

# TREASURER'S REPORT

Municipality of the District of East Hants

Kim Ramsay CMA  
Director of Finance, Treasurer

July 18, 2012



**EAST HANTS**

Growth. We live it.



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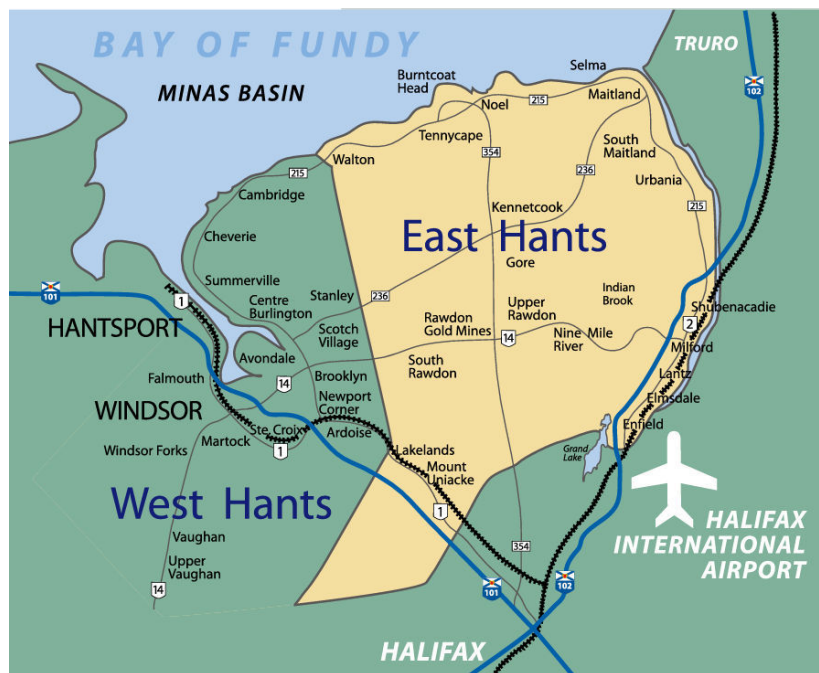
## About East Hants

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

*The Municipality of East Hants exists to deliver services in a financially responsible manner to diverse communities while; fostering sustainable development, preserving the natural environment and creating a high quality of life.*

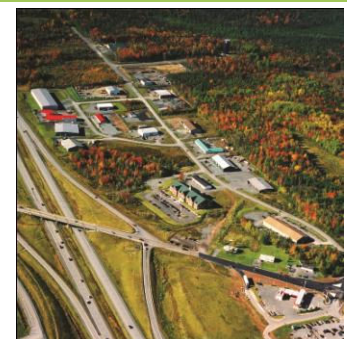
*The Municipality of East Hants respects the interests of its citizens, promotes active healthy lifestyles and values our history and our culture.*

## 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.*



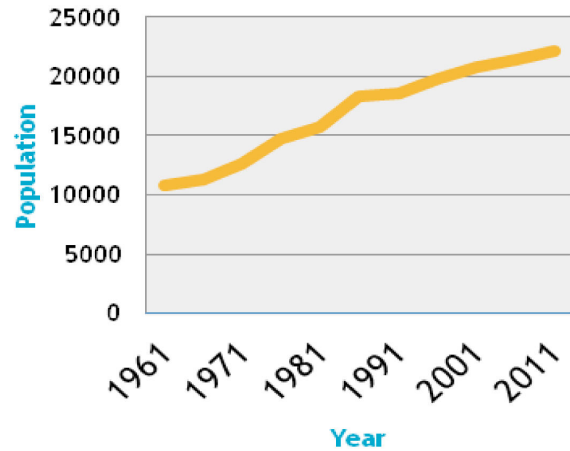
## Our People

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.

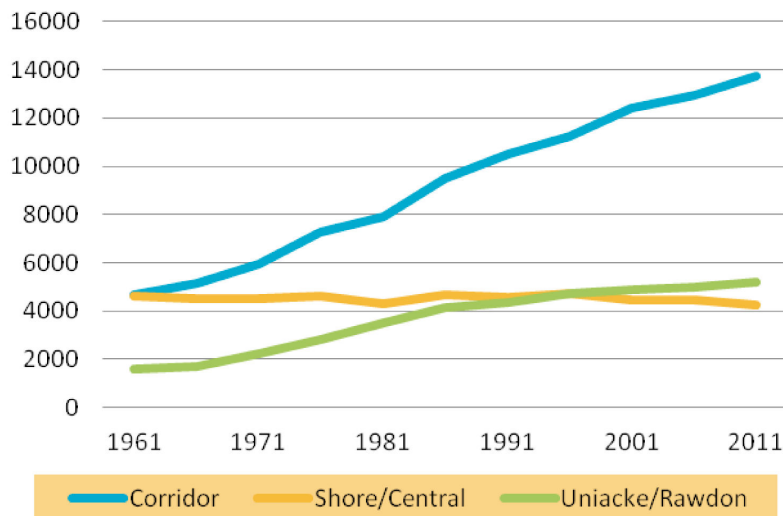
East Hants has so much to offer its people.

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.

### Historic Population Change



### Population Growth by Region



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

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 of 2011/2012

Beginning the construction of an addition to the Lloyd Matheson Centre in Elmsdale that will, by December 2012, house most municipal staff in one location.



Issuing new five year solid waste collection and transportation contracts.

The Municipality launched *GoToEastHants.ca* a central source of information, resources and social networking for the East Hants business community and beyond.

The replacement of all municipal roadway lighting with new energy efficient LED streetlights.

The replacement of an aging wastewater treatment facility in Milford.

