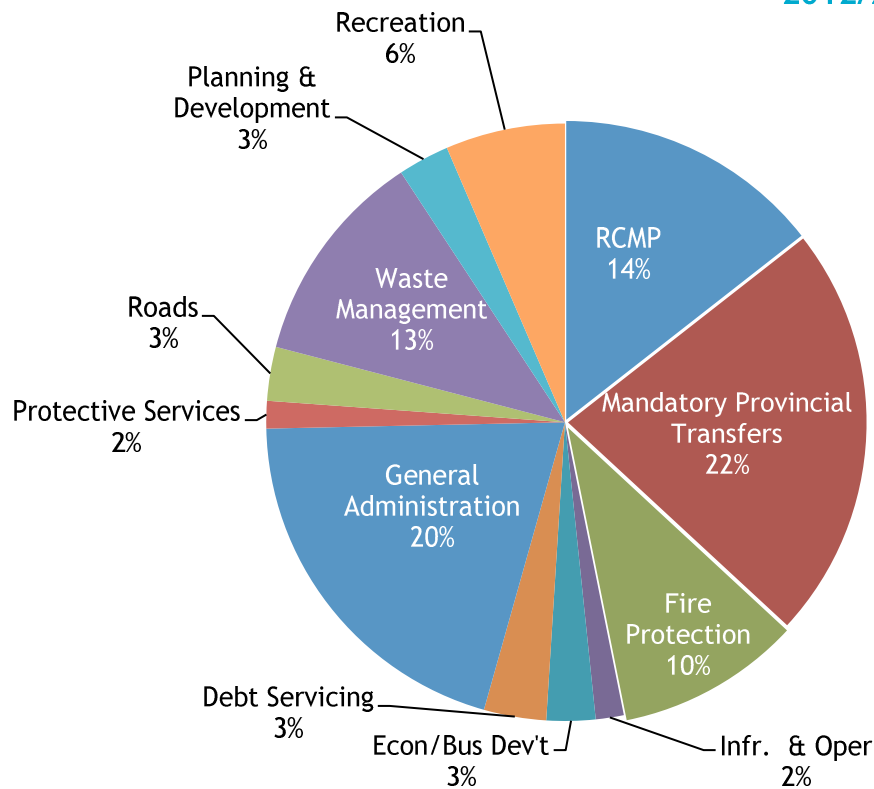
General Operations

The following pie charts represent the general tax rate revenues and expenses for the Municipality for 2012/2013 (excluding transfers to reserve, amortization expense, pension accounting and landfill closure entries):

2012/2013 General Operations Revenues



2012/2013 General Operations Expenditures



The general operations surplus was transferred to reserve in two amounts. An amount of \$57,500 was approved to be transferred during the deliberations of the 2013/2014 budget in order to fund specific projects in the upcoming budget. Another \$218,927 was transferred as a general surplus at year end. The variances in general operations revenue and expenses from budget to actual are as outlined/discussed in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUE	
Solid waste tipping fees and collection fees	\$ 37,683
Tipping fee revenue anticipated an increase in volume that did not materialize; collection fees were down, mainly from collections in schools.	
Scrap metal	\$ 20,006
At \$198 per tonne, the price received for scrap metal was \$60 per tonne less than in 2011/2012 (2009/2010 \$141/tonne; 2010/2011 \$189/tonne).	
HST offset payment	\$ (6,808)
The HST offset payment is an amount received from the Province based on the amount of HST claimed by East Hants compared to other municipal units; the budget was in line with prior years' however the allocation of funds changed amongst the units based on HST spent.	
Miscellaneous revenue	\$ (12,053)
Funding from the Province for Worker's Education Program \$34,000; offset by \$22,500 funding not received from ICCI for Gateway study (study not undertaken).	
Interest on investments & receivables (net of bank fees)	\$ (49,768)
Variance relates to a favourable return on investment in the amount of \$35,000 and an increase of \$12,000 in interest collected on receivables.	
Deed transfer tax	\$ (228,172)
Homes are continuing to change hands at a higher than anticipated rate in East Hants - transferred to fund the Lloyd E. Matheson Centre expansion.	
Pool Program revenue	\$ (11,406)
Building permits	\$ 3,490
Fire debt recovery (Offset by principal for fire communication equipment \$7,152)	\$ (9,232)
Fines	\$ 6,710
Transfers government	\$ (5,075)
Other sale of service	\$ (3,775)
Farm property acreage	\$ (12,047)
Other revenue from own sources	\$ 4,094
Administration fees	\$ 14,455
Net taxes, including planned amount for Assessment Appeals	\$ 22,318
Fire service (net)	\$ 9,740
Variance from budget to actual - Revenue	\$ (219,840)
INCREASES / (DECREASES) IN EXPENSES	
Wages & Honorariums	\$ (151,550)
Various maternity leave replacements and unfilled positions.	
Tax exemptions	\$ (16,830)
The budget for the new Municipal Tax Assistance Program was increased in anticipation of a large increase in exemptions. Staff continues to work towards increased uptake of the MTAP program.	

Solid Waste Processing, Transporting and Collection	\$ (33,543)
Variance in budgeted to actual tonnage.	
RCMP costs	\$ (35,100)
RCMP costs were less due to .65 of an officer credit for a portion of the year.	
Regional Development Authority funding	\$ 38,500
The budget reflected a transfer in from reserves of \$51,000 to fund additional monies requested from RDA - Council paid out 3/4 of this commitment funding it from current revenue, not reserve financing.	
Small equipment	\$ (11,194)
Variations from budget to actual for small equipment throughout the organization.	
Professional fees	\$ 31,210
Floodplain study funded from current revenue, not reserves as budgeted.	
Travel expenses	\$ (15,227)
Primarily the result of several vacancies in Economic Business Development and Infrastructure and Operations departments.	
Training education & associated travel	\$ (25,004)
Reduction in overall training costs due to staff vacancies and participation in the Provincial Workplace Education Program Training receiving funding from PNS for in-house training.	
Printing and copy expenses	\$ (15,828)
Savings of \$10K was from not printing a spring newsletter and less marketing in Economic and Business Development. The other costs savings of \$5.8K was in copier and printing supplies.	
Promotion and advertising	\$ (49,485)
Savings were largely due to vacancies in the Economic and Business Development department of \$33.4K of which \$25K were carried forward to next year. Advertising costs for the election were \$8.8K less than budgeted.	
Provincially mandated costs (Education, Social Services, Roads, PVSC, Corrections)	\$ (21,145)
Budgeted an increase of 2% for PVSC costs the actual was 1% - savings of \$13K.	
Business development	\$ (71,185)
Project for ICCI gateway study \$45K was put on hold due to vacancies in the department.	
Power and heating fuel	\$ 33,347
Transferred \$29.5K to reserves for energy savings but did not budget for savings in power.	
Snow removal	\$ 47,932
Higher incidents of freezing and thawing for roads due to drastic temperature changes.	
Contracts and agreements	\$ 8,649
Conference registration and travel	\$ (25,103)
Demolition of Walton Wharf (net of federal government grant)	\$ 21,370
Interest on building - transferred to fund the Lloyd E. Matheson Centre expansion.	\$ (44,971)
Interest on industrial park debt - transferred to fund Park Road Extension	\$ (65,710)
Other general operations	\$ (17,983)
Uncollectible accounts (partially offsets unbilled taxes)	\$ (21,080)
Building Maintenance & Security	\$ 9,852
UNSM and FCM expenses	\$ (7,014)
Municipal grants	\$ (1,679)
Telephone and cell phone	\$ (7,570)
Special payments for pension deficits - funded from current revenue, not reserves as budgeted	\$ 131,775
Employer benefits netted	\$ (11,402)
Internet	\$ (7,878)
Vehicle and Equipment Maintenance	\$ (1,761)

Association memberships (CNTA funds of \$7,000 unspent carried forward to budget 2013/2014)	\$ (10,149)
Janitorial	\$ (8,371)
Green Space	\$ (3,478)
Variance from budget to actual - Expense	\$ (357,605)
Variance from budget to actual surplus	\$ (577,445)
Variance as a result of unbudgeted transfers to fund capital projects (LEM & Park Rd expansions)	\$ 348,153
Original planned (surplus)	\$ (367)
Variance from funding of principal payments (surplus)	\$ (46,768)
Net Surplus end of Year	\$ (276,427)
Surplus transferred to General Contingency Reserve	\$ 218,927
Surplus transferred to 2013-2014 budget as per Council:	
Website Creative Work	\$ 20,000
Economic Development Marketing	\$ 25,000
Tourism Visitor Kiosks	\$ 7,000
Tourism Way-Finding Signage	\$ 5,500
	\$ 276,427

Urban Service Rate

The Urban Service Rate (USR) is the largest of our area rates; charged to residents in the “Corridor” area (Shubenacadie to Enfield), this rate is reported on separately as it affects a significant number of residents and Councillors. The rate covers all urban services (streetlights, wastewater, hydrants and sidewalks) provided by the Municipality with the exception of some sub-urban streetlights. The total USR operating budget for 2012/2013 was set at \$2.6 million. The final surplus was \$27,783; the significant variances from budget for the Urban Service Rate are outlined / discussed in the following table:



Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Sewer Hook-up & Usage revenue, net of reserves transfer	\$ 165
Urban area taxes	\$ 10,509
Federal properties grants in lieu of taxes	\$ 2,335
Variance from budget to actual - Revenue	\$ 13,009
INCREASES / (DECREASES) IN EXPENSES	
Wages & Benefits	\$ (38,433)
Resulting from a vacant Public Works Operator position and the Manager of Infrastructure & Operations position vacant until September 2012.	
Contracts and agreements	\$ (15,090)
Repairs contingency budget unspent in the sewer system \$13K along with minor savings in the property maintenance budget.	
Equipment & electrical repairs & replacement	\$ 30,962
Major repairs to pumps, electrical panel upgrades, and repairs in the lift stations resulted in an over-expenditure.	

Computer & admin support	\$ (16,411)
The overall costs for administration and IT support were less than budget which resulted in a savings in support costs.	
Insurance	\$ (4,031)
Insurance for streetlights and Milford Wastewater Treatment Plant was less than anticipated.	
Interest on streetlight and sidewalk debt	\$ (4,503)
Interest & principal on various debt for the sidewalks & streetlights was less than budget.	
Power	\$ 26,438
NSPI rate increases and additional power consumption in the sewer operations were not reflected in the budget figures partially offset by savings in streetlight power costs (due to LED upgrade).	
Small Equipment	\$ (2,824)
Realized savings on purchase of shelving for the Public Works building.	
Other general operations	\$ (2,615)
Debenture issuance cost	\$ (922)
Sidewalk encroachment fee	\$ 5,000
Lab testing for sewers - additional requirement from departments of Nova Scotia Environment and Health.	\$ 3,228
Snow removal for wastewater properties	\$ 7,754
Variance from budget to actual - Expense	\$ (11,447)
Variance from budget to actual - Deficit	\$ 1,562
Variance as a result of un-transferred funds to fund capital projects (surplus)	\$ (23,186)
Original planned deficit	\$ 1,125
Variance from funding of principal payments (surplus)	\$ (7,284)
Net Surplus end of Year	\$ (27,783)



(Left) October 2012 - Grand Opening of Milford Wastewater Treatment Plant
Left to Right - MLA John MacDonell, MP Scott Armstrong & Warden John Patterson



(Right) New Milford Waste Water Treatment Plant

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, 2013 for the USR systems:

For Capital Purposes:	Amount
Sidewalks	\$ 81,195
Sewer	\$ 73,675
Fire Protection Systems	\$ 993,773
Storm Water	\$ 2,479
Total	\$ 1,151,122

For Operating Purposes:	Amount
Sidewalks	\$ 224,657
Sewer	\$ 460,291
Fire Protection Systems	\$ 210,000
Contingency	\$ 978,958
Total	\$ 1,873,906

East Hants Water Utility



The East Hants Water Utility serves 2,590 customers in the communities of Shubenacadie, Lantz, Elmsdale and Enfield. The Utility also operates a bulk water station in Enfield (formerly in Shubenacadie as well) that serves water haulers and residents throughout the region. The Municipality is accountable to the Utility and Review Board (UARB) for all matters relating to water utility accounting and rate setting. The last rate review application was done in 2009/2010, approving rates to April 1, 2012 onward.

At March 31, 2013 the Utility showed an accumulated fund balance of \$1,116,311. Operating results for 2012/2013 reflect a negative change in fund balance of \$81,791. This deficit is explained in the following table.

Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Water token revenue	\$ (9,549)
Miscellaneous	\$ (6,789)
Miscellaneous revenue captures the charge for fire hydrants and sprinklers.	
Interest, penalty net of bank fees	\$ (2,051)
Water billing charges	\$ (9,459)
Variance from budget to actual - Revenue	\$ (27,848)
INCREASES / (DECREASES) IN EXPENSES	
Wages & Employer Benefits	\$ (49,894)
Resulting from a vacant Public Works Operator position and the Manager of Infrastructure & Operations position vacant until September 2012. Plus savings in employer benefits.	
Safety Equipment	\$ 29,700
Installation of 4 eye wash stations in the water towers to meet safety regulations.	
Professional fees	\$ (5,540)
Budgets related to source monitoring and awareness plus water tests were under spent.	
Contracts and agreements	\$ 198,027
Additional meters, probes and chemical pump in the water treatment \$6,300; plus the additional costs for the equipment and repairs resulting from water line breaks in the utility totalling \$192,000.	
Enfield Transmission Main	\$ (175,000)
Monies set out in the op budget for easements were not required as project was carried forward to 2013/2014.	
Computer & admin support	\$ (17,734)
The overall costs for administration and IT support were less than budget which resulted in a savings in support costs.	
Operational materials - primarily savings in chemicals	\$ (10,253)
Other operating costs	\$ (7,715)
Amortization	\$ 9,850
Snow removal	\$ 6,928
Variance from budget to actual - Expense	\$ (21,631)
Variance from budget to actual (surplus)	\$ (49,479)
Un-transferred funds from Operating Reserve (Enf. Tr. Main) (deficit)	\$ 87,500
Original planned deficit	\$ 43,770
Net Deficit end of Year	\$ 81,791

Capital Fund (includes General, USR & Water)

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. Capital spending for 2012/2013 can be broken down as follows:

Description	Amount
General Government	\$2,680,359
Transportation	1,111,125
Environmental Development	99,704
Environmental Health	176,103
Water Utility	<u>69,386</u>
TOTAL	\$ 4,136,677

Significant capital projects that were completed in 2012-2013 (some spending may have occurred in prior years) are as follows:

- **Milford Sidewalks** - \$1,074,683
- **Lloyd E Matheson Addition** - \$3,422,502
- **6 Hydrants** - \$59,103

(right) Lloyd E Matheson Center; (bottom left) Council Chambers;
(bottom right) Milford Sidewalks



Significant work in progress (WIP) at March 31, 2013 is:

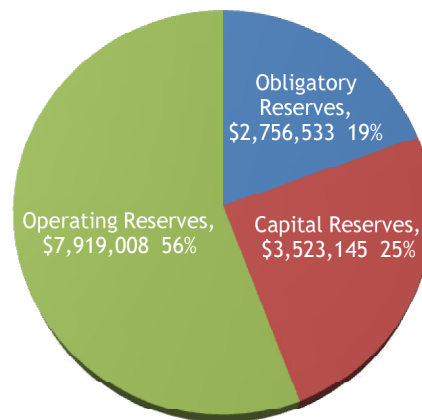
- **Shubenacadie Sidewalks** - Budget: \$1,070,000 WIP: \$56,415
- **Park Road Extension 2012** - Budget: \$2,215,000 WIP: \$102,581

CONSOLIDATED 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. Operating and capital reserves are consolidated within the Accumulated Surplus position on the Statement of Financial Position (Page 2-5); Obligatory reserves are reported in the liabilities section of the Statement of Financial Position (Page 2-5).

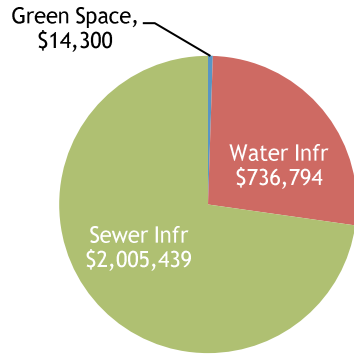
The Municipality has almost \$11.4 million in operating and capital reserves. Of this amount, \$3.5 million is set aside for capital work and \$7.9 million is being held in operating reserves. The Municipality of East Hants also has \$2.7 million in obligatory reserves, money collected specifically for open space and for sewer & water infrastructure.

2012/2013 Reserves - \$14.2M

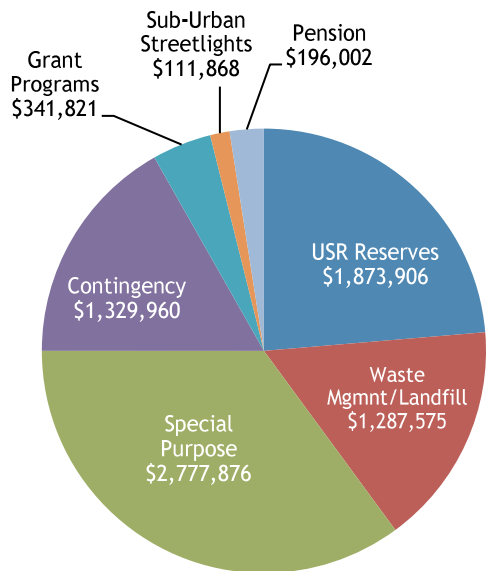
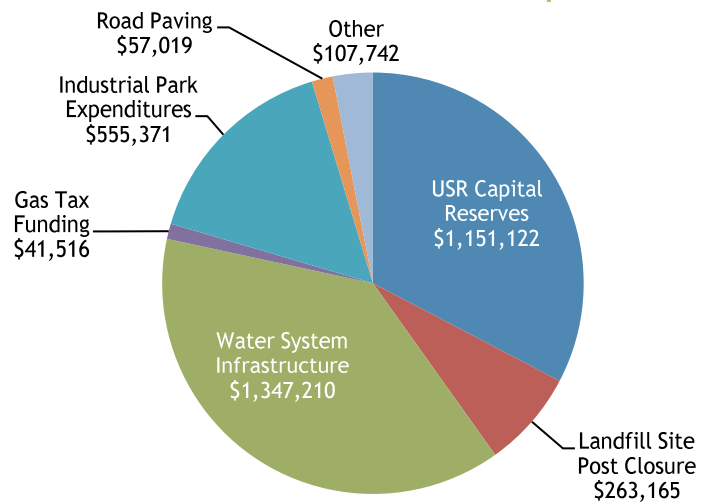


Each reserve fund is further broken down for specific uses. For a detailed list of Reserve Fund balances, see Page 2 - 23, *Schedule of Reserve Operations*. The following graphs summarize the funds:

2012/2013 Obligatory Reserves



2012/2013 Capital Reserves



2012/2013 Operating Reserves

The following amounts (totaling \$548,371) represent future repayments to the Operating contingency reserve fund:

- \$442,329 will be repaid to the operating reserve fund as the residents in Shubenacadie pay off the accumulated deficit of the Shubenacadie Water Utility;
- \$56,042 is owing to the reserve as repayment for costs expended for improvements arising from an energy audit, these funds will be repaid from the related energy savings over the next two years;
- \$50,000 is owing to the reserve as a repayment for legal fees / settlement to be repaid by a \$5.00 increase to the Solid Waste dwelling unit fee over three years (began in 2011/2012).

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. The Municipality needs to balance the desire of Councillors to keep the tax burden as low as possible with the need for healthy reserve balances to ensure financial stability into the future.

SECTION 2 - FINANCIAL STATEMENTS



FINANCIAL STATEMENTS

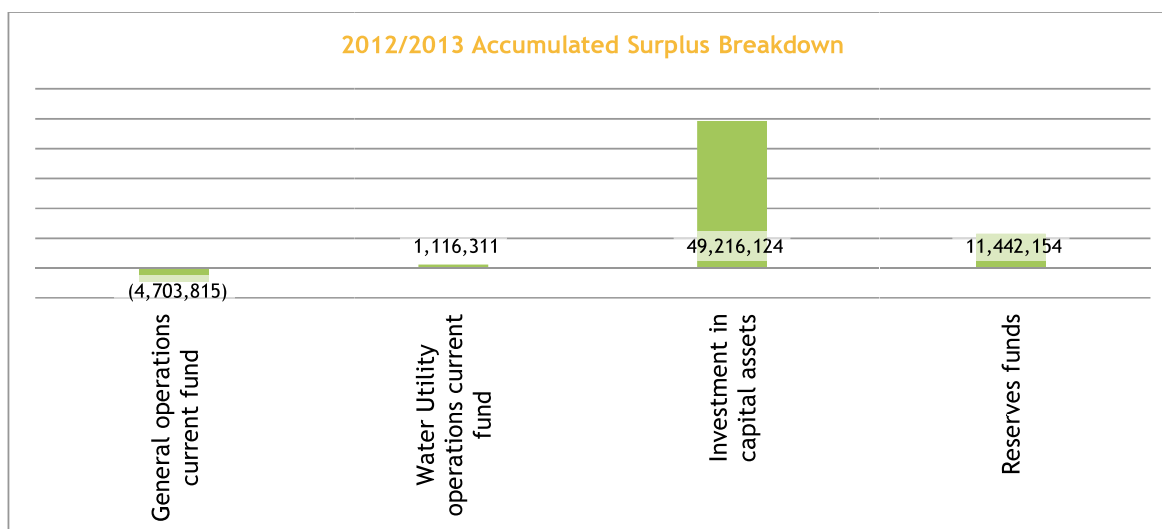
The Municipality's financial statements have been prepared by Management in accordance with the provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). Management is responsible for such internal control as determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audited Financial Statements are available on the Municipal website at www.easthants.ca.

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

Consolidated Statement of Financial Position

The 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 (\$57.1M) and a significant net debt which must be recovered through future tax revenues (see Statement of Changes in Net Debt). The following table shows a breakdown of the accumulated surplus by fund.



Consolidated Statement of Operations

The Consolidated Statement of Operations provides a summary of the revenues, expenses and surplus for the reporting period. The statement consists of the funds for the general operations, the water utility and capital. On this statement, the 2013 budget values have been adjusted to reflect the amortization of tangible capital assets and the consolidation of the funds.

The Consolidated Statement of Operations shows an annual surplus for the year of \$3,472,011 with a budgeted surplus of \$2,017,033. The variance of \$1,454,978 is accounted for as follows:

Description	Amount
VARIANCES FROM BUDGET TO ACTUAL - CONSOLIDATED SURPLUS	
General tax rate variance as per the general operations section (See Page 1-14)	\$ 577,445
Urban service tax rate variance as per the urban service rate section (See Page 1-16)	\$ (1,562)
Transfers (see below)	\$ 947,680
Net gain on the sale/disposal of Municipal assets	\$ 321,526
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	\$ (167,477)
Landfill closure/post closure costs adjustment based on PSAB requirements	\$ (32,273)
Non Urban Streetlights, variance to budgeted surplus	\$ 9,436
Water utility variance as per the water utility section (See Page 1-18)	\$ 49,479
Receipt of unplanned capital grants	\$ (249,276)
NET VARIANCE FROM BUDGET TO ACTUAL	\$ 1,454,978

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
Pension Actuarial - Special Payments funded from current revenue	\$ 166,719
Pension surplus - Budget pension expense at 10.5%, transfer unspent funds (\$90K paid out for retirement upgrades)	\$ 84,322
EMO Disaster Funds - Received into revenue, transferred to reserve	\$ 16,230
Professional Fees - as per Council direction, transfer unspent funds to reserve	\$ 33,740
Legal Fees - as per Council direction, transfer unspent funds to reserve	\$ 48,195
Contracts - as per Council direction, transfer unspent funds to reserve	\$ 69,939
Snow Removal Sidewalks - as per Council direction, transfer unspent funds to reserve	\$ 28,100
Grants - as per Council direction, transfer unspent funds to reserve	\$ 43,959
RDA - RDA supplemental funding funded from current revenue	\$ 51,000
Fire Department - Communication Project future debt payments	\$ 3,617
Energy Management - as per Council, set amount to repay energy efficiency projects	\$ 29,500
Projects funded from reserves carried forward to 2013-2014 budget	\$ 211,643
Other variances affecting transfers to/from reserves (LF closure, Election, USR exp, EMO, Prof. Fees, General Budget \$77K)	\$ 160,716
TOTAL TRANSFERS	\$ 947,680

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).

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.

Auditors' Report (see audited statements)

Consolidated Statement of Financial Position

Consolidated Statement of Operations

Consolidated Statement of Changes in Net Debt

Consolidated Statement of Cash Flow

Notes to the Consolidated Financial Statements

Schedule of Current Fund Operations - Municipal Operations

Schedule of Current Fund Operations - Water Utility

Schedule of Capital Fund Operations - Municipal Operations

Schedule of Reserve Operations

Reconciliation of the Financial Plan to the Budget

Consolidated Schedule of Operations by Function


Municipality of the District of East Hants
Consolidated Statement of Financial Position
As at March 31, 2013


	2013	2012
FINANCIAL ASSETS		
Cash and short term investments (Note 2)	\$ 13,182,913	\$ 14,153,443
Taxes and rates receivable (Note 3)	2,095,570	2,259,074
Accounts receivable (Note 4)	1,691,460	2,050,077
	<u>16,969,943</u>	<u>18,462,594</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	3,230,639	3,312,324
Deferred revenue - general	1,390,208	1,558,009
Deferred revenue - obligatory reserve (Note 6)	2,756,533	2,649,569
Employee benefits and other obligations (Note 9)	246,046	279,310
Tax sale surplus	180,532	161,443
Net short term liabilities (Note 8)	-	1,500,000
Net long term liabilities (Note 8)	27,520,224	27,954,286
	<u>35,324,182</u>	<u>37,414,941</u>
NET DEBT	<u>(18,354,239)</u>	<u>(18,952,347)</u>
NON FINANCIAL ASSETS		
Tangible capital assets (Note 1)	74,916,723	71,522,463
Work in progress (Note 1)	174,595	833,137
Inventory and prepaid expenses	333,695	195,510
	<u>75,425,013</u>	<u>72,551,110</u>
ACCUMULATED SURPLUS (Note 12)	<u>\$ 57,070,774</u>	<u>\$ 53,598,763</u>

Commitments (Note 15)

Contingency (Note 17)

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, 2013

	*2013 Budget Unaudited (Note 1)	2013 Actual	2012 Actual
Revenues			
Property taxes (Note 13)	\$ 22,167,787	\$ 22,269,818	\$ 20,878,969
Grants in lieu of taxes	164,630	188,970	163,989
Sale of services	1,046,978	857,989	999,705
Other revenue from own sources	1,203,975	1,378,814	1,283,941
Unconditional transfers from other governments	163,000	197,181	172,593
Conditional transfers from federal or provincial government	121,167	188,526	129,419
Government grants	1,374,533	1,151,878	1,661,608
Development and other contributions applied	1,142,333	1,016,850	267,821
Other transfers	400,000	400,000	400,000
Water utility	2,261,522	2,289,314	2,183,629
Total Revenues	30,045,925	29,939,340	28,141,674
Expenses			
General government services	5,287,059	5,048,321	4,651,380
Protective services	6,340,580	6,269,965	5,854,500
Education services (Note 13)	3,997,507	3,992,868	3,727,368
Social services	58,372	53,132	51,560
Transportation services	1,800,382	1,734,336	1,888,511
Environmental health services	5,164,461	4,831,850	4,792,663
Environmental development services	1,627,867	910,926	1,123,571
Landfill closure/post closure costs	22,800	32,273	(17,130)
Recreation and cultural services	1,519,922	1,405,387	1,452,846
Water utility	2,209,942	2,188,271	1,745,554
Total Expenses	28,028,892	26,467,329	25,270,823
Annual Surplus	2,017,033	3,472,011	2,870,851
Accumulated Surplus, Beginning of Year	53,598,763	53,598,763	50,727,912
Accumulated Surplus, End of Year	\$ 55,615,796	\$ 57,070,774	\$ 53,598,763

Municipality of the District of East Hants
Consolidated Statement of Changes in Net Debt
Year Ended March 31, 2013

	*2013 Budget (Note 1)	2013 Actual	2012 Actual
Annual Surplus	\$ 2,017,033	\$ 3,472,011	\$ 2,870,851
Tangible Capital Assets			
Acquisition of tangible capital assets	(8,134,570)	(5,153,527)	(7,450,304)
Amortization of tangible capital assets	2,258,855	2,268,705	1,999,903
Loss (gain) on sale of tangible capital assets	-	(321,526)	(82,833)
Proceeds on sale of tangible capital assets	-	470,630	177,780
	<u>(5,875,715)</u>	<u>(2,735,718)</u>	<u>(5,355,454)</u>
Other Non-Financial Assets			
Decrease (Increase) in inventory and prepaid expenses	-	(138,185)	48,081
Decrease (Increase) in Net Debt	(3,858,682)	598,108	(2,436,522)
Net Debt, Beginning of Year	(18,952,347)	(18,952,347)	(16,515,825)
Net Debt, End of Year	\$ (22,811,029)	\$ (18,354,239)	\$ (18,952,347)

Municipality of the District of East Hants
Consolidated Statement of Cash Flow
Year Ended March 31, 2013

	2013	2012
Operations		
Annual surplus	\$ 3,472,011	\$ 2,870,851
Add amortization of tangible capital assets	2,268,705	1,999,903
	<u>5,740,716</u>	<u>4,870,754</u>
Changes in Non-Cash Assets and Liabilities		
Decrease in accounts receivable	358,617	1,004,248
(Increase) decrease in taxes receivable	163,504	(95,929)
Decrease in accounts payable and accruals	(81,685)	(185,572)
Increase in tax sale surplus	19,089	6,567
Increase (decrease) in deferred revenue	(60,837)	223,619
(Decrease) increase in employee benefits/other obligations	(33,264)	(128,994)
Decrease in inventory and prepaid expenses	(138,185)	48,081
	<u>227,239</u>	<u>872,020</u>
Net Change in Cash From Operations	<u>5,967,955</u>	<u>5,742,774</u>
Financing Activities		
Long term debt issued	1,000,000	615,000
Short term debt issued (retired)	(1,500,000)	1,500,000
Long term debt retired	(1,434,062)	(1,374,400)
	<u>(1,934,062)</u>	<u>740,600</u>
Capital Activities		
Additions to tangible capital assets	(5,812,069)	(13,250,118)
Decrease (increase) in work in progress	658,542	5,799,814
(Gain) loss on sale of tangible capital assets	(321,526)	(82,833)
Proceeds on sale of tangible capital assets	470,630	177,780
	<u>(5,004,423)</u>	<u>(7,355,357)</u>
Investing Activities		
Decrease (increase) in short term investments	(1,843,651)	1,931,967
Increase in Cash Position	<u>(2,814,181)</u>	<u>1,059,984</u>
Cash Position, Beginning of Year	2,060,924	1,000,940
Cash Position, End of Year	<u>\$ (753,257)</u>	<u>\$ 2,060,924</u>

1. **Significant Accounting Policies**

The consolidated financial statements of the Municipality of East Hants (Municipality) are the representations of management prepared in accordance with accounting principles for local governments as established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). Significant aspects of the accounting policies adopted by the Municipality of East Hants are as follows:

a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net assets and in 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 have been 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 accounted for in the period the goods and services are acquired and the liability is incurred or transfer is due.