The completion and roll out of a new compensation model for Municipal staff.

Finalizing an important Information Management Strategy for the Municipality and beginning the implementation of Phase 1 of the Information Management Plan.

Information Management staff have rolled out a new staff web portal to capture and share valuable information relevant to all staff.

A complete review of Council's agricultural policies, zoning and regulations concluded this

year with Council approving amendments to the Municipal Planning Strategy, reconfirming Council's commitment to preserving farmland in East Hants.



Connie Nolan CA CFE  
Chief Administrative  
Officer

The Municipality adopted a new Emergency Measures structure and provided critical training to Emergency Measures staff and local emergency response organizations.

A review of compliance levels for the Civic Numbering Bylaw in East Hants continued throughout the year as did a project to remove duplicate road names within municipal borders. With these projects Council is attempting to provide emergency response personnel with a consistent name and numbering system for properties in East Hants.

Municipal staff and the volunteer fire service have made gains towards new initiatives that benefit the dedicated volunteers in our fire service; projects for 2011/2012 included the construction of a fire communication system and a new risk management model for the service.

Replacing the Deputy Clerk position with a new Clerk position, responsible for Returning Officer duties during Municipal Elections, the role of ombudsman for the organization and all of the duties of the Clerk as outlined in the Municipal Government Act.

Significant public consultation was done to incorporate stakeholder input into a Recreation and Culture needs assessment for the Municipality.

Municipal Council made significant gains during 2011/2012 towards a new Police model for East Hants.



## 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 2011/2012 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 2011/2012 began in October 2010 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 2011. After much debate at the Council table, the general operating budget for 2011/2012, including area rates, was approved by Council at approximately \$23.9 million. The individual rates for 2011/2012 compared to 2010/2011 were as follows (rates per \$100 of assessment):

	2011/2012	2010/2011
General tax rate - Residential/Resource	\$0.8895	\$0.8996
General tax rate - Commercial/Business Occupancy	2.7000	2.7001
Urban service rate (Enfield, Elmsdale, Lantz) - Residential	0.2310	0.2720
Urban service rate (Milford) - Residential	0.3100	0.3110
Urban service rate (Shubenacadie) - Residential	0.4510	0.5020
Urban service rate (Enfield, Elmsdale, Lantz) - Commercial	1.1230	1.1700
Urban service rate (Milford) - Commercial	1.2700	1.1700
Urban service rate (Shubenacadie) - Commercial	1.2230	1.2700
Streetlights - Mount Uniacke	0.0400	0.0400
Streetlights - Nine Mile River	0.0403	0.0403
Streetlights - Rawdon	0.0840	0.0840
Wastewater Management Fee (rate per 1000 gallons of water)	2.00	1.00



# 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 2011/2012 - Municipalities in Nova Scotia:

- 5 of 21 units (24%) increased their residential tax rates;
- 3 of 21 (14%) reduced their residential tax rate (including East Hants);
- 13 units held their rates constant;
- 11 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) stayed the same for East Hants;
- 24% of general commercial rates across the province increased;
- 76% of general commercial rates remained the same;
- General Commercial rates ranged from \$1.48 (Antigonish) to \$2.70 (East Hants)\*.

\*In municipal units, the residential/commercial tax rates are usually supplemented by area rates, 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.

### Tax Rates for 2011/2012- Towns in Nova Scotia:

- Home owners in Elmsdale (for example) paid an all-in residential rate of \$1.29
- The average residential rate for towns in Nova Scotia was \$1.75
- Residential rates ranged from \$0.97 (Antigonish) to \$2.28 (Lockeport)
  
- Businesses in Elmsdale (for example) paid an all-in commercial rate of \$3.99
- Elmsdale all-in commercial rate is 3.4% lower than the \$4.13 average rate for towns
- 58% of towns have commercial rates in excess of \$4.00 per \$100 of assessment
- Commercial rates for NS Towns ranged from \$2.50 (Antigonish) to \$5.58 (Clark's Harbour)

## Property Assessment

The 2011 filed assessment roll showed an increase in assessment for both residential and commercial values. Despite the healthy increase in commercial assessment the commercial sector still accounted for only 7% of the taxable base. 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. 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 2.9% increase for 2011, 72% 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 twenty-eight percent of the residential assessment increase is related to new homes, primarily in the corridor communities.

	Assessment Year 2011	Assessment Year 2010	% Increase (Decrease)
Residential/Resource	\$1,199,596,600	\$1,117,116,700	7.4%
Commercial	\$92,733,300	\$86,442,400	7.3%
Business Occupancy	\$1,358,000	\$1,430,100	(5.0)%

Note: 2010 was the final year of the 5 year phase out of Business Occupancy taxes across Nova Scotia, leaving only select industries paying this tax until 2014.

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 2012 residential assessment roll increased by \$3.7 million as a result of the student's work in 2011 (resulting primarily from un-assessed home improvements). This will result in additional residential tax revenue of close to \$32,500 for 2012 and each year thereafter.

## Property Assessment Capping

In May, 2004, the Provincial Government introduced Bill 40 - legislation which enables the Governor in Council to limit or "CAP" the annual increase in the taxable assessment value of eligible residential and resource property. The Bill was enacted into law to take effect April 1, 2005. Since its inception the CAP percentage has decreased a number of times and is currently set at CPI. Over the years additional property types have been included in the CAP program and changes have been made to make it easier for homeowners to have their residential assessment capped.

The effect the CAP program has had on the tax rates in East Hants is profound. Beginning with the 2008 filed assessment roll, the CAP was set at CPI (down from 10% in each of the 3 previous years). In 2009, 2010 and 2011 assessments were capped at 3.4%, 0% and 2.9% respectively.

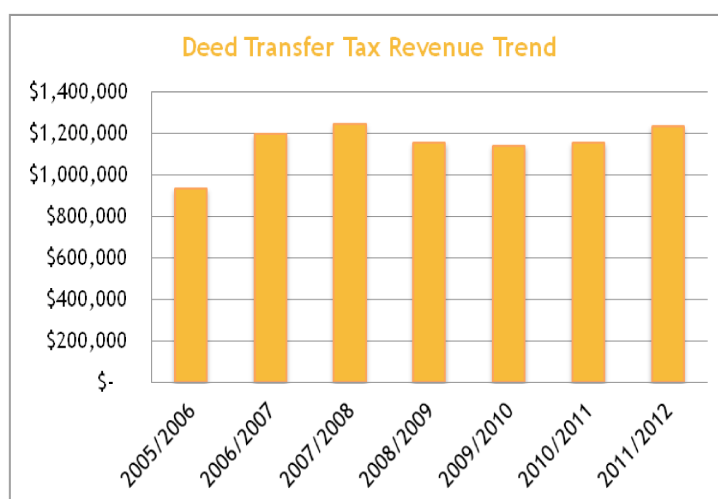
The table below shows the effect these changes have had on the residential tax rate in East Hants. The table shows the loss of taxable assessment and the associated revenue that would have been realized had the CAP not been in place. The differential in the tax rate indicates the amount by which the 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 homes 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
2011/2012	\$186,000,000	\$1,650,000	13.3¢
2010/2011	180,000,000	1,560,000	14.0¢
2009/2010	120,000,000	1,000,000	9.5¢
2008/2009	80,000,000	690,000	6.9¢

## Deed Transfer Tax

Deed Transfer Tax (DTT) of \$1,232,090 was collected during 2011/2012 (\$1,150,779 for 2010/2011), exceeding budget by \$232,090. As per Council policy, \$400,000 of DTT collected was credited to the Urban Service Rate; the surplus of \$232,900 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 2011/2012 transactions involving deed transfer tax.

Summary of Deed Transfer Tax Collections - 2011/2012	% of Total Transactions	Land Sales	DTT Collected	% of Total DTT Revenue
Enfield, Elmsdale, Lantz, Milford & Shubenacadie	55%	30%	\$ 726,615	59%
Mount Uniacke	17%	16%	\$ 224,164	18%
Nine Mile River	10%	10%	\$ 125,208	10%
Maitland, Noel, Gore and Rawdon	18%	45%	\$ 156,102	13%
Total Dollar Value			\$ 1,232,090	
Total Number of Transactions	407	121		1010*