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

d) Tangible Capital Assets

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

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

Land Improvements	20 years
Municipal Buildings	40 years
Buildings - Plants	25 years
Machinery and Equipment	5 - 10 years
Vehicles - residual value \$10,000	4 years
Engineered Structures	
Roadway Systems	50 years
Sidewalks	20 years
LED Streetlights	25 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.

	General Capital Assets				Infrastructure				2013 TOTAL	2012 TOTAL
	Land	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities	Assets in WIP		
Cost										
Opening Costs	2,316,273	9,305,190	2,329,011	235,289	51,308,799	4,195,380	22,515,144	833,137	93,038,223	85,825,318
Additions during year	32,768	3,422,501	21,177	52,143	2,135,094	-	148,386	(658,542)	5,153,527	7,450,304
Disposals & Write downs	(50,195)	(78,000)	-	(68,423)	-	-	(20,290)	-	(216,908)	(237,399)
Closing Costs	2,298,846	12,649,691	2,350,188	219,009	53,443,893	4,195,380	22,643,240	174,595	97,974,842	93,038,223
Accumulated Amortization										
Opening Accum. Amortization	N/A	2,609,397	1,027,291	76,459	12,628,430	708,398	3,632,648	-	20,682,623	18,825,170
Amortization in Year	N/A	240,790	228,196	21,657	1,337,130	113,082	327,850	-	2,268,705	1,999,903
Adj/Disposals - Accum Amort	N/A	(21,288)	-	(38,423)	-	-	(8,093)	-	(67,804)	(142,450)
Acc Amort - End of Year	-	2,828,899	1,255,487	59,693	13,965,560	821,480	3,952,405	-	22,883,524	20,682,623
Net Book Value	2,298,846	9,820,792	1,094,701	159,316	39,478,333	3,373,900	18,690,835	174,595	75,091,318	72,355,600

e) Deferred Revenue / Obligatory Reserve Funds

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

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

f) Government Transfers

The Municipality has adopted the following new PSA section 3410 - Government Transfers, effective April 1, 2012, prospectively. This section replaces the previous section 3410. Government and other contributions are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when the transfer includes stipulations which have not yet been met. The adoption of this new section has had no impact on these financial statements.

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 forms part of the respective deferred revenue balance.

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 2012 is reflected on the Schedule of Current Fund Municipal Operations and Schedule of Current Fund Water Utility. For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from reserve funds, transfers from the operating/water utility funds, by the application of applicable grants, other funds available and by debt financing. As many capital projects are carried out over one or more years, it is not practical to present annualized budget information on the Schedule of Capital Fund Operations.

j) PSAB Budget

The consolidated financial statements include an unaudited PSAB 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 PSAB 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.

2. **Cash and Short Term Investments**

Cash and Short Term Investments are comprised of:

	<u>2013</u>	<u>2012</u>
Bank	\$ (753,257)	\$ 2,060,924
Temporary investments	11,678,637	10,049,950
Restricted cash (obligatory reserve funds)	2,257,533	2,042,569
	<u>\$ 13,182,913</u>	<u>\$ 14,153,443</u>

Administered bank accounts

The Municipality administers bank accounts for the Hants Regional Development Authority, Lantz Fire Department, Milford Fire Department, Nine Mile River Fire Department, Maitland Fire Department, and Rawdon Fire Department. 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 \$12,971 (2012 - \$21,712), representing a staff estimate of uncollectible accounts.

4. **Accounts Receivable**

The balance for accounts receivable on the consolidated Statement of Financial Position totaled \$1,691,460 (2012 - \$2,050,077). The balance is comprised of the following:

	<u>2013</u>	<u>2012</u>
Amounts due from provincial/federal government	\$ 796,973	\$ 771,870
Loan to Lantz fire department	329,798	342,831
Other	564,689	935,376
	<u>\$ 1,691,460</u>	<u>\$ 2,050,077</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).

5. **Accounts Payable and Accrued Liabilities**

	<u>2013</u>	<u>2012</u>
Liability for closure/post closure costs - landfill	\$ 263,166	\$ 230,892
Liability for unamortized pension loss	339,208	171,731
Other payables and accruals	2,628,265	2,909,701
	<u>\$ 3,230,639</u>	<u>\$ 3,312,324</u>

6. **Deferred Revenue - Obligatory Reserve**

	<u>2013</u>	<u>2012</u>
Developer charges - sewer	\$ 2,005,439	\$ 1,950,416
Developer charges - water	736,794	685,024
Green space contributions	14,300	14,129
	<u>\$ 2,756,533</u>	<u>\$ 2,649,569</u>

7. **Continuity of Obligatory Reserve Funds**

	<u>2013</u>	<u>2012</u>
Balance at the beginning of year	\$ 2,649,569	\$ 2,517,630
Development charges billed - sewer	34,597	174,012
Development charges billed - water	46,596	171,011
Green space contribution (expensed)	-	(64,630)
Interest on reserve balance	25,771	23,505
Transfer - Shubenacadie Water Treatment Plant	-	(171,959)
	<u>\$ 2,756,533</u>	<u>\$ 2,649,569</u>

8. Net Long Term Liabilities

- a) Of the \$27,520,224 long-term debt (2012 - \$27,954,286) certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2013</u>	<u>2012</u>
General revenues	\$ 3,571,333	\$ 3,816,445
Local improvement charges	529,696	663,876
Area rates	11,649,790	11,204,737
Sale of land in Industrial Parks	1,939,403	2,106,731
Water charges	5,332,168	5,515,002
Tenants rent	4,175,374	4,312,235
Loan to Lantz fire department	322,460	335,260
	<u>\$ 27,520,224</u>	<u>\$ 27,954,286</u>

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

	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
General Government	\$ 83,584	\$ 86,471	\$ 89,684	\$ 18,200	\$ 19,400
Buildings	144,130	151,790	159,850	168,350	177,290
Hospital	25,445	26,516	27,549	28,749	30,016
Protective Services	7,297	7,498	7,735	8,000	8,298
Transportation	534,905	544,526	495,837	454,115	461,071
Environmental Health	138,598	145,411	152,486	107,778	231,981
Sewers	77,294	80,082	83,178	86,568	90,266
Water Utility	189,591	196,708	204,210	212,114	220,424
Environmental Development	189,300	181,767	108,069	110,143	112,419
Recreation	142,043	146,994	152,574	137,032	142,821
Lantz Fire Department	13,460	14,150	14,880	15,650	16,455
	<u>\$ 1,545,647</u>	<u>\$ 1,581,913</u>	<u>\$ 1,496,052</u>	<u>\$ 1,346,699</u>	<u>\$ 1,510,441</u>

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

	<u>2013</u>	<u>2012</u>
Principal	\$ 1,434,062	\$ 1,362,230
Interest	1,305,756	1,314,732
	<u>\$ 2,739,818</u>	<u>\$ 2,676,962</u>

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

	<u>2013</u>	<u>2012</u>
General revenues	\$ 790,980	\$ 743,577
Local improvement charges	161,258	161,125
Area rates	1,098,351	1,095,626
Sale of land in industrial parks	253,317	254,751
Water charges	435,912	421,883
	<u>\$ 2,739,818</u>	<u>\$ 2,676,962</u>

9. Employee Benefits and Other Obligations

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 this fiscal year and has been recorded in the Consolidated Statement of Financial Position. The Municipality is also liable for vacation days earned by its employees as at March 31, but not taken until a later date. These liability amounts have been recorded in the expenditures of the Municipality in the current or prior year.

10. Pension Plan

The Municipality operates a defined benefit pension plan, which provides benefits to employees upon retirement. The most recent actuarial valuation was at December 31, 2010. On a going-concern basis, the value of accrued benefits, at December 31, 2010, exceeded the value of the plan assets by \$66,184. On a wind-up basis, the liabilities exceed the assets by \$2,205,242. As a result of the December 2010 Actuarial Review the Municipality made special payments into the plan during 2012/2013 of \$138,540 to fund the solvency deficit and \$6,735 to fund the going concern deficit. New regulations came into effect in January 2013 that allows the Municipality to cease making the special payments on the December 2010 solvency deficit. Annual special payments will be \$6,735 for the going concern deficit of the pension plan. The next Actuarial Review will be done as at December 31, 2013.

	<u>Estimated December 31, 2012</u>	<u>Estimated December 31, 2011</u>
Accrued Benefit Obligation	\$9,237,935	\$ 7,692,765
Fair Value Plan Asset	<u>6,780,149</u>	<u>5,840,195</u>
Funded Status - Plan Deficit	<u>\$(2,457,786)</u>	<u>\$(1,852,570)</u>

The significant actuarial assumptions adopted measuring the Municipality's accrued benefit obligation as at December 31, 2012 were as follows:

Expected long-term rate of return on plan assets	6.25%
Rate of compensation increase	3.00%

All plan assets are held by various Standard Life Funds.

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.

Accrued benefit obligation, net of plan assets	\$2,457,786
Unamortized actuarial loss	<u>(2,118,578)</u>
Benefit liability recorded in the statement of financial position	<u>\$ 339,208</u>

During the year, the Municipality and employees contributed \$451,727 (including special payments) and \$168,516 respectively, to the plan. Benefit payments for the year totaled \$147,203.

Administrative fees paid during the 2012-2013 fiscal year totaled \$13,902.

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 Jan 1, 2006.

The liability of \$263,166 (2012 - \$230,892) 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. 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>2013</u>	<u>2012</u>
Services provided by area rates	\$ 52,295	\$ 52,295
Services provided by general fund	38,044	38,044
Long term liabilities issued to fund Hospital	(930,748)	(955,306)
Long term liabilities issued to fund East Hants Sportsplex	(3,261,032)	(3,381,288)
Unfunded pension liability	(339,208)	(171,731)
Landfill liability funded by reserves	(263,166)	(230,893)
	<u>(4,703,815)</u>	<u>(4,648,879)</u>
Water utility operation	1,116,311	1,198,102
	<u>\$ (3,587,504)</u>	<u>\$ (3,450,777)</u>

b) The investment in capital assets is comprised of the following:

	<u>2013</u>	<u>2012</u>
Tangible capital assets	\$ 74,916,723	\$ 71,522,463
Work in progress	174,595	833,137
Funds yet to be provided from long term debt	(2,869,210)	(1,651,868)
Long term liabilities capital	(23,005,984)	(23,282,432)
	<u>\$ 49,216,124</u>	<u>\$ 47,421,300</u>

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

	<u>2013</u>	<u>2012</u>
Working funds	\$ 7,919,008	\$ 6,737,390
Replacement of equipment/assets	3,259,980	2,659,958
Landfill closure/post closure liability	263,166	230,892
	<u>\$ 11,442,154</u>	<u>\$ 9,628,240</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2013

d) Consolidated Accumulated Surplus:

	<u>2013</u>	<u>2012</u>
Current fund	(3,587,504)	(3,450,777)
Investment in capital assets	49,216,124	47,421,300
Reserve funds	11,442,154	9,628,240
	<u>\$ 57,070,774</u>	<u>\$ 53,598,763</u>

13. Taxation

	<u>2013</u>	<u>2012</u>
Taxation from real property	\$ 22,269,818	\$ 20,878,969
Less: Taxation collected to pay provincial mandatory education tax rate	(3,992,868)	(3,727,368)
Net taxes available for municipal purposes	<u>\$ 18,276,950</u>	<u>\$ 17,151,601</u>

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

<u>Council</u>	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
Warden James D. Smith	\$ 26,699	\$ 1,382	\$ 28,081
Fred Bannister	11,272	425	11,697
Rosanne Bland	20,541	569	21,110
Cecil Dixon	7,883	732	8,615
Albert Flemming	7,883	612	8,495
Greg Grant	19,849	573	20,422
Wayne Greene	19,849	573	20,422
Eldon Hebb	21,871	1,364	23,235
John A. MacDonald	18,810	950	19,760
Pam MacInnis	11,069	733	11,802
Cyril McDonald	8,453	495	8,948
Norvall Mitchell	19,156	1,771	20,927
John Patterson	24,075	4,942	29,017
Keith Rhyno	19,503	720	20,223
Eleanor Roulston	19,503	706	20,209
Willie Versteeg	21,055	(74)	20,981
Chief Administrative Officer	129,792	3,923	133,715
	<u>\$ 407,263</u>	<u>\$ 20,396</u>	<u>\$ 427,659</u>

15. **Commitments**

The Municipality has outstanding contractual obligations of approximately \$3,120,000 at March 31, 2013 for road and sidewalk construction. Council has authorized the financing of these obligations.

16. **Subsequent Events**

On May 15th, 2013 the Municipality entered into long-term debt in the amount of \$2,400,000 to finance the new addition of the Lloyd E. Matheson Centre. All debt was appropriately supported by approved temporary borrowing resolutions.

17. **Contingency**

The Municipality has guaranteed a loan on behalf of the Lantz Fire Department totaling \$322,460 (2012 - \$335,260).

18. **Comparative Figures**

Certain of the comparative figures have been reclassified to conform with current year financial statement presentation.