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

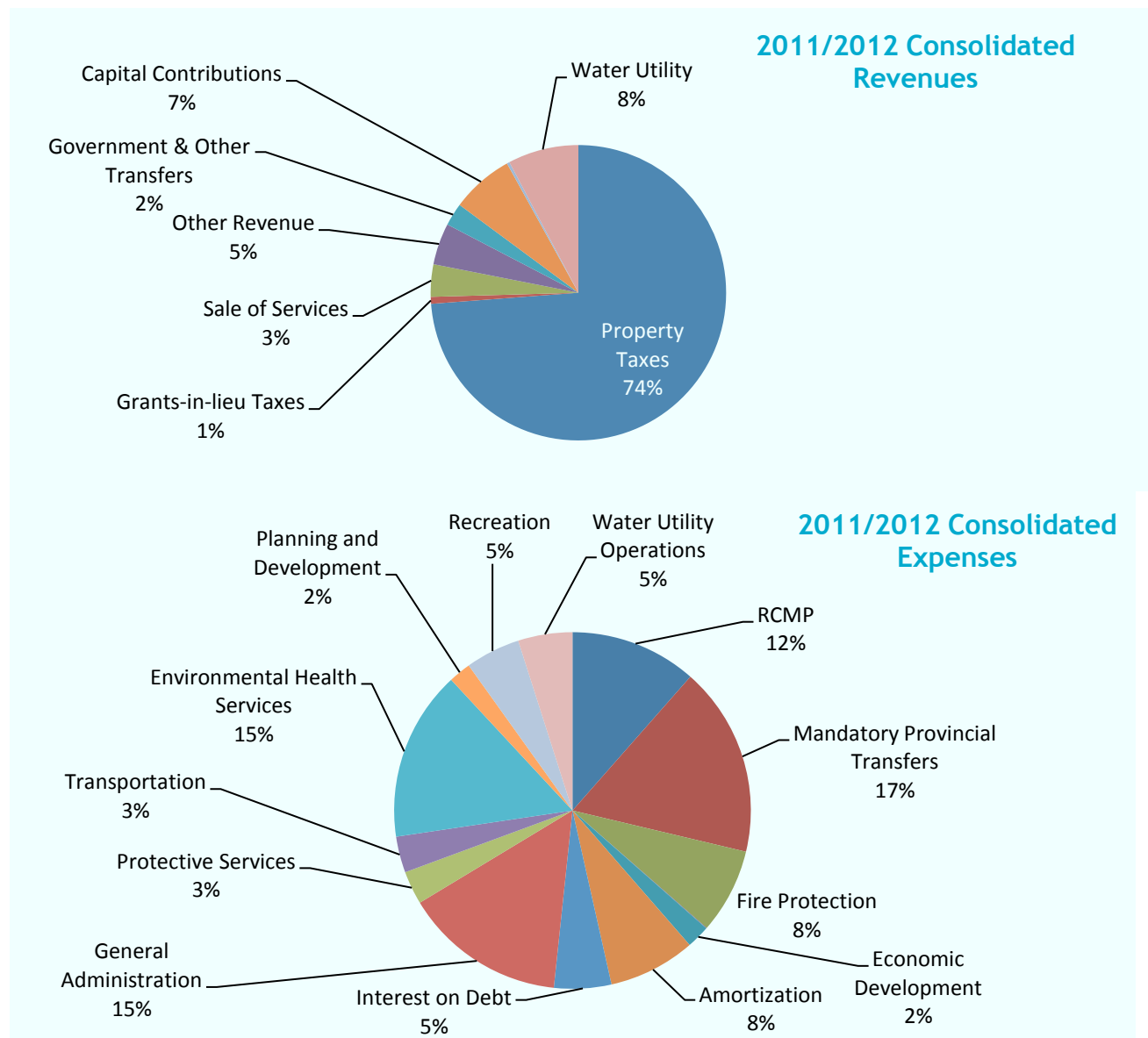
## FINANCIAL RESULTS

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 pie charts represent the consolidated revenues and expenses for the Municipality for 2011/2012:



## Comparative Statement of Consolidated Revenues and Expenses

The following is a comparative summary of revenues by type and expenditures by function for fiscal 2011/2012. 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). Property tax, as a percentage of revenue, increased this year as 2010/2011 had significant infrastructure funding included in the overall revenue amount.

	2011-2012	2010-2011	% of Total 2011-2012	% of Total 2010-2011
<b>REVENUE</b>				
Property taxes*	\$ 20,830,056	\$ 19,524,036	74%	64%
Grants-in-lieu taxes	\$ 212,902	\$ 443,104	1%	1%
Sale of services	\$ 999,705	\$ 1,056,102	4%	3%
Other revenue	\$ 1,283,941	\$ 1,236,497	5%	4%
Unconditional transfers governments	\$ 92,164	\$ 90,361	<1%	<1%
Conditional transfers from government	\$ 209,848	\$ 192,782	1%	1%
Government grants	\$ 1,661,608	\$ 4,530,673	6%	15%
Development & other contributions applied	\$ 267,821	\$ 679,570	1%	2%
Other transfers	\$ 400,000	\$ 460,311	1%	2%
Gain on sale of TCA	\$ 148,215	\$ -	1%	<1%
Water utility	\$ 2,183,629	\$ 2,168,387	8%	7%
<b>Total revenue</b>	<b>\$ 28,289,889</b>	<b>\$ 30,381,823</b>		
<b>EXPENSES</b>				
RCMP	\$ 2,914,436	\$ 2,704,164	11%	9%
Education	\$ 3,727,368	\$ 3,616,416	15%	12%
Fire Protection	\$ 1,959,367	\$ 1,806,752	8%	6%
Corrections	\$ 210,564	\$ 279,213	1%	1%
Assessment	\$ 376,399	\$ 372,755	1%	1%
Uncollectible Accounts	\$ 13,088	\$ 81,185	<1%	<1%
Industrial Development	\$ 533,164	\$ 477,409	2%	2%
Amortization	\$ 1,999,903	\$ 1,893,916	8%	6%
Interest on long term debt	\$ 1,314,732	\$ 1,312,234	5%	4%
Loss on sale of TCA	\$ 65,382	\$ 887,825	<1%	3%
General Administration	\$ 3,721,244	\$ 4,010,304	15%	14%
Protective Services	\$ 767,127	\$ 689,331	3%	2%
Transportation	\$ 830,716	\$ 815,129	3%	3%

	2011-2012	2010-2011	% of Total 2011-2012	% of Total 2010-2011
Environmental Health Services	\$ 3,931,985	\$ 3,884,436	15%	13%
Environmental Development	\$ 513,669	\$ 509,538	2%	2%
Recreation	\$ 1,256,956	\$ 4,569,111	5%	16%
Social Services	\$ 51,560	\$ 29,186	<1%	<1%
Other	\$ (17,130)	\$ 4,311	<1%	<1%
Water Utility	\$ 1,248,508	\$ 1,287,563	5%	4%
<b>Total expenses</b>	<b>\$ 25,419,038</b>	<b>\$ 29,230,778</b>		
<b>Surplus (Deficit)</b>	<b>\$ 2,870,851</b>	<b>\$ 1,151,045</b>		

## Municipal Operations

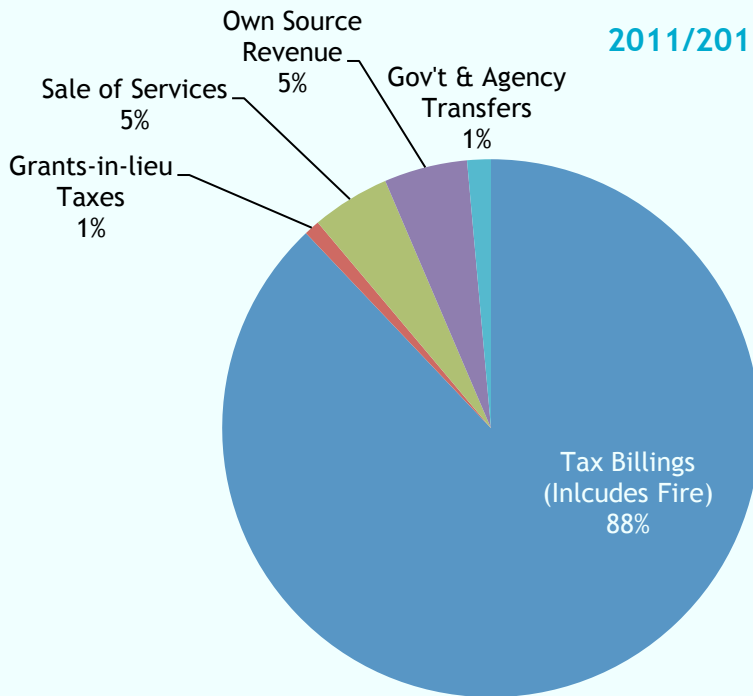
The **Schedule of Current Fund Operations** (Page 2-20) shows no change in the Operating Fund balance as the surplus in the general operations fund was transferred to reserves as part of the year end accounting process. The 2011/2012 surplus of \$352,083 can be broken down as follows:

General Operations	\$309,707
Urban Service Rates	\$27,986
Other Lights	\$14,390
<b>Total</b>	<b>\$352,083</b>

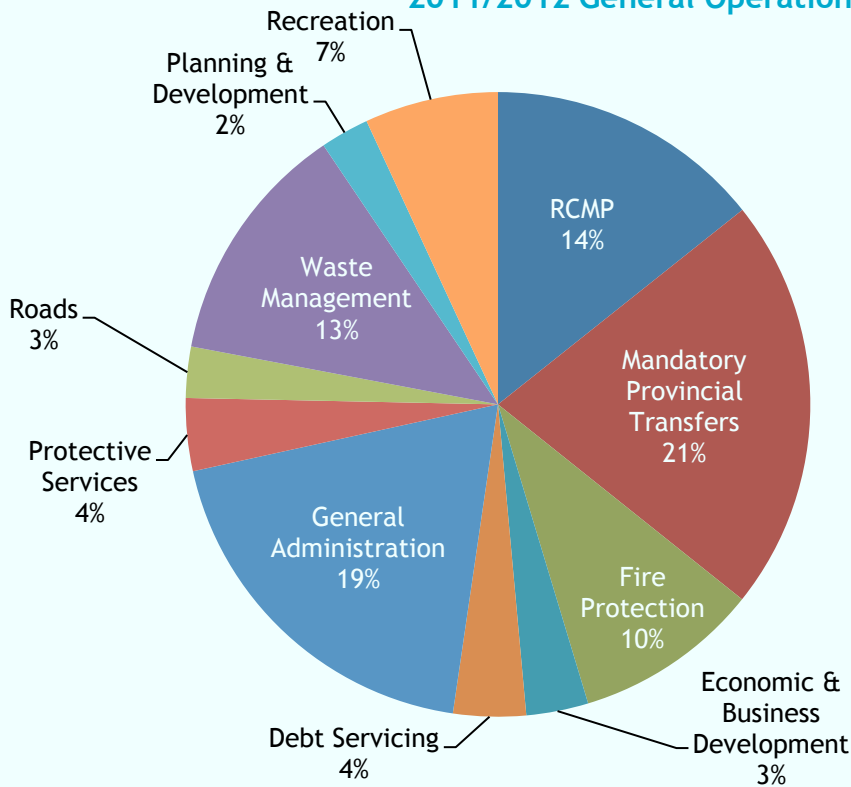
## General Operations

The following pie charts represent the general tax rate revenues and expenses for the Municipality for 2011/2012 (excluding transfers to reserve, amortization expense, pension accounting and landfill closure entries):

### 2011/2012 General Operations Revenues



### 2011/2012 General Operations Expenditures



The general operations surplus was transferred to reserve in two amounts. An amount of \$127,000 was approved to be transferred during the deliberations of the 2012/2013 budget in order to fund specific projects in the upcoming budget. Another \$182,707 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
<b>(INCREASES) / DECREASES IN REVENUE</b>	
Scrap metal	\$ (61,838)
At \$248 per tonne, the price received for scrap metal was significantly higher than in prior years (2009/2010 \$141/tonne; 2010/2011 \$189/tonne).	
Miscellaneous revenue	\$ (42,423)
Funding was received for the Community Transportation Assistance Program \$22,500, from the fire departments as a contribution towards the principal payments on the communication equipment debt \$14,178 and JEPP funding for \$2,197 that was unanticipated.	
Interest on investments & receivables net of bank fees	\$ (31,564)
Variance relates to a favourable return on investment in the amount of \$22,000 and an increase of \$8,000 in interest collected on receivables.	
Program revenue	\$ (27,278)
Pool program revenue exceeded expectations by \$28,000 (budget was based on 2009 actuals known at the time, final results are in line with 2010 and 2011 actuals).	
Building permits	\$ 17,963
Revenue has decreased due to less single dwelling units being constructed in 2011/2012.	
HST offset payment	\$ 61,524
The HST offset payment is an amount received from the Province based on the amount of HST claimed by East Hants compared to other units; the budget was in line with prior years' however the allocation of funds changed amongst the units based on HST spent.	
Solid waste tipping fees and collection fees	\$ 120,958
Tipping fee revenue was decreased from prior year primarily from lost revenue from Indian brook; collection fees were decreased mainly from less collections from West Hants.	
Fines	\$ (7,233)
Rental income (net to Municipality)	\$ (6,004)
Transfers government	\$ (4,857)
Other sale of service	\$ (3,680)
Grants-in-lieu	\$ 4,204
Administration fees	\$ 6,555
Net taxes, including planned amount for Assessment Appeals	\$ 8,401
Fire service	\$ 9,240
<b>Variance from budget to actual - Revenue</b>	<b>\$ 43,968</b>
<b>INCREASES / (DECREASES) IN EXPENSES</b>	
Wages & Honorariums	\$ (134,236)
Various maternity leave replacements resulted in savings of approximately \$42,000; unfilled positions and scale adjustments accounted for \$105,000 in savings and an unbudgeted (but required) adjustment was done to the sick leave accounting accrual for \$13,444.	

Description	Amount
Education costs	\$ (33,702)
Education costs are provincially mandated. The variance from budget is less than 1%.	
Tax exemptions	\$ (32,457)
The budget for the new MTAP program was increased in anticipation of a large increase in exemptions.	
Solid Waste Processing, Transporting and Collection	\$ (27,851)
Less processing and transporting costs for recyclables due to West Hants no longer bringing recyclables to East Hants - \$17,000 savings offset by \$7,000 loss in revenue. Remaining variance is the result of receiving less organics.	
Operational materials	\$ (24,423)
Primarily a result of not acquiring budgeted bins and organics carts (\$21,500); savings of \$4,000 in the building area as well.	
Contracts and agreements	\$ (24,345)
Savings of \$14,000 realized in the derelict vehicles budget and reduced C&D collection resulted in savings of \$13,000.	
Conference registration and travel	\$ (21,928)
Unspent conference dollars were spread across the organization, resulting from staff vacancies and general work load vs. time spent away from the office decisions being made.	
Small equipment	\$ (19,274)
Variations from budget to actual for small equipment throughout the organization; shelving, furniture, generators, technical equipment, etc.	
RCMP Office interest accrual	\$ (18,753)
RCMP Office capital project was carried forward to 2012/2013; no interest accrual required in 2011/2012.	
Other general operations	\$ (16,697)
Professional fees - \$20,000 transferred to 2012/2013 budget	\$ (16,161)
Travel expenses	\$ (15,292)
Uncollectible accounts	\$ (11,912)
Building Security & Maintenance	\$ (9,001)
Training education & associated travel	\$ (8,149)
General Government meeting and UNSM expenses	\$ (7,297)
Special Event Grant Fund offset by General Government Grant	\$ (7,296)
Telephone and cell phone	\$ (6,964)
Employer benefits	\$ (4,721)
Printing and copy expenses	\$ (4,253)
Internet	\$ (3,739)
Vehicle and Equipment Maintenance	\$ (3,697)
Insurance	\$ (1,399)
Promotion and advertising	\$ 9,241
Regional Library	\$ 9,323
Fuel	\$ 9,784
RCMP Costs - The variance from budget is 1.19 % of budget	\$ 34,592
Snow removal - roads higher incidents of freezing rain	\$ 41,887
<b>Variance from budget to actual - Expense</b>	<b>\$ (348,720)</b>

Description	Amount
Variance from budget to actual (surplus)	\$ (304,752)
Original planned (surplus)	\$ (4,955)
	\$ (309,707)
Surplus transferred to General Contingency Reserve	\$ 182,707
Surplus transferred to 2012-2013 budget as per Council:	
Growth Management - Planning	\$ 20,000
Regional Development Authority Project	\$ 51,000
Information Management Strategy	\$ 50,000
Elmsdale Beautification Society	\$ 6,000
	\$ 309,707

## 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 2011/2012 was set at \$2.6 million. The final surplus was \$27,986; 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	\$ (635)
Urban area taxes	\$ 6,753
Variance from budget to actual - Revenue	\$ 6,118
INCREASES / (DECREASES) IN EXPENSES	
Wages & Benefits	\$ (34,922)
Resulting from a vacant Public Works Operator position and the retirement of Public Works Manager in December 2011.	
Contracts and agreements	\$ (14,095)
Repairs contingency budget unspent in Milford Sewer (\$7,500) along with savings of \$5,400 in the property maintenance budget.	
Equipment rental & replacement	\$ (8,284)
Budgeted \$11,000 for pump float control systems at various lift stations.	
Computer & admin support	\$ (7,358)
The overall costs for administration and IT support were less than budget which resulted in a savings of \$7,400 in support costs.	
Insurance	\$ 4,425
Allocated insurance budget fully to sewer systems (budgeted as a partial allocation).	



Description	Amount
Interest on streetlight debt	\$ 5,658
Council approved replacing the existing streetlights with LED fixtures; interest accrual on project debt for year-end accounting.	
Power	\$ 16,596
NSPI rate increases and additional power consumption at the Milford Sewer Treatment Plant were not reflected in the budget figures, affecting the sewer power budgets, partially offset by savings in streetlight power costs (due to LED upgrade).	
Building Security & Maintenance	\$ (3,641)
Operational materials	\$ (2,238)
Debenture issuance cost	\$ (867)
Promotion and advertising	\$ (500)
Travel	\$ (300)
Snow removal for wastewater properties	\$ 2,065
Variance from budget to actual - Expense	\$ (43,461)
Variance from budget to actual (surplus)	\$ (37,343)
Original planned deficit	\$ 9,357
Surplus transferred to Urban Service Rate Contingency Reserve	\$ (27,986)

## 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, 2012 for the USR systems:

For Capital Purposes:	
Sidewalks	\$ 80,232
Sewer	\$ 78,726
Fire Protection Systems	\$ 984,577
Storm Water	\$ 2,479
<b>Total</b>	<b>\$ 1,146,014</b>

For Operating Purposes:	
Sidewalks	\$ 185,433
Sewer	\$ 441,987
Fire Protection Systems	\$ 210,000
Contingency	\$ 989,587
<b>Total</b>	<b>\$ 1,827,007</b>

## East Hants Water Utility

The East Hants Water Utility serves 2540 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, 2012 the Utility showed an accumulated fund balance of \$1,198,102. Operating results for 2011/2012 reflect a positive change in fund balance of \$252,112. This positive variance is explained in the following table.