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Municipal Operations
 Year Ended March 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Revenue			
Property taxes	\$ 22,167,787	\$ 22,269,818	\$ 20,878,969
Grants in lieu of taxes	164,630	188,970	163,989
Sale of services	1,046,978	857,989	999,705
Other revenue from own sources	1,061,235	1,262,695	1,141,201
Unconditional transfers from other governments	163,000	197,181	172,593
Conditional transfers from federal or provincial government agencies	121,167	188,526	129,419
Development and other contributions applied	125,483	-	-
Other transfers	400,000	400,000	400,000
	<u>25,250,280</u>	<u>25,365,179</u>	<u>23,885,876</u>
Expenses			
General government services	5,023,944	4,803,865	4,368,640
Protective services	6,303,229	6,225,614	5,851,494
Education and social services	3,997,507	3,992,868	3,727,368
Social services	58,372	53,132	51,560
Transportation services	1,037,317	971,271	1,187,482
Environmental health services	4,449,510	4,088,408	4,104,051
Environmental development services	1,514,785	1,136,202	1,168,625
Landfill closure/post closure costs	22,800	32,273	(17,130)
Recreation and cultural services	1,470,631	1,356,096	1,409,130
	<u>23,878,095</u>	<u>22,659,729</u>	<u>21,851,220</u>
Net Revenue (Expenses)	<u>1,372,185</u>	<u>2,705,450</u>	<u>2,034,656</u>
Financing and Transfers			
Debt principal repayment	1,292,480	1,238,428	1,194,370
Long term debt issued	-	-	(200,000)
Increase (decrease) in amounts to be recovered	-	(199,750)	(38,561)
Transfer to capital fund	124,100	450,846	40,500
Transfer to capital reserves	-	(11,475)	(15,092)
Transfer to operating reserves	(44,395)	1,227,401	1,053,438
	<u>1,372,185</u>	<u>2,705,450</u>	<u>2,034,655</u>
Change in Fund Balance	-	-	-
Opening Fund Balance	(4,648,879)	(4,648,879)	(4,547,500)
Change in Long Term Debt	-	144,814	(62,817)
Change in Unfunded Pension Liability	-	(167,477)	(55,691)
Change in Landfill Liability	-	(32,273)	17,129
Closing Fund Balance (Note 12)	<u>\$ (4,648,879)</u>	<u>\$ (4,703,815)</u>	<u>\$ (4,648,879)</u>

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Water Utility
 Year Ended March 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Revenue	<u>\$ 2,261,522</u>	<u>\$ 2,289,314</u>	<u>\$ 2,183,629</u>
Expenses			
Operating	1,638,842	1,607,343	1,248,508
Interest on debt	253,100	253,078	254,023
Amortization expense	318,000	327,850	243,023
	<u>2,209,942</u>	<u>2,188,271</u>	<u>1,745,554</u>
Net Revenue	<u>51,580</u>	<u>101,043</u>	<u>438,075</u>
Transfers and Financing			
Principal debt payment	182,850	182,834	167,860
Transfer from Municipal Operating	(87,500)	-	-
Transfer to capital	-	-	18,103
	<u>95,350</u>	<u>182,834</u>	<u>185,963</u>
Change in Fund Balance	(43,770)	(81,791)	252,112
Opening Fund Balance	1,198,102	1,198,102	945,990
Closing Fund Balance (Note 12)	<u>\$ 1,154,332</u>	<u>\$ 1,116,311</u>	<u>\$ 1,198,102</u>

Municipality of the District of East Hants
 Schedule of Capital Fund Operations - Municipal Operations
 Year Ended March 31, 2013

	2013	2012
Revenue		
Government grants	\$ 1,151,878	\$ 1,661,608
Development and other contributions applied	1,016,850	267,821
	<u>2,168,728</u>	<u>1,929,429</u>
Expenses		
General government services	244,456	282,740
Protective services	44,351	3,006
Transportation services	763,065	701,029
Environmental health services	743,442	688,611
Environmental development services	(225,276)	(45,054)
Recreation and cultural services	49,291	43,715
	<u>1,619,329</u>	<u>1,674,047</u>
Net Revenue	549,399	255,382
Financing and Transfers		
Principal payments	(1,276,448)	(1,225,047)
Transfers from reserves	481,869	(3,142,509)
Transfers from operations	(450,846)	(58,603)
	<u>(1,245,425)</u>	<u>(4,426,159)</u>
Increase (Decrease) in Fund Balance	1,794,824	4,681,541
Opening Fund Balance	47,421,300	42,739,759
Closing Fund Balance (Note 12)	<u>\$ 49,216,124</u>	<u>\$ 47,421,300</u>

Municipality of the District of East Hants
 Schedule of Reserve Operations
 Year Ended March 31, 2013

	2013	2012
Revenue		
Investment income	\$ 116,119	\$ 142,740
Net Transfers From/To Other Funds		
Transfers from Current Fund	(1,215,926)	(1,038,346)
Transfers to Capital Fund	(481,869)	3,142,509
	<u>(1,697,795)</u>	<u>2,104,163</u>
Net Change in Reserve Funds	1,813,914	(1,961,423)
Opening Reserve Fund Balance	9,628,240	11,589,663
Closing Reserve Fund Balance (Note 12)	<u>\$ 11,442,154</u>	<u>\$ 9,628,240</u>
Analyzed as follows:		
Reserves set aside for specific purposes		
Operating contingencies/surplus	\$ 1,442,017	\$ 909,591
Solid waste diversion operations	84,221	46,520
General government	710,324	707,406
Solid waste management facilities/equipment/operations	1,243,713	1,172,494
Office equipment	252,447	188,447
Computer hardware/software	223,352	206,519
Pool building and equipment	590,215	525,215
Transportation and equipment	600,796	474,044
Recreation and leisure	29,729	24,729
Emergency measures	144,899	118,669
Passenger vehicles	124,750	104,750
Tax sale surplus	15,586	15,586
Gas tax excess	41,516	86,217
Lloyd Matheson Centre	80,000	60,000
Industrial park land development from sales	555,371	164,841
Landfill closure/post closure costs	263,166	230,892
District beautification funds	17,876	28,920
Emergency grant fund - fire departments	208,726	168,246
Tourism grant fund/capital	92,726	82,079
District recreation grant fund	56,310	48,830
Rural economic development fund	182,787	177,287
Urban Service Rate contingencies/surplus	856,111	820,867
Lights other surplus	111,868	42,746
Lights communities	122,847	168,720
Corridor fire protection system	1,203,773	1,194,577
Sewer system	533,966	520,714
Sidewalks excess debenture/operations	305,852	265,666
East Hants water system	1,347,210	1,073,668
	<u>\$ 11,442,154</u>	<u>\$ 9,628,240</u>

Municipality of the District of East Hants

Reconciliation of the Financial Plan to the PSAB Budget

Year Ended March 31, 2013

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	PSAB Budget
REVENUE							
Taxes	\$ 22,167,787	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,167,787
Water utility	-	2,261,522	-	-	-	-	2,261,522
Grants in lieu of taxes	164,630	-	-	-	-	-	164,630
Sale of services	1,046,978	-	-	-	-	-	1,046,978
Other revenue from own sources	1,061,235	-	-	-	142,740	-	1,203,975
Unconditional transfers from other	163,000	-	-	-	-	-	163,000
Conditional transfers from government	121,167	-	-	-	-	-	121,167
Government grants	-	-	-	1,374,533	-	-	1,374,533
Development and other contributions applied	125,483	-	-	1,016,850	-	-	1,142,333
Other transfers	400,000	-	-	-	-	-	400,000
Long term debt issued	-	-	-	-	-	-	-
Transfers from reserves (capital/operating)	44,395	87,500	-	-	(131,895)	-	-
Total revenue	25,294,675	2,349,022	-	2,391,383	10,845	-	30,045,925
EXPENSES							
General government services	5,023,944	-	263,115	-	-	-	5,287,059
Protective services	6,303,229	-	37,351	-	-	-	6,340,580
Education services	3,997,507	-	-	-	-	-	3,997,507
Social Services	58,372	-	-	-	-	-	58,372
Transportation services	1,037,317	-	763,065	-	-	-	1,800,382
Environmental health services	4,449,510	-	714,951	-	-	-	5,164,461
Water utility	-	2,209,942	-	-	-	-	2,209,942
Environmental development services	1,514,785	-	113,082	-	-	-	1,627,867
Landfill closure/post closure costs	22,800	-	-	-	-	-	22,800
Recreation and cultural services	1,470,631	-	49,291	-	-	-	1,519,922
Transfer to capital	124,100	-	-	-	(124,100)	-	-
Debt charges - principal payment	1,292,480	182,850	-	(1,330,470)	-	(144,860)	-
Transfer to reserves (capital/operating)	-	-	-	-	-	-	-
Total expenses	25,294,675	2,392,792	1,940,855	(1,330,470)	(124,100)	(144,860)	28,028,892
Surplus (Deficit)	\$ -	\$ (43,770)	\$ (1,940,855)	\$ 3,721,853	\$ 134,945	\$ 144,860	\$ 2,017,033

Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2013

	General Government	Protective Services	Transportation Services	Env. Health Services	Env. Developmnt Services	Other
REVENUE						
Property taxes	\$ 17,836,508	\$ 2,023,165	\$ 45,217	\$ 2,098,708	\$ -	\$ -
Grants in lieu of taxes	178,605	-	-	10,365	-	-
Sale of services	293,417	-	-	386,015	19,197	-
Other revenue from own sources	985,141	153,338	-	89,416	6,541	116,119
Unconditional transfers from other governments	105,047	-	-	92,134	-	-
Conditional transfers from federal or provincial government	-	-	-	152,083	3,885	-
Government grants	-	-	-	-	-	1,151,878
Development and other contributions applied	-	-	-	-	-	1,016,850
Other transfers	-	-	-	400,000	-	-
Gain on sale of TCA	18,659	-	-	-	338,358	-
Water utility	-	-	-	-	-	-
Total revenue	19,417,377	2,176,503	45,217	3,228,721	367,981	2,284,847
EXPENSES						
Salaries, wages and benefits	2,201,303	257,338	-	1,014,967	693,998	-
Operating costs	2,350,702	5,941,644	620,494	2,941,193	332,334	4,046,000
Amortization	263,115	37,351	763,065	714,951	113,082	-
Interest on long term debt	251,860	26,632	350,777	164,521	109,870	-
Loss on sale of TCA	-	7,000	-	28,491	-	-
Total expenses	5,066,980	6,269,965	1,734,336	4,864,123	1,249,284	4,046,000
Surplus (Deficit)	\$ 14,350,397	\$ (4,093,462)	\$ (1,689,119)	\$ (1,635,402)	\$ (881,303)	\$ (1,761,153)

* 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, 2013

	Recreation and Cultural Services	Water Utility	2013 Total	2012 Total
REVENUE				
Property taxes	\$ 266,220	\$ -	\$ 22,269,818	\$ 20,878,969
Grants in lieu of taxes	-	-	188,970	163,989
Sale of services	159,360	-	857,989	999,705
Other revenue from own sources	28,259	-	1,378,814	1,283,941
Unconditional transfers from other governments	-	-	197,181	172,593
Conditional transfers from federal or provincial government	32,558	-	188,526	129,419
Government grants	-	-	1,151,878	1,661,608
Development and other contributions applied	-	-	1,016,850	267,821
Other transfers	-	-	400,000	400,000
Gain on sale of TCA	-	-	357,017	148,215
Water utility	-	2,289,314	2,289,314	2,183,629
Total revenue	486,397	2,289,314	30,296,357	28,289,889
EXPENSES				
Salaries, wages and benefits	574,018	599,567	5,341,191	5,477,952
Operating costs	633,060	1,007,776	17,873,203	16,561,069
Amortization	49,291	327,850	2,268,705	1,999,903
Interest on long term debt	149,018	253,078	1,305,756	1,314,732
Loss on sale of TCA	-	-	35,491	65,382
Total expenses	1,405,387	2,188,271	26,824,346	25,419,038
Surplus (Deficit)	\$ (918,990)	\$ 101,043	\$ 3,472,011	\$ 2,870,851

SECTION 3 - YEAR END DEPARTMENT REPORTS



ADMINISTRATION DEPARTMENT

Year End Report 2012-2013

Introduction

The mandate of the Administration Department is to provide effective, efficient and quality services to our internal clients (other employees) enabling them to provide enhanced levels of service to the citizens of East Hants, as well as protect public safety through proactive emergency planning and by-law enforcement. The Department's key objectives are to:

- Foster the development of the Municipality's human resources.
- Deliver and support effective and efficient information technology solutions for our internal and external clients.
- Proactively educate the public and provide prompt enforcement of the Municipal By-laws.
- Provide the municipal organization with the necessary administrative tools to carry out their day-to-day job responsibilities.
- Ensure the safety and security of citizens, their property and the environment by planning for a prompt and coordinated response to an emergency.
- Conduct the necessary research and study of opportunities and special projects as identified by Council and the Chief Administrative Officer.

Human Resource Management

The Municipality continues to develop its Human Resources Plan to ensure employees are able to meet increasing demands for timely and responsive public services. External factors that impact the human resources planning process include changes to legislation and regulations in areas such as health and safety, environmental, building code and pension legislation. Other external factors that impact the human resource plan include a shortage of specific skills for certain jobs, a diverse workforce with various needs and a declining labour force. Some of the more significant HR activities undertaken in 2012-2013 by the Administration Department are outlined below.

Ongoing Compensation Review

The Municipality continues to monitor its overall compensation package in order to ensure it is affordable for the taxpayers of East Hants while at the same time remains competitive with the market in order to successfully recruit and retain qualified staff.

Job Descriptions are reviewed annually to ensure job duties are aligned with the Municipality's overall goals and objectives and employees receive at least one performance evaluation per year.

Organizational Structure Enhancement

The Municipality's organizational structure went through a significant change on January 1, 2013 with the amalgamation of the Departments of Engineering and Operational Services. The Department of Infrastructure and Operations was created to enable better coordination, collaboration and strategic management that will enhance the Municipality's ability to provide essential services to the public in a timely and efficient manner.

Staff Relocation to Lloyd Matheson Centre

A significant event that took place in December 2012 was the relocation of staff from the Milford Office to the newly constructed addition of the Lloyd E. Matheson Centre in Elmsdale. With staff now located in the same building, the organization is able to more efficiently serve the public and costs associated with communications and travel between the two office locations has been eliminated. This move has had a very positive impact on staff as they are able to provide enhanced services to the public all under one roof.

Training and Professional Development

The training and professional development of staff continues to be a priority for the Municipality. Not only is it important to ensure staff have the skills to meet the evolving needs of their current jobs so they can better serve the needs of the taxpayers, but also to develop employees with the potential to move into more senior roles. In the fall of 2012 the Municipality entered into a government-funded partnership with the Department of Labour and Advanced Education in order to provide in-house essential skills training to staff in areas such communications, computers and leadership development. These programs have proven to be very successful and the Municipality will continue to participate in these beneficial training opportunities in the upcoming year.

HR Policy Review

The HR Policy Review project is still underway; the more significant HR Policies with the greatest overall impact were rolled out in 2011-2012. In 2012-2013 a new Overtime/On Call/Call-Out Policy was implemented; other policies require review and roll out in coming years.

Occupational Health and Safety

The Municipality recognizes the importance of providing a healthy and safe work environment for all of its employees that includes ensuring Municipal staff are properly trained and have timely access to OH&S information as it pertains to their jobs. During the past year the Municipality has undertaken significant enhancements to the health and safety section of its internal staff website so pertinent OH&S information is available to all staff. The Municipality has continued to perform ongoing work on updating its OH&S policies, processes and procedures.