Description	Amount
<b>(INCREASES) / DECREASES IN REVENUES</b>	
Water token revenue	\$ 13,852
Variance in revenue with the closure of the Shubenacadie bulk water station (Enfield and Shubenacadie operated in previous years).	
Miscellaneous	\$ (7,763)
Miscellaneous revenue captures the charge for fire hydrants and sprinklers, increases in rates not reflected in budget.	
Interest, penalty net of bank fees	\$ (1,432)
Water billing charges	\$ 4,547
<b>Variance from budget to actual - Revenue</b>	<b>\$ 9,204</b>
<b>INCREASES / (DECREASES) IN EXPENSES</b>	
Wages & Employer Benefits	\$ (121,633)
Surplus resulting from vacancies (Manager of Public Works and field staff positions), related benefits (\$28,000) and \$20,000 in savings for overtime expenditures.	
Amortization	\$ (72,683)
A change in the accounting for amortization for water utility assets amounts to \$60,000 of the variance (amortization was charged to projects if they had been under construction in a prior year; the current (new) practice is to record amortization expense only in the year following full completion of the asset). The remaining \$12,683 is a result of the TCA project identifying fully amortized assets and adjusting the net book value accordingly, resulting in less amortization than budgeted.	
Professional fees	\$ (11,956)
The audit expense for 2010/2011 was less than anticipated (accrued at year end 2010/2011) creating a variance of \$5,000 for both 2010/2011 and the accrual for 2011/2012. Budgets related to source monitoring and awareness were also under spent.	
Contracts and agreements	\$ (10,430)
Meter testing saw savings of \$4,200; the cost to install signs for source water and monitoring was \$3,500 less than budget; and the emergency repairs budget realized savings of \$3,000.	
Operational materials	\$ (10,061)
Computer & admin support	\$ (9,807)
Interest on Shubenacadie Water Treatment Plant	\$ (8,290)
Equipment rental & replacement	\$ (2,363)
Promotion and advertising	\$ (600)

Description	Amount
Vehicle fuel	\$ 2,993
Insurance	\$ 3,168
Vehicle repairs & maintenance	\$ 5,575
Funding pension deficit as per actuarial valuation done for December 31st, 2010	\$ 32,776
Variance from budget to actual - Expense	\$ (203,312)
Variance from budget to actual (surplus)	\$ (194,107)
Variance from capital spending (surplus)	\$ (1,287)
Original planned (surplus)	\$ (56,718)
Net Surplus end of Year	\$ (252,112)

## 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 2011/2012 can be broken down as follows:

Description	Amount
General Government	\$ 85,180
Transportation	1,701,613
Environmental Development	320,611
Environmental Health	3,331,314
Recreation	27,879
Water Utility	<u>912,067</u>
<b>TOTAL</b>	<b>\$ 7,178,665</b>

Significant capital projects that were completed in 2011-2012 (some spending may have occurred in prior years) are as follows:



- Milford Wastewater Treatment Plant - \$3,177,074
- Public Works Building - \$335,785
- LED Streetlights - \$1,300,980
- Elmsdale Business Park Land Purchase - \$281,049
- Mt. Uniacke Road Extension - \$162,000
- Engineered Spring, Grand Lake - \$1,899,022
- Shubenacadie Water Treatment Plant - \$3,235,790

Significant work in progress (WIP) at March 31, 2012 is:

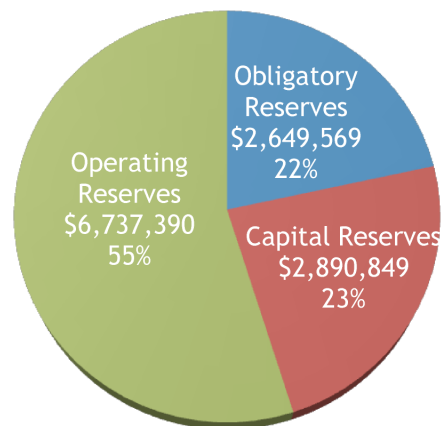
- Lloyd Matheson Centre Addition - Budget: \$3,600,000 WIP: \$768,000
- Milford/Shubenacadie Sidewalks - Budget: \$2,340,000 WIP: \$30,152
- Park Road Extension 2012 - Budget: \$2,215,000 WIP: \$27,883

## 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).

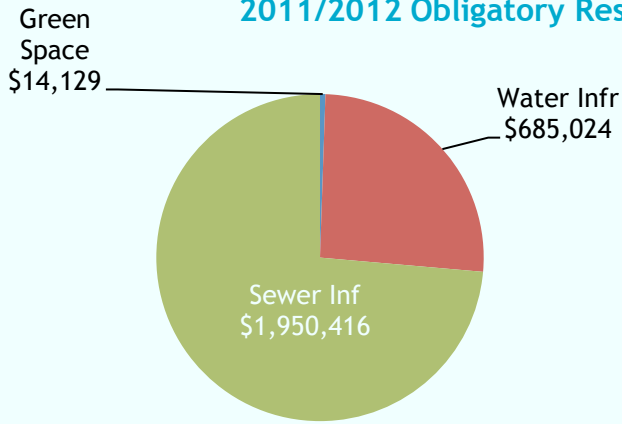
The Municipality has almost \$9.6 million in operating and capital reserves. Of this amount, \$2.9 million is set aside for capital work and \$6.7 million is being held in operating reserves. The Municipality of East Hants also has \$2.7 million in obligatory reserves, money collected specifically for open space and for sewer & water infrastructure.