The Joint Occupational Health and Safety Committee places a high priority on promoting health and safety in the work place by providing educational opportunities throughout the year. This includes organizing activities to promote North American OH&S Week, promoting flu vaccinations, coordinating staff ergonomic assessments, engaging staff with OH&S quizzes, conducting worksite inspections and reviewing OH&S concerns and hazards as they arise.

Recruitment Activities

In 2012-2013 twenty one (21) recruitment and selection processes were completed; eleven (11) to fill summer student positions, two (2) to fill maternity leave vacancies and eight (8) to fill vacancies created by departing or retiring employees. This turnover is slightly higher than average, further demonstrating the need for the Municipality to provide a competitive compensation package in order to recruit and retain qualified staff.

Information Management Plan

In 2010-11 it was identified that there was a need to improve information quality, provide more efficient data access for municipal staff and improve the delivery of services to Council, municipal clients and the general public. To this end an information management plan was developed with the assistance of external expertise.

The first phase to implement the Information Management Plan was started in 2011-12. The purpose of Phase I was to ensure there is a well established framework in place to standardize and capture information, whether that information is in hard copy, electronic format or in corporate memories. The key components the framework included: policies, processes and templates related to Business Case Analysis, Business Planning, Project Management and the documentation and implementation of business processes.

Phase II of the IM Plan involves the selection and installation of a Records Management System (RMS) and Documents Management System (DMS). This will enable the information that is generated using the IM framework to be stored in such a way that it is easy to access and when accessed, the user can be assured s/he has the most recent and accurate copy of that information. Work was underway in 2012-2013 to determine RMS/DMS system requirements and engage staff in the implementation program.

Information Technology (IT)

IT Activity

The following statistics are listed to provide an overview and appreciation of the level of technical activity that occurs as part of the Municipality's day-to-day business:

Calls for Support

972 Calls for support received at the Helpdesk.

E-mail Statistics (External)

Total e-mails received: 431,020

Total e-mails sent: 106,377

E-mail Viruses Blocked

946 infected e-mails blocked; 0.14% of total mail

E-mail Spam Blocked

131,554 spam mail messages were blocked; 30.52%

Viruses Blocked at the Desktop

12 virus infections were prevented in 2012-13

Data Flows

Currently 815,060 files are backed up, 77,093 folders on user shared drives.

Properties and Facilities Maintenance

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

- Branch Libraries – Elmsdale and Mount Uniacke
- Burntcoat Head Lighthouse – Burntcoat
- Court House Hill Memorial Site – Gore
- E.H. Horne School Building – Enfield
- Former CN Train Station – Elmsdale
- Lloyd E. Matheson Centre – Elmsdale
- Municipal Annex – Milford – Sold September 2012
- Municipal Dog Pound – Georgefield
- Municipal Office – Milford
- Municipal Pool – Milford
- Tin Smith Shop Museum – Shubenacadie
- Walton Lighthouse – Walton

In addition to routine services such as janitorial, snow and ice removal and general repair and maintenance, a number of upgrades were carried out on municipal properties in 2012-2013.

Lloyd E. Matheson Centre

In December 2012 the Lloyd E. Matheson Centre addition project was substantially complete. The Class “A” office building of approximately 11,750 square feet became the home of the Municipality’s departments of Finance, Planning and Development, and Recreation and Culture on December 10, 2012. This involved the relocation of 24 staff and the Municipal Council Chambers from the former Municipal Office Building situated in Milford.

Municipal Building - Milford

In anticipation of the relocation of staff from this building to the new addition at the Lloyd E. Matheson Centre, a number of projects were undertaken to prepare for its disposal. This included the installation of a dedicated well and water softener system,

which this site formerly shared with the Municipal Pool facility, and the subdivision of this property from the Municipal Pool property. This subdivision required the conveyance of a small parcel of land from the abutting property owned by the Chignecto-Central Regional School Board to accommodate minimum lot requirements defined by the Municipal Land Use By-law. The migration of both properties will be completed in 2013-2014. This property is currently listed for sale.

Municipal Pool - Milford

In addition to routine maintenance of the Municipal Pool facility, the interior walls of the pool deck area were re-varnished, repairs were carried out on the Fire Alarm System and the automatic door opener at the main entrance was replaced. Several interior doors and the fire exit landing were also upgraded to comply with Fire Code requirements identified by the Municipal Fire Inspector.

Tin Smith Shop Museum - Shubenacadie

In 2012-2013 a number of projects were completed at the Tinsmith Museum that were recommended by Municipal Building Inspection staff following a structural assessment of the building conducted in 2011-2012. These projects included repairs to the basement, upgrades to load bearing walls, repairs to the heat exchanger, repairs to the roof, and replacement of the eavestroughing. Several other recommendations identified in that assessment will be carried out in 2013-2014.

Walton Lighthouse - Walton

Municipal Building Inspection staff conducted a structural assessment of this building in 2011-2012 and identified the need to replace the exterior wood siding shingles within two years. The Municipality and Walton Area Development Association applied for funding from the Province to support this project in 2012-2013 which was denied. The Municipality and Walton Area Development Association will reapply for funding in 2013-2014.

Burntcoat Head Lighthouse - Burntcoat

In 2012-2013 a number of projects were completed at the Burntcoat Head Lighthouse that were recommended by Municipal Building Inspection staff following a structural assessment of the building conducted in 2011-2012. These projects included the

replacement of windows and installation of vents in the Copula, installation of hand rails on interior and exterior stairways, and upgrades to floor joists.

Mount Uniacke Library - Mount Uniacke

In addition to routine maintenance of the Mount Uniacke Library building, the fire alarm panel was replaced.

Municipal Dog Pound - Georgefield

In addition to routine maintenance of the Municipal Dog Pound, an electric baseboard heater and door step were installed at the Dog Pound.

RFP for Contract Services

In addition to the request for proposals and quotations for projects noted above, the Administration Department facilitated a request for proposals for risk management services and insurance portfolio; janitorial services for municipally owned properties; janitorial services for the Mount Uniacke Library; and the replacement of two (2) municipal fleet vehicles.

Insurance Inspections

The Municipality's insurance provider, Frank Cowan Company, conducted a risk assessment of all municipally owned buildings and properties. This assessment identified conditions or potential risks, provided a photographic inventory of the building and structures, calculated current replacement cost values for each property and brought the Municipality's attention to any additions, deletions or description changes that should be made to the existing property schedule.

By-law Enforcement

As in previous years, 2012-2013 was a busy year for by-law enforcement. Following outlines the level of activities:

Dog Control

The By-law Enforcement Officer responded to 103 complaints and inquiries about dogs in 2012-2013. A total of 11 dogs were impounded all of which were either reclaimed by their owners or adopted directly from the Municipality or through the SPCA.

Illegal Dumpsites

While illegal dumping is a responsibility of the Operational Services Department, the By-law Enforcement Officer provided investigative assistance on some cases. In 2012-2013 there were 12 cases of illegal dump sites that were investigated by the By-law Enforcement Officer.

Dangerous and Unsightly Premises

The By-law Enforcement Officer works closely with the Department of Planning and Development on complaints received about dangerous and unsightly premises. In 2012-2013 the By-law Enforcement Officer assisted in the investigation of 14 properties deemed to be either dangerous or unsightly.

Tax Sale

The By-Law Enforcement Officer works with the Finance Department to post notices in relation to tax sales. In 2012-2013, the By-law Enforcement Officer posted 11 tax sale notices throughout the Municipality.

Emergency Management Operations

The Emergency Management Operations (EMO) Committee met on two occasions in 2012-2013. The Committee is made up of representatives from the Municipality, Red Cross, the Fire Service, RCMP, Community Services, Transportation and Infrastructure Renewal, Ground Search & Rescue and Natural Resources.

The Emergency Measures Coordinator (EMC) continued to be active in EMO at both the regional and provincial levels, attending four (4) EMONS Zone meetings in 2012-2013. The EMC is also working on the development of draft plans for an Emergency Management Strategic Plan and Comfort Centers within the Municipality.

The Municipality conducted an exercise entitled “Exercise Corridor Response”. The exercise was conducted at Shaw Brick in Lantz on Sunday, March 17, 2013. This was a full-scale exercise. The purpose of this exercise was to validate the effectiveness of the Municipality’s response in accordance with the Municipal Emergency Response Plan and to set up an opportunity for emergency responders within the community to gauge their effectiveness in responding to a mass casualty situation. The EMC was the Exercise Director for this event

which allowed over 100 emergency responders to train together for the first time in East Hants. The Municipality received very positive media coverage of this event.

Incident Command System

Transitioning to the Incident Command System for managing emergency responses continued to be the focus for 2012-2013. All members of the Emergency Management Operations (EMO) Committee completed Level 100 ICS and Level 200 ICS training. Training for 2013-2014 will focus on Emergency Operations Center (EOC) Management training for municipal staff as well as the development of a table top exercise for the EMO Committee.

All Hazards Plan

The EMC continues to maintain the Municipality's All Hazards Plan. The EMC coordinated the completion of the mandatory bi-annual provincial Emergency Management Program Evaluation. The evaluation document is a tool used by municipalities and EMO NS to evaluate municipal emergency management programs to ensure that they are current and identify areas where improvements can be made. An all hazards risk assessment is scheduled for 2013-2014 at which time the need for contingency plans will be identified.

Comfort Centers

A review of all designated comfort centers began in 2011-2012 and will be continued in 2013-2014. A Comfort Center Operations Plan (draft) has been developed and will be utilized once selections for centers are made. A training component for Center staff will also be investigated/developed in 2013-2014. Documentation such as a Memorandum of Understanding/Letters of Agreement will be developed and agreed to amongst the Centers and the Municipality.

Municipal Grants Program Review

The Municipality offers several grant programs to further its strategic objectives through non-profit community organizations. Working with the Departments of Finance, Recreation & Culture and Economic & Business Development, the Director and Coordinator of Administrative Services facilitated a review of all municipal grant programs which was completed in 2012-2013.

Municipal Grants Framework

As part of the review of all municipal grants the need for a framework to guide the development of new grant programs and to standardize the application and evaluation processes for existing program was identified. During 2012/2013 a framework was approved by Council that will increase the efficiency with which grant applications are managed and will mitigate the inherent risks of the various Municipal grant programs.

Fire Advisory Committee

The Administration Department provides administrative support to the Fire Advisory Committee. The Committee met on two occasions in 2012 and initiated a number of projects.

Firefighter and Officer Training

Training has become a priority for all departments due to the legal and moral obligations put on the Fire Service. Several challenges currently exist to ensure all firefighters and officers are properly trained, including the cost of training, the time commitment required, cancellation of training sessions due to low enrolment, and officer turnover.

The Mutual Aid Training Committee has agreed to consult the East Hants Fire Chiefs to identify training gaps and work with the Fire School to determine the most cost effect way to close those gaps (on-site training in East Hants versus attending training at the Fire School). A regional training program, and associated costs, will be developed.

In January 2013 Council directed staff to work with the East Hants Fire Service to develop an agreement for a regional training program which would include a maximum amount of funding to be provided annually upon successful completion of training programs, with the first year of funding to be included in the 2013-2014 operating budget.

Training Area for East Hants Fire Departments

In July 2012 Council tasked the Fire Advisory Committee with exploring the option of having one common training facility for all the East Hants fire departments. After deciding that input from the Fire Chiefs was required, the issue was raised at a meeting of the Fire Chiefs in November. The Chiefs agreed that a common training area would be a huge support to the Fire Service in its efforts to ensure firefighters are properly trained. There was general agreement that the training area should have fixed facilities, access to the required infrastructure to support the facilities and should be located as centrally as

possible to ensure all departments have timely access. This will be a multi-year project requiring a financial commitment from the Municipality to complete.

Council directed staff to work with the East Hants Fire Service to develop the design, location and financing model for a common training facility, to be approved by Council, and has agreed upon receipt of a letter signed by two thirds of the East Hants fire chiefs, to give agreement in principal to provide an annual financing commitment to the development of this facility.

Indian Brook Volunteer Fire Department

Fire Advisory Committee addressed concerns in September 2012 regarding the lack of a volunteer fire presence in Indian Brook. Over the past few years, the volunteer department in Indian Brook has had a number of issues that have prevented them from answering fire calls on the reservation or providing mutual aid to neighbouring departments when requested. As a result, the Shubenacadie Fire Department has been responding to all calls from Indian Brook, placing a strain on the department's resources.

Subsequent to correspondence from the Fire Advisory Committee, the Band is working closely with the Indian Brook Volunteer Fire Department towards bringing the department back to operational status. To date, several issues have been addressed: truck maintenance has been performed on the vehicles and they have been inspected and insured, equipment and gear has been cleaned, and pagers and other electronic equipment are functioning. The department is now taking calls within their community and working towards taking part in mutual aid once again.

CAO's Office

Year End Report 2012-2013

As the senior administrative official for the organization, the CAO participates in many of the larger projects undertaken and issues addressed by Municipal Departments. In 2012/2013 these included the following:

- Matheson Center addition
- Involvement in various economic development initiatives
- Compensation review completion and roll out
- Various personnel issues
- Recruitment processes, including one Director position
- Policy development
- Information Management initiative
- Emergency Measures structure review and training- Incident Command System
- Coordination of legal service acquisition
- Personnel Policy Revisions

In addition, the CAO's office took the lead on a number of projects including the following:

- Pursuit of implementation of new Police Model for East Hants
- Attendance at FCM and UNSM conferences
- Election Oversight
- Police Advisory members (public)
- Departmental reviews on two departments and consolidation of Engineering and Operations
- Wardens Retirement Function
- RDA wind-down and exploration of REN model
- Fences and Arbitration Issue

The CAO's office takes the lead in organizing and supporting many of interdepartmental meetings required to coordinate the above activities.

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

The staff in the office of the CAO provides ongoing support to the Municipal operation through the management of Council Chambers Online, the provision of recording secretary and

administrative support to various committees, hearings and other meetings. This department prepares and distributes the minutes of Council, the “Record of Action Taken” documents and Pre-Council Status Update reports that track the decisions of Council and ensure their implementation in an efficient manner.



ECONOMIC & BUSINESS DEVELOPMENT

Year End Report 2012-2013

Overview

The Department of Economic and Business Development (EBD) works to achieve the municipal economic development objectives by implementing the strategies of the MEH Economic Development Plan and EBD Business Plan. The primary role of the Municipality in economic development is not direct investment but action that encourages and facilitates investment and informed decision-making by others. The Department of Economic and Business Development strives to make East Hants one of the best places to do business in Atlantic Canada. The reason: a strong local economic base enables the best possible quality of life for its residents.

EBD experienced two major staffing changes during 2012-2013 fiscal year, these included the hiring of a new Director and a new temporary Business Development Officer. The Department also hired a summer student.

Over the 2012 fiscal year the Department (EBD) participated in a number of projects and initiatives to support the overall goal of growing the local economy. These are outlined by strategic area below.

Business Park Management and Development

There were eight lots in the Uniacke Business Park inventory at the start of 2012-2013. Lot B8, D1 and D3 sold in January and Lot A8, which contained wetland, sold in June, 2012.

The Elmsdale Business Park had five lots in the inventory and with the sale of Lot 92-3A in October, four lots remain for sale in 2013.

The Department managed the grounds maintenance service contract with providers for the Elmsdale and Uniacke Business Parks. This business function transitioned to the Infrastructure and Operations department (I&O) department in April, 2013.

Economic and Business Development continued to liaise with I&O on the Park Road extension project in the Elmsdale Business Park. This project is scheduled for completion in 2013.

The Martha Road Extension agreement with Municipal Enterprises Limited (Formerly Dexter Construction) for road development in the Uniacke Business Park was finalized and work was

completed with the exception of Power Poles. The new lots that were opened up by this work and are now available in the Park's inventory for sale.

Uniacke Business Park owners expressed concern with thefts taking place in the park. EBD facilitated discussion around this issue with business and land owners and the RCMP and supported their formation of a formal association to address these types of issues and advocate on behalf of the owners. EBD is continuing to support efforts by the association to implement crime prevention signs and discussion around security and monitoring.

One specific initiative EBD brought forward to Council for their consideration and subsequent approval was the adoption of a new street lighting policy for the municipally-owned business parks; from one light for each second pole, to a standard of one light for each pole. This is part of the support to land owners around their concerns with vandalism and thefts brought up by the Uniacke Business Owners Association. This policy also extends to the Elmsdale Business Park. This work began in 2012 and will be completed in 2013.

EBD also liaised with the Uniacke Business Owners and began the process of producing Crime Stopper signage for both parks. This work will be complete in 2013.

The Department planned and implemented an Elmsdale Business Park Owners and Occupants meeting in March 2013. EBD will continue to advance the idea of regular business park meetings.

Illegal Dumping/Fill issues on lots in the Uniacke Business Park were addressed by the municipality's By-law enforcement officer throughout the year.

As per the municipality's Purchase and Sale agreement with land lot buyers in the business parks, development is to be complete within 24 months of the purchase price or the municipality has the right to buy back the lot in question and place it back in its inventory for sale. The Department began the process of exercising its buy back option on several lots in Uniacke Business Park and in the Elmsdale Business Park. This option was exercised only after extensive contact with the owners, review of the Purchase and Sale Agreements and consultation with the CAO's office and the Municipal Lawyer. These buy-backs are pending and will be completed in 2013.

EBD was involved in the planning and development of a small park development sponsored by the East Hants Chamber of Commerce to enhance the quality of the Elmsdale Business Park. Going forward the Department will continue to support Recreation and Culture as it liaises

with the Chamber to bring the project to life. The park supports the municipality's requirement for open spaces in all its subdivisions.

The expansion of Park Road began and preliminary subdivision work was started to enable additional lots be available for sale along the new Park Road section of the Elmsdale Business Park.

Investment Attraction

- Economic and Business Development continued to work with Nova Scotia Business Inc. (NSBI) and its other economic attraction partners on investment readiness and site selection. NSBI visited the Municipality and was impressed with the level of progress being made. Verbal recommendations and industry best practices that arose from those meetings are being reviewed and implemented as they relate to the EBD Business Plan.
- The Department began its effort to improve its sales and marketing materials to support investment attraction. That work will continue into 2013.
- A study of transit along the corridor region of the municipality was undertaken this year. Further work may be undertaken in 2013-2014.
- The department hired a consultant to look at lands that could be used as an additional industrial park where there would be rail access as well as highway access.
- Some early work on the cost analysis of the costs associated with a rail reload station in the municipality was undertaken, based on inquiries the department had received for rail access.
- Wind Energy projects in the Municipality were investigated to gain information on potential for industry growth in East Hants. Several companies are testing sites within the municipality.

Local Business Retention, Expansion and Trade

- The Department held a business engagement event with the Chamber of Commerce, called Imagine East Hants and had a great turnout of businesses. Discussion centred around business needs and what the municipality and Chamber could do to improve their competitiveness and the business environment in East Hants. More work is planned on a phase 2 in 2013.
- During the latter part of the year, the Department began to develop its own role in business advisory services and support for local businesses; primarily as a connector for business as they grow their businesses; a mini-East Hants BRE program. The Department and the RDA met with several businesses to determine how best to support them whether in attracting investors, helping them navigate government support programs, or labour issues.
- With the Chamber the Department also held a session with local business to hear from East Hants business on how they were organizing to capitalize on the Irving

Shipbuilding contract and what other businesses could do to ready themselves for the opportunities to come.

Brand, Marketing and Communications

- The Department began a project to design and develop series 100 highway municipal community identity signs at four locations on the highways 102 and 101. The signs will be installed in 2013.
- Pursued community sponsorship of Halifax Golf Club Tournament at Penn Hills golf course, as a vehicle for personal contacts, marketing, sales, and prospecting and engagement activity. Tournament was eventually moved to Oakfield and the decision to withdrawal as a sponsor was made.
- The municipality also continued to advertise at the Halifax Airport to promote East Hants as a business destination and has refined its plan for the coming year.
- Economic and Business Development reviewed the Department's current methods and tools of communication and engagement and as a result had an independent evaluation of the GoToEastHants website with recommendations on how to integrate the best elements into East Hants' overall economic development online presence. The results of that evaluation will be built into the municipality's plan for its new website to be developed in 2013.

Relationship Building and Outreach

- Imagine East Hants, as mentioned above, was an important engagement component of the Business Plan and the results will be used in the next phase in 2013 and beyond.
- Continued presence and support of the East Hants Chamber of Commerce.
- Became a member of the Halifax Chamber of Commerce.
- The Department continued to attend signature events in the Nova Scotia business community, sponsored by important business stakeholders to the growth of East Hants.

Productivity and Efficiency

- 2013-2014 Economic and Business Development Departmental Business Plan was completed and approved. This will provide increased focus and direction to the Department.
- As with other departments, in an effort to create corporate memory and consistency and best practices in business processes, the Department made great headway in mapping its own business processes. More work is scheduled for 2013.
- The Department began efforts to gather market research and data that will inform its sector attraction strategy and support to local businesses in enhancing their competitiveness and readiness for export trade. This project will continue to expand into 2013.

Tourism

- Tourism in 2012-2013 transitioned to the Recreation and Culture department; the EBD Department continued to work collaboratively on projects where there were economic and commercial development interests.

- The Department attended the Tourism Stakeholders Meetings which were revived by Recreation and Culture this year.
- The Department supported Recreation and Culture's efforts to develop a set of post cards for tourist operators to offer to visitors coming to the area as a memento of their visit to the area at operator locations or visitor information centres. These will be printed and distributed for the 2013 summer tourism season.
- The Department worked on producing Walton Lighthouse 'Trail Blazer' signs and they are complete for Recreation and Culture's installation in 2013.
- We also participated in the organization of similar wayfinding signage for Burntcoat Head Park signs; which is scheduled to be completed in 2013.

Administration

The Department supported and contributed to the Administration department's Lloyd E. Matheson Building way-finding signage project. Visitors to the building were experiencing some difficulty locating the departments and services they needed following the consolidation of all municipal services to this building from Milford in December of 2012. EBD will continue to be involved in this project in 2013.

FINANCE DEPARTMENT

Year End Report 2012-2013

Introduction

The Finance Department is responsible for all matters related to taxation and collections, water billing and accounts receivable, main reception services for the organization, payroll processing, payables processing, accounting and controlling, year-end financial statements and audit preparation as well as preparation of the capital and operating budgets for the Municipality of East Hants. The Finance Department is responsible for procurement policies and related matters for the organization. Staff in this department also does required reporting to various government agencies in the form of statistical reports. The department provides bookkeeping services to the Hants Regional Development Authority and five volunteer fire departments (payables, receivables, accounting and year end processing). Senior staffs in the department provide support in policy and procedure development, financial analysis and special project advice.

In June 2012 the Municipality hired a new Manager of Finance. Over the course of the year the new Manager has been involved in many of the programs and services described herein.

Accounting

The year end process generally consumes three staff persons for the better part of April, May and June; concluding with the municipal audit, financial statements and a Treasurer's Report presented to Council. The Treasurer's Report was presented to Council in July 2012. Year end 2012 was followed by a great deal of external reporting required for Statistics Canada, the Utility and Review Board and Service Nova Scotia and Municipal Relations.

The Municipality of East Hants is responsible for the day to day accounting for the Milford, Lantz, Nine Mile River, Rawdon and Maitland volunteer fire departments. This role includes processing accounts payable, revenue receipting, bank reconciliations, providing monthly statements to the fire departments and HST reporting on their behalf.

Part of the mission of the Finance Department is to provide more support to the volunteer fire departments across the municipality. In the summer of 2007 a comprehensive set of policies and guidelines were created and approved for use in holding volunteer fire departments accountable to the public for public monies being spent. Part of the annual

work plan is to perform financial review of fire department books. In 2012-2013 the Shubenacadie and Kennetcook fire departments were reviewed by municipal staff.

Staff was instrumental in preparing five years worth of HST returns for two of the volunteer fire departments, generating over \$30,000 of cash flow for the two departments.

During 2012/2013 SAP support services were transitioned from the provincial data center to IBM Canada. This created some set-backs for finance staff as the service delivery model changed and new resources were responsible for MEH SAP support.

Finance went live with an electronic vendor payment system in 2012/2013. This has developed the capability for electronic vendor payments, with the objective of reducing the cost of cheque processing, reducing the consumption of paper and enhancing our responsiveness and service quality to the business community.

Other interesting statistics from Accounting in 2012/2013:

Activity	2011/2012	2012/2013
Invoices Processed	5,644	5,825
Cheques Issued	3,588	3,698
Journal Entries Completed	1,150	1,116
Electronic Payments Processed	17,150	19,865
PAD Payments Processed	6,200	7,940
Landfill Tickets Processed	1,785	1,227
New Vendors or Amendments	155	186
Payroll Deposits	2,691	2,833
T4's Issued	142	168

In 2012-2013 Finance staff spent considerable time training and following-up with all Municipal staff on the use of the accounting system (SAP) and the ADP EZLabor time management system. With the number of turnovers in various departments, this was a fairly time consuming responsibility.

Budgeting and Funding

In October 2012 back office Finance staff turned their attention to the capital and operating budgets for 2013/2014. The Finance Department's role in the budget process is one of coordination, calculation and analysis. Departments are responsible for their own business planning and budget requests; the Finance Department evaluates the larger picture, advises the CAO on relevant tax policy issues and budgets for all of the tax and transfer revenue, the salary and debt expenses, all allocation budgets and those expenditures not tied to operation

of any given department. Senior financial staff presented these budgets to committee and managed the process through to the passing of the budgets prior to March 31, 2013.

Several statistics reports are required to satisfy reporting to other levels of government. The Accountant and Budget Analyst is responsible for the preparation of these reports which include: the HST offset program application, various Statistics Canada reports throughout the year (such as quarterly cash statements), statistics required for the uniform assessment calculation, statements of estimates and financial information reports for Service Nova Scotia and Municipal Relations, the capital investment plan and the expenditure reports for the Gas Tax program.

Finance staff conducts regular year to date reviews with representatives from each department, at various points in the year. Assistance is provided when budgets need to be reallocated within policy provisions or when financial analysis of accounts is required. Certain reallocations require CAO approval and the Finance department provides oversight and review of transactions before they are placed before the CAO for sign off.

Statistics from Budgeting in 2012/2013:

Activity	2011/2012	2012/2013
Statistics Reports Prepared	15	20
Funding Claims/Audits	4	1
Budget Over-expenditures Reviewed	56	41
Budget Reallocations Reviewed	56	75

Procurement

The Finance Department is responsible for the oversight of procurement for the Municipality. This includes frequent consultation with the Province and other municipalities around policy issues, ongoing training of staff across the organization, review and revision of municipal RFPs prior to release and participation on RFP evaluation committees. On a day to day basis, the department ensures the appropriate documentation exists to demonstrate that procurement policies and guidelines have been followed.

In 2011 the *Public Procurement Act (2011)* was enacted by the Province of Nova Scotia; the Act is applicable to all public sector entities and is intended to improve transparency and accountability, standardize practices and create a governance structure for public sector procurement in Nova Scotia. With the enactment of the new legislation, Finance staff undertook a review of the current municipal procurement policy and guidelines. In

September 2012 Council approved a new Procurement Policy and Budget Management Policy for the Municipality. Staff is currently working through amendments to the related administrative guidelines that support each of these policies.

Taxation

The taxation function was extremely busy this past year. There were over twenty seven thousand tax bills mailed in 2012/2013. The Municipality has 30 mortgage company listings to manage (the larger banks have between 320 and 990 accounts each) and 150 property owners who manage multiple properties through a billing group listing (to facilitate the customer's processing of multiple tax bills we provide a listing of all the tax bills that are linked to one owner). Billing activity is outlined in the following table:

Activity	2011/2012	2012/2013
Tax Bills Mailed	27,350	27,600
Accounts Billed Through Mortgage	3,273	3,175
Mortgage Acct. Changes (name, mortgage # or banking info)	1,370	1,076

Collections staff dealt with many taxpayers on a personal level to discuss financial situations, make payment arrangements and assist them in dealing with other levels of government on land issues that affect taxation. With the transition of collection staff to Elmsdale it has been observed that residents are more likely to have face to face interaction with the Collection Officer.

During 2012 staff advertised seven properties for tax sale (from sixty Preliminary Notices to Proceed to Tax Sale that were sent). The Collection Officer cleared five of these seven advertised properties prior to auction, resulting in two properties being auctioned at tax sale - one of the two were sold in May 2012 (the other subsequently sold at auction in 2013).

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

The Finance Department also oversees the Property Data Collection Program (PDCP) student. This student is hired to work through Property Valuation Services Corporation in the PDCP program in order to review residential assessments in the East Hants area. As a result of this

program the 2013 residential roll increased by \$1.2 million - resulting in an extra \$10,000 in general tax revenue, plus area rates, for each year hereafter.

Interesting statistics from Taxation in 2012/2013:

Activity	2011/2012	2012/2013
Arrears Notices Mailed	3,678	3,508
Collection Officer Phone Calls	5,300	4,709
Coll. Officer Fax/letter/email	4,400	2,000
Coll. Officer Meet with Taxpayer	185	210
Tax Assistance Applications Received	326	360
Tax Assistance Applications Approved	312	342
Name/address/phone changes	1,100	1,450
Tax Certificates Issued	153	158
Written Tax Information Requests	739	663
Account Assessment, Billing and Balance Adjustments	530	430

Water Utilities

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

Beginning in September 2012, staff initiated a Water Door Tag Program where a door tag is left on the door of customers who are scheduled to have their service disconnected. As a result, actual disconnections have reduced by 50 to 75%.

Interesting statistics from Water Utility billing in 2012/2013:

Activity	2011/2012	2012/2013
Water Accounts	2,540	2,590
Water Bills Mailed	10,200	10,400
Water Arrears/Disconnection Notices	3,500	3,550

Disconnections - Non Payment	68	32
Service Orders Issued	309	256
Account Adjustments	98	151

Directors Activities

Over the course of the year the Director of Finance was involved in various projects, including:

- Recruitment and training of a new Manager of Finance.
- Information Management (IM) Plan projects and research including participation in asset management software demos and Document Management/Customer Relationship Management software needs assessment.
- Prepared amendments to the Street Lighting Policy for Council consideration.
- Presented to the Association of Municipal Administrators (AMA) and to a delegation of municipal representatives from Indonesia on the MEH LED streetlight conversion initiative; provided input to the UNSM in their development of a financial tool for municipalities to use to evaluate the own vs. buy decision for LED streetlights.
- Coordination of 2013/2014 Operating and Capital budgets.
- Implemented the Donations Policy and coordinated the donation process.
- Worked on business process evaluation as part of the IM Plan.
- Presented a revised Grant Framework to Council for consideration and approval.
- Various discussions and an update to Council regarding the Curling Association project, including the preparation and passing of a private member's bill through the Nova Scotia legislature in December 2012.
- Involved in strategic planning exercise for MEH.
- Acted as a Municipal representative on the Municipal Advisory Group established in 2012/2013 by the Provincial Valuation Services Corporation (PVSC).
- Provided accounting oversight for the wind-down of the Hants Regional Development Authority and during the exit of East Hants as an HRDA partner.
- Keeping abreast of economic development initiatives as well as participation in senior management meetings with NSBI, PNS, ACOA, Heritage Gas and MEH developers.
- Participated in several Business Park initiatives, including preparing amendments to the Local Improvement Bylaw for Park Road and several meetings with potential clients of the Elmsdale and Mt Uniacke business parks.
- Prepared a presentation for the East Hants Chamber of Commerce on Budgeting and Taxation in East Hants.
- Prepared finance related articles for Weekly Press and the 2012 tax bill insert.
- Participated in the relocation of staff from Milford to Elmsdale offices in December 2012.
- Participated on the compensation review committee.
- Provided pension administration to the organization; reporting to Council on legislative changes, meeting with Standard Life to review pension investments, overseeing pension transfers, retirements, etc.

- Provided support to the electronic accounts payable project.
- Acted as Regional Representative on the Association of Municipal Administrators Board, taking part in a strategic planning exercise for the AMA.
- Coordinated the debenture process for MEH borrowing.
- Prepared a new Procurement Policy and Budget Management Policy for Council consideration - approved Fall 2012.
- Procurement activity included participation on several RFP evaluation committees, providing oversight of the procurement function and coordinating several procurement related e-seminars for staff participation.
- Active member of the Municipal Advisory Group for SAP Users - representing MEH interest during conversion of SAP support services from the provincial data center to IBM.
- Various reports to Council on amendments to Bylaw 148E (Tax Exemption bylaw) and amendments to the sewer discharge bylaw 139 related to exemptions and billing.

INFRASTRUCTURE & OPERATIONS DEPARTMENT

Year End Report 2012-2013

Introduction

On January 1, 2013 the Infrastructure & Operations Department was created, amalgamating the Operations Department and the Engineering Department. This was done to enable more cross functional communication and increase the overall efficiency of the technical functions of the department. The I&O Department has 23 staff positions across its five divisions; Engineering Services, Environmental Services, Public Works, Solid Waste Management, and Transportation Services.

- Engineering Services is responsible for major capital projects, engineering standards and reviewing the design and construction of new subdivision roads & services. The division also provides technical assistance and advice to other municipal departments.
- Environmental Services monitors and reviews data from other divisions to ensure compliance of operating approvals designated from the province. The division also runs a watershed protection program that focuses on building awareness of watershed issues that impact watersheds of interest for the municipality.
- Public Works operates two water utility distribution sites and three sewage collection and treatment systems for communities in the serviced areas adjacent to Highway 102 and along the Shubenacadie River. The division also operates an engineered spring which draws additional water from Grand Lake to the Shubenacadie River during low water level events.
- Solid Waste Management is responsible for the collection, process contracting and disposal contracting of organics, recyclables and residual waste. This service is provided to over 9,000 homes and businesses in the Municipality. It includes the operation of the East Hants Waste Management Centre which is owned and operated by the Municipality.
- Transportation Services include; provision and maintenance of sidewalks and streets, inspection of road access points, services related to ditches and storm drainage, and the assessment and planning of LED street light additions for existing serviced areas within the Municipality.

Engineering Services

The past year saw the completion of capital projects including; the Milford sidewalk project, Maitland Road Lift Station upgrade, and the Burgess Road Lift Station upgrade. Another project that the municipality consulted on was the connection of the Irving Big Stop to the municipality of East Hants utility system. This agreement was put in place to increase the usage of the system in a way that increases the cost effectiveness of running the utility and also sustaining a business whose services are a benefit to the residents of East Hants.

Ongoing work was conducted on projects that residents will see in coming years such as: the Shubenacadie sidewalk project, the extension of Park Road, and Milford sewage system upgrades. Other ongoing work for the division consists of development reviews, which is the technical review of designs submitted by contractors for new developments. This work has mostly been residential with the municipality averaging over 100 new homes built every year.

Environmental Services

One of the major efforts for Environmental Services for the year was the conducting of the GUDI analysis for the Shubenacadie water treatment plant. This plant became fully operational in April, 2012. Groundwater Under the Direct Influence (GUDI) is the term used when a water source that has its qualities influence by surface water sources. The municipality is in the study phase to qualify the site as non-GUDI which would be a classification that demonstrates that the underground aquifer, which is the source of the water treatment plant, does not change its qualities from surface level events such as rain, flooding, or stormwater. This study will help define the long term operating parameters for this site so that it is operated as efficiently as possible for the residents it serves.

Ongoing work for environmental services includes; weekly monitoring of water & wastewater quality, monthly & quarterly reporting to the Department of Environment, and hosting watershed educational events to build awareness of things the public can do to maintain & protect the watersheds across the municipality.

Public Works

Water Treatment

During the year, obsolete sites were dealt with to address any potential safety risks. This involved the demolition of the old Shubenacadie water tower and the old Lantz water plant. Other safety improvements were made through the installation of eyewash stations within the

pump buildings at each of the 4 municipal water towers. And the continuation of density of fire protection saw the addition of 6 fire hydrants to the existing transmission system.

Through regular operations, staff completed 286 water meter repairs, executed 107 water lab samples, and repaired 68 leaks in the water distribution system.

Wastewater Treatment

The obsolete Enfield wastewater treatment plant was disassembled and disposed in the spring of 2012. Other significant projects complete were; the panel relocation of the Horne Settlement Lift Station, the clearing of the Lantz Lagoon bank structure of overgrowth, and coordinating the completion of outstanding project tasks from the start-up of the Milford wastewater treatment plant.

Through regular operations, staff completed Zone 6 standpipe repairs, coordinated with TIR to have 56 manholes replaced along highway #2, executed 109 wastewater lab samples, and repaired 22 leaks in the wastewater collection lines.

Solid Waste Management

Solid Waste Programs

April 2012 was the start of the new collection contract which included a new area schedule to optimize routes and ultimately reduce operating costs for both the contractor and the municipality. The other major contract change during the fiscal year was a change in recycle processing provider. This involved a redesign of transportation routes and transfer site scheduling which has a project savings of \$200,000 over 5 years for the municipality. Other contracts that were negotiated in the fiscal were the Green Cart Repairs & Delivery contract and the Illegal Dumping Cleanup contract. The division has 9 major service contracts it manages throughout the year.

At the Waste Management Centre, in Georgefield, the site received 10,487 tonnes of waste across all categories; Organics, Recycling, Waste, Clean Wood, Metal, and C&D. That material was brought to the site by 13,504 site visits from private residential, commercial, and Municipal collection loads. Solid Waste staff fielded 7,966 customer related calls in providing clarification or information as requested.

Staff also coordinated several events that typically happen on an annual basis. Household Hazardous Waste events were held in Mt. Uniacke and Elmsdale, The Compost Giveaway took

place in the spring at the Waste Management Centre, the Christmas Tree Pick-up happened to start the new year, and there was also the Leaf & Yard Waste collection.

Waste Reduction Programs

As part of the waste education contract with RRFB, the municipality conducted 77 educational events which reached 2,741 total attendees for the year. The target education areas for the year were Food Service, Multi-Unit Dwellings and Institutions. Solid Waste staff also conducted 1,162 waste audits at curbside, direct households, or at the transfer station. Additionally all 1,292 commercial loads received at the WMC were audited as a standard procedure which has tipping fee implications for those loads. Not all waste makes it into the system and as a result, staff coordinated 17 illegal dump site clean-ups.

Transportation Services

During the fiscal year, Transportation Services extend two major maintenance contracts; Gravel Road Maintenance and Winter Road Maintenance. The contract for mowing along sidewalks was also negotiated as regularly done on an annual basis. In total the division managed 7 main contracts throughout the year as part of day-to-day services for the municipality.

Operationally, the division was very active in responding to inquires from the public. From the topics of drainage, traffic, sidewalks, and streetlights, the division responded to 350 total inquires. These inquires help build some of the scope of annual inspections which are completed for municipal roads, sidewalks, streetlights, drainage, and inspection of new subdivisions. Across those areas, a total of 262 inspections were conducted.

Transportation Services also acted as an advocated on behalf of the citizens of the municipality by writing letters to TIR & MLA's concerning; erosion along highway #236, safety on the turn between civics 339 to 349 on Horne Settlement Road, pavement preservation requests for three streets in Lantz, and littering along highway #2 near Hants East Rural High School.

PLANNING & DEVELOPMENT DEPARTMENT

Year End Report 2012-2013

Introduction

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

- Planning & Research Services
- Development Control (i.e., subdivision approval, site plan control, variances, development permits)
- Fire Inspection
- Building Inspection
- By-law Enforcement (shared with Admin)
- Geographic Information System (GIS)
- Civic Numbering & Road Naming
- Private Road Maintenance Agreements

Over the past year, development activity increased from the previous year as reflected in the permit statistics. Activity, in general, within the Planning & Development Department was up with an increased number of applications and projects undertaken. Subdivision also bounced back significantly from the previous year.

A number of important policy issues and high profile development applications were also dealt with. The number of by-law enforcement cases brought to a conclusion as well as the number of open case files has continued to decline from the previous reporting period.

Staffing issues remained as a challenge over the reporting period. In 2012-2013 one long term employee (Development Officer) retired. That position was filled internally meaning a recruitment was also carried out for the Planning & Development Technician position. Both positions were successfully filled. However, the department was also preparing for maternity leaves for both the Senior Planner and Project Planner expected early in 2013/2014 reporting period.

In general, retaining qualified staff in specialized areas such as GIS, Planning, and Building Inspection remains a challenge.

The department moved from Milford to the Lloyd E Matheson Centre in the reporting period. In preparing for this move, the department undertook a major effort to digitize approximately 7,000 files including subdivision plans, permits and other records. This

enabled the department to move without bringing numerous file cabinets and set up the new location with a minimal requirement for file storage.

ACTIVITY	2010-2011	2011-2012	2012-2013
Planning, GIS & Research			
Planning Applications Reviewed	11	11	14
Planning Projects Undertaken	12	16	18
Building Inspection			
Building Permits Issued	203	213	229
Value of construction	\$44,922,902	\$36,769,823	\$34,044,283
No. of inspections carried out	905	728	1,079
New dwelling units created	126	145	147
Fire Inspection			
Properties with initial inspections conducted to date	269	323	448
Development Control			
Plans of subdivision approved	59	36	62
New Lots approved	121	93	145
By-law Enforcement			
No. of cases investigated & concluded	66	46	29
Current open case files	22	18	15

Planning Services

Over the past year The Senior Planner, Project Planner and Director dealt with 18 research projects. Support on a number of these projects is provided by the GIS Technician and Planning & Development Technician. 14 applications from developers for rezonings, development agreements or amendments to the Municipal Planning Strategy were also dealt with over this year. One application was appealed to the NS Utility & Review Board within the reporting period.

Projects completed over the year include:

- Agricultural Advisory Committee TOR
- Planning Applications Refund Policy
- Discharge of DA's - Milford & Elmsdale Business Parks
- Highway 236 Civic numbering corrections
- Review of Public Participation Policies
- ICSP Progress Report
- Housekeeping Amendments
- Street lights amendments
- Core Village - Design Amendments
- Election 2012
- RCMP site selection
- Economic impact analysis -private road development
- Socio-demographic Study
- Regional Development Infographic
- Consultation event with Development industry
- Tri-annual MEH Design Awards

In addition, major projects that staff continue to work on include the Lantz interchange study, Subdivision By-law Review, Growth Management/Growth Reserve study, Floodlands study, and the municipal climate change action strategy.

14 applications were dealt with in the past year including some high profile or controversial issues. Applications completed over the past year include:

- Murray Coupar - MPS/LUB Amendment, Elmsdale
- Sherwood Park DA, Enfield
- David Hubley R1 - R2 rezoning, Milford
- Fergie's Hair Studio DA
- Tina & Perry Hutt DA discharge
- MEDC DA, Mt Uniacke
- A&W DA amendment, Elmsdale
- Halifax C&D Recycling, Milford
- Nine Mile River Pub DA
- WM Fares DA, Enfield
- Rezoning VC to R2, Enfield
- Scott McPhee DA, Milford
- Caldwell Roach DA, Elmsdale
- Abruzzi DA, Lantz

Development Control

In the past year the number of subdivision plans increased from 36 to 62 while the number of new lots also increased from 93 to 145.

By-law enforcement activity is always a challenge for Planning and Development Staff, given that there is no dedicated by-law enforcement officer in the Department, and this past year was no exception. By-law enforcement investigations are primarily conducted by the two Building Inspectors, the Fire Inspector and the Development Officer. Planning and Development Staff also meet on a regular basis with the Municipal By-law Enforcement Officer and staff from Operational Services to co-ordinate enforcement activity.

Over the past year a total of 29 violations of the Land Use By-law, Building By-law, and dangerous and unsightly premises provisions of the MGA were investigated and successfully brought to a conclusion. This is a decrease from 46 the previous year.

Similarly, the number of open case files under investigation continued to decline going from 18 to 15.

In this reporting period, the Development Officer, Ian Young, retired after 34 years with East Hants. A succession plan was implemented that saw the Planning & Development Technician, Kelly Ash, move into this position prior to Ian's retirement date. This overlap enabled the transfer of as much corporate knowledge as possible.

Building Inspection

The value of construction declined from \$36,769,823 to \$34,044,283 from the previous reporting period. However, permits, inspections and the number of dwelling units created increased over the past year. A total of 229 permits were issued compared to 213 in FY 2011-2012. Similarly, the number of inspections carried out increased from 728 to 1,079.

The decline in value of construction activity while the amount of activity is up relates to large value permits located in one year versus another. In this case, the permit for the Lloyd Matheson Centre expansion was issued in FY 2011-2012 and valued at \$3,000,000.

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

The number of new dwelling units increased from 145 to 147 in this reporting period as more multi-unit dwellings are being built.

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

Fire Inspection

The Municipal Fire Inspector has conducted initial inspections on approximately 448 restaurants, retail stores, community halls, apartment buildings, churches, and industrial buildings by the end of 2012-2013.

Fire Inspections are carried out in accordance with a Fire Inspection Policy adopted by Council. This policy details the frequency of re-inspection for each type of building. For example, retail stores are to be re-inspected every 5 years, industrial buildings every 4 years and apartment buildings every 3 years. Becoming fully compliant with that policy has been a challenge given that there is one staff person devoted to the effort and there are approximately 950 buildings in East Hants requiring fire inspection. However, we believe we are managing this risk effectively with higher risk buildings being given priority and a work plan being implemented to bring inspections fully into compliance with the policy within three years.

GIS Support

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

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

Specific projects over the reporting period included:

- Waste Collection service area mapping
- TREEGO potential site mapping
- RCMP boundary mapping & population estimates
- LED streetlight mapping
- Business Park expansion & updates
- Comfort centre mapping
- Intermodal logistics centre mapping

Civic Addressing

In addition to issuing new civic numbers for all new buildings and approving new road names as part of the subdivision process, the Civic Addressing Coordinator has continued a review of compliance levels for the Civic Numbering By-law in East Hants which began in FY2010-2011. The goal is to increase awareness and compliance with the By-law to ensure emergency providers can find all properties in emergency situations.

Priority One Initiatives - 2012/2013 Business Plan

Project	Comment
Socio-demographic Study	Complete
GMA/GRA Review	Moved to 2013/14 work plan
Floodplain/Lidar Study	Underway - consultant report expected in June 2013
Lantz Interchange Traffic Study	Moved to 2013/14 (TIR to release RFP to consultants May 2013)
Climate Change Action Strategy	Underway - will be complete by Dec 2013 Deadline
Municipal Election/Enumeration	Complete
Municipal Design Awards	Complete - ceremony held in February 2013
Civic # Enforcement	Field work completed

Priority Two Initiatives - 2012/2013 Business Plan

Project	Comment
Upper Sackville Watershed Study	To be combined with 2014/15 Plan review
Enforcement Policy	Not started plan for 2013/2014
Fees Review	Not started
Subdivision By-law Review	Underway
Country Residential Review	To be combined with 2014/15 Plan review
Pedestrian Network Analysis	Field work & student project complete, policy recommendations to be considered through 2014/15 Plan Review

DEPARTMENT OF RECREATION & CULTURE Year End Report 2012-2013

Introduction

The department of Recreation and Culture serves to support the efforts of the residents of East Hants in their efforts to lead healthy active lifestyles through community development, financial support and coaching. As well the department spearheads the support for Arts and Culture and the promotion of Tourism through strategic planning. The department of Recreation and Culture is guided by the following Council approved Vision and Mission:

Vision

A healthy, active and engaged community developed through a commitment to sustainable development, effective planning and good partnerships.

Mission

The Municipality of East Hants Department of Recreation and Culture will work to further Recreation, Culture and community to all citizens of East Hants to enhance their quality of life, health and well being.

General Recreation and Culture

The following represents a snapshot of the activities the Department of Recreation and Culture is involved in. These activities are guided by the goals established in the Recreation and Culture Strategic Plan and the Municipal Council Strategic Plan.

Day-camp

The municipality offers a low cost day camp for children aged 5 -12. Day camp is broken into 8 community camps that rotate from community to community through July and August.

This year we had registration by phone which for the most part seems to work really well, it has been noted in the past that it is hard for some parents to get away from work to register their kids. In addition to mailing the registration information we also gave the option of email which worked very well and we got registration and payments a lot faster.

Numbers for 2012 were up marginally, from 265 in 2011 to 285 for 2012.

Day Camp Registration Data

Camp	2010 Registration	2011 Registration	2012 Registration
Elmsdale	50	50	50
Mount Uniacke	48	44	50
Rawdon	42	32	35
Lantz	50	50	50
Noel	28	21	26
Milford/Shubenacadie	20	18	21
Enfield	44 (Elmsdale)	50	50
TOTAL	282	265	282

Community Programming

East Hants Seniors Games

This was the 23th Anniversary of the East Hants Seniors Games. Staff serves on the executive of this organization as it represents a collection of seniors groups from all over the Municipality. An important part of the Municipal physical activity strategy are the seniors, they are good models for younger generations and the more active they are the greater the health benefits. These folks are a direct link to senior's recreation and represent a large number of community volunteers. The closing ceremonies took place in Mt Uniacke with over 100 in attendance. Over 300 seniors participated in the 8 week event.

Carpet Bowling

This sport continues to grow in East Hants with 2 new lanes being purchased by community groups bringing the total up to 6 lanes in 4 communities. This sport is for folks of all ages and abilities but seems to really resonate with the community. Support for new lanes has come from Municipal grants and community contributions. This project is an important contributor to achieving our strategic plan objectives of physical activity for all and more local resources.

Community Training

High five training was provided to 23 HERH students by the department of Recreation and Culture. This is significant as it is a requirement for employment in municipal recreation programs and the ripple effect of having more youth trained means that more programs in general are influenced in a positive way.

Special Events

Kite Festival

This was the 3rd year for the Kite festival and while still in it's infancy the festival is growing and finding an important niche with young families and seniors.

Burntcoat Family Tidal Run

This was the 4th year for the event and it continues to grow both as a family opportunity to be physically active and to promote Tourism to locals residents and as was evident with the visitors from the US this year who took part, a way of making the visitor experience more personal. This event is becoming a signature event for East Hants and it is anticipated to continue to grow.

Fun in the Park Program

The Fun in the Park program was for families of all ages to come and enjoy a half day full of fun games, activities and use of equipment for free play. Children under 5 had to be accompanied by an adult.

Fun in the Park Data

Date	Location	# of Participants
Wednesday, August 22	Mount Uniacke Park (AM)	10
	Elmwood Park (PM)	4
Thursday, August 23	Mount Uniacke Park (AM)	8
	Elmwood Park (PM)	1
Friday, August 24	Mount Uniacke (AM)	0

March Break Programming 2013

During March Break the Department of Recreation and Culture provided programming opportunities to the communities of the Municipality.

The programming was focused on providing physical activity opportunities for residents of all ages within the Municipality which has been identified in the Department's Physical Activity Strategy as well in the Recreation Needs Assessment. March Break is an ideal time to have these programming opportunities for children and youth as well as an opportunity for families to participate together.

Program Summary

Program	Date	Location	Participation Numbers
Open Gym Time	Tues. March 12, 2013	Maple Ridge Elementary	35
	Thurs. March 14 th , 2013	Elmsdale Elementary	25
		Uniacke District School	38
		Hants North Rural High	12
Uniacke Free Swim	Wed. March 13 th , 2013	Boulderwood Stables	26
Learn Lacrosse	Wed. March 13 th , 2013	EH Sportplex Dome	45

Open Gym Time

This program seemed to be well attended. Locations this year were decided based on numbers at the specific locations where programs were held last year. The more central locations in the Mount Uniacke (Uniacke District School), Hants North (Hants North Rural High School) and Corridor (Maple Ridge Elementary and Elmsdale Elementary School) areas were chosen which proved to be the best locations.

Uniacke Free Swim

The Department of Recreation and Culture sponsored a free swim over March Break for Mount Uniacke Residents at Boulderwood Stables in Ardoise. This swim was well attended, almost full. The Department has formed a great relationship with the owners at Boulderwood as they provide the registration services for us so our attendance isn't necessary.

Learn Lacrosse

Lacrosse Nova Scotia came out and provided a "Learn Lacrosse" clinic which consisted of learning the lacrosse skills and the game basics. This clinic was offered last March Break but we had lower numbers due to poor weather. This year we had a large number of participants. By the end of the workshop there was interest to hold a meeting for further discussion on the Mini Stick program.

Carpet Bowling League

This initiative has been a successful venture for the department. We started out with three lanes which were distributed in the three geographical areas of East Hants. In 2011/2012 more lanes were purchased and the 3rd annual Seniors Gamers Carpet bowling competition was held in Mt Uniacke. In 2012/2013 five programs are now in existence in East Hants.

Parks and Open Space Studies

2012/2013 marked the completion of 2 significant studies undertaken by Recreation and Culture. The **Herbert River Long Lake study** brought stakeholders together from the

Province, private Landowners, developers, user groups and the Municipality in an effort to lay out a plan on how this important area would be view in terms of future development.

Cockscomb Lake Study; this study has resulted in a new relationship with the Mt Uniacke Cockscomb Lake community and a better understanding of the issues that will affect any possible future development of the Provincially owned beach area for public use.

Recreation Needs Assessment

The completion of this project was a significant accomplishment for Recreation and Culture as it provided an outside professional review (DMA Consulting) of current Recreation delivery system and of facility needs. This report provided much of the information required to prepare a strategic direction for the municipality in terms of where efforts both human and financial should be directed for the next 5 years.

Community Grants Program

A significant amount of staff time is dedicated to assisting community groups through the grant process. It should be noted that for every dollar contributed by the Municipality, one or more dollars is contributed by the community through mostly volunteer efforts.

In 2012/2013 the *Community Grants Program* received 24 applications from community not for profit organizations. MEH awarded 22 grants for a total value of \$7,300.

A Staff committee reviews and scores applications quarterly, against a pre-determined matrix that evaluates proposed projects against the Recreation Strategic Plan, Recreational Needs Assessment and the Municipal Physical Activity Leadership Plan. Funding is award based on the outcome of the evaluation.

Capital Grants Program (District Recreation Funds)

The deadline for applications to be received by MEH from community not for profit organizations for the *Capital Grant Program* is January 31st annually. An application submitted after this date is considered only if funding is available. In 2012/2013 MEH coordinated with 21, community not for profit organizations, to provide support for capital projects within the Municipality, with a total value of \$93,125.

East Hants Municipal Pool

The East Hants Municipal Pool continues to represent a significant part of the recreational infra-structure for the Municipality. Our pool was created as a centennial project by local citizens who saw the importance of having an aquatic facility in the Municipality. At the time this facility was constructed, it represented cutting edge technology and great forward thinking. Today, this aging facility provides education and training as well as recreation for almost 14,000 people from infants to seniors and all those in between. The challenge for both staff and Council lies in the ability to justify the expense required to operate such a facility. The benefits of a municipal pool are not measured by dollars but by usage, patron satisfaction and the reality that this is a venue that provides a valuable life skill for the residents of East Hants.

Our challenge continues to be how to take an antiquated facility and create programs for a metro influenced community. With increased day time programming and a wider variety of program offerings we have been able to remain current and for the most part meet the needs of our residents. The pool employs approximately 20 staff, most of which are students from the East Hants Community. The staff trained at the East Hants Municipal Pool, also staff the Shubenacadie wading pool, LE Shaw Outdoor Pool and the Community Aquatics program. Staffing continues to represent the greatest challenge for the Department as all staff are essentially recruited in their early teens and trained in house. Each fall we lose 6-8 staff to University which means having a new generation ready to move up. The competition for these employees is difficult for the Department as the cost to families in terms of training and commitment often means that it is not only the lifeguards you are hiring but the parents who need to drive them to work. Many things must come together in order to keep these staff engaged.

Our overall pool program revenue was down in 2012/2013. Pool rentals are still very popular particularly with the birthday party customers. Our lesson registrations continue to be strong. The addition of a hydro-lift to assist patrons with mobility issues has meant that folks are able to remain in programming longer particularly as their mobility outside of the pool diminishes.

Swimming Lesson Participation for 2012/2013:

Winter 2013 = 273

Spring 2012 = 400

Summer 2012 = 133 (includes Community Aquatics)
Fall 2012 = 435
TOTAL = 1241

Recreational Swims participants: Total = 10,888

Number of patrons served in 2012 = 12,129

As can be seen by the number the strong seasons are spring and fall. Summer numbers are affected by the obvious, being vacations and outdoor home pools as well as the Lantz outdoor pool. The winter numbers are attributed to the challenged experienced with dealing with inclement weather and the cold.

Conclusion

Total revenues were down from 2011/2012 to 2012/2013 \$187,265 to \$173,700; although facility rentals and product sales were up. There is a strong need to improve the Aquatic program opportunities for a resident base who are looking for a more sophisticated experience in-line with what they see in HRM or Colchester County.

Community Aquatics

The East Hants Municipal Pool also coordinates community aquatics programs in the Hants North Area as well as the Mt. Uniacke Area. These lessons take place in back yard pools offered up by residents. This program means that 50-60 children a year receive lessons in their home communities who would otherwise have to travel which in many cases would mean no lessons at all. In 2012-2013 we saw consistent numbers over 2011-2012 but what was interesting was to see kids that had gone through the program from Mt Uniacke come to Milford to complete their advance lifesaving training.

Programs

Mommy & Me Pre/Post Natal Classes

Our original Pre/Post Natal Program has been adapted to include newborns. When this program was first introduced to the community, we had fair participation numbers but our participants were not returning after giving birth. Recognizing the need to involve the babies into the program, our instructor developed a new routine; we re-marketed the program and have seen our numbers increase.

Synchronized Swimming

New to the program offering last year was synchronized swimming which over the 2012-2013 period has grown into a stable and sustainable program which has the potential to move to a club format however it will remain in the Pool program stable until a greater leadership structure can be established. This activity is meeting the needs of a segment of the population that lacks opportunities for physical activity.

Arthritis Water Therapy

This is a program that has grown over the past couple of years with attendance in the 15 to 25 range each class. This is close to capacity. The need for such a program is apparent; the return frequency of the patrons is due to the high quality of leadership by the instructors.

Life Saving Programs

It is these programs that ensure we have future staff so that we can continue to offer high quality programs. We must create from scratch virtually all of our staff as we lack the extra resources like University's or small colleges with in our community that would attract qualified staff.

Tourism

In 2012/2013 the focus on tourism took a major step forward. The creation of a Tourism dedicated stakeholder group as well as an injection of skill sets through an increased partnership with the Regional Development Authority meant that more resources have gone into rebuilding volunteer infrastructure and understanding the needs of the tourism industry. Of significant importance was the recommendation to provide increased support to Municipally owned attractions by taking over the maintenance of the buildings and Council's recommendation to increase the amount available in the Tourism Grants. In 2012/2013 \$22,500 was awarded to five groups to support the promotion of Tourism with in East Hants.

Conclusion for Recreation and Culture

This report represents a snapshot of the work that this department does. The Departments involvement in 3 significant studies dictated much of our time but the final results will figure prominently in future planning for the Department and the Municipality when it comes to future development in the rural areas. The community development aspect of recreation programming continues to be a challenge with a relatively small department working in a large community. Much of the recreation offered in East Hants is delivered by not for profit groups who take on major recreation infra-structure projects such as trails, playgrounds and

facilities; the support we provide is important to their ability to continue on both emotionally and financially. We anticipate an exciting future as we are able to dig deeper into accomplishing the mission areas identified in the 2012/2013 Recreation and Culture Strategic Plan and we look forward to seeing East Hants continue to grow as a leader in the support and delivery of recreation, culture and tourism.