### 2011/2012 Reserves - \$12.3M

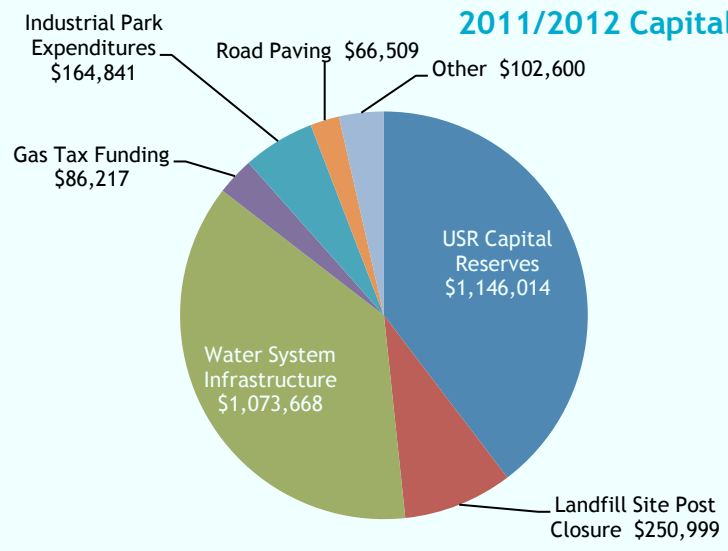


Each reserve fund is further broken down for specific uses. For a detailed list of Reserve Fund balances, see Page 2 - 23, *Schedule of Reserve Operations*. The following graphs summarize the funds:

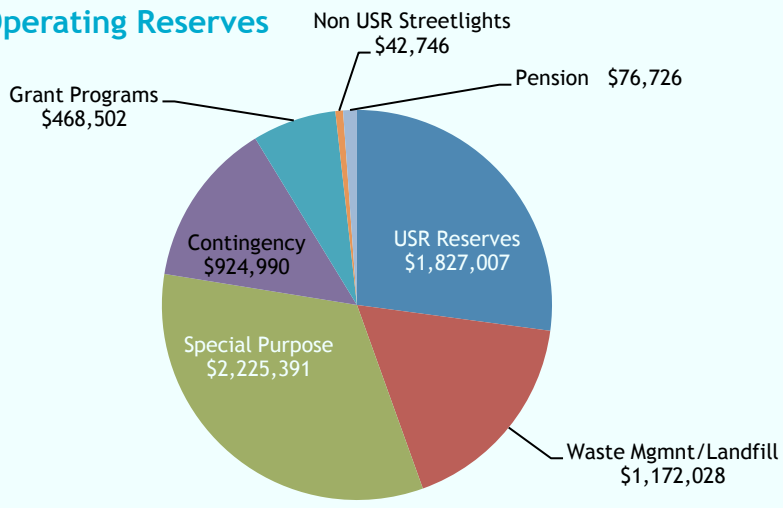
### 2011/2012 Obligatory Reserves



### 2011/2012 Capital Reserves



### 2011/2012 Operating Reserves



The following amounts (totaling \$663,890) represent future repayments to the Operating contingency reserve fund:

- \$478,348 will be repaid to the operating reserve fund as the residents in Shubenacadie pay off the accumulated deficit of the Shubenacadie Water Utility;
- \$85,542 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;
- \$100,000 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 (beginning in 2011/2012).

The Municipality needs to give serious consideration to building up its operating reserves over the next few years. This need has been identified for several years now and has proven to be a challenge in light of Council's desire to keep the tax burden as low as possible.

**SECTION 2 - FINANCIAL STATEMENTS**



## FINANCIAL STATEMENTS

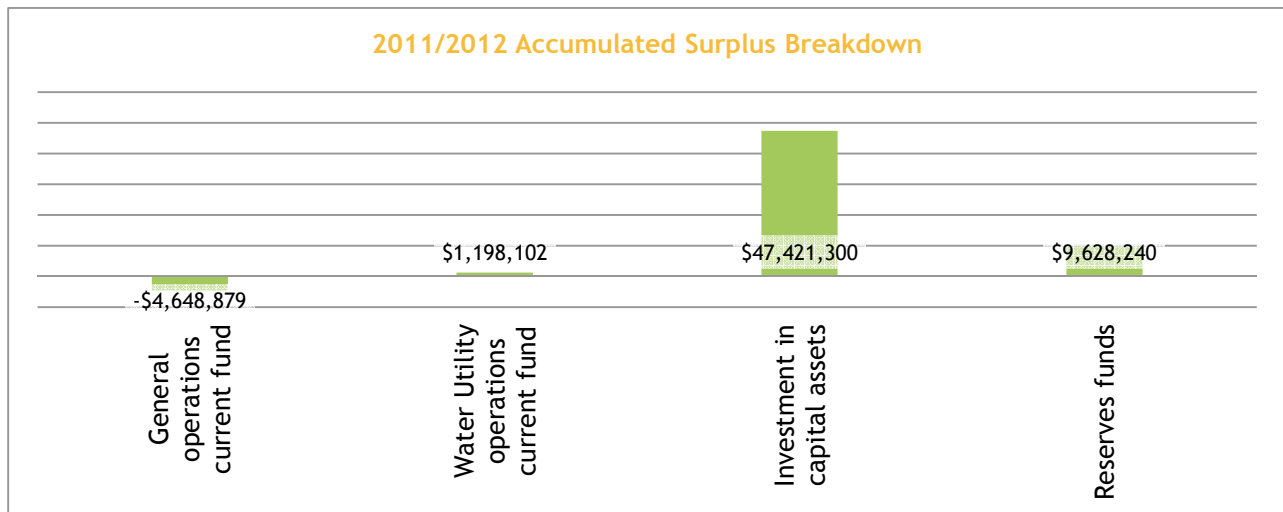
The Municipality’s financial statements have been prepared by Management in accordance with the provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). Management is responsible 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](http://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 (\$53.6M) and a significant net debt which must be recovered through future tax revenues (see Statement of Changes in Net Debt). The following table shows a breakdown of the accumulated surplus by fund.



### Consolidated Statement of Operations

The Consolidated Statement of Operations provides a summary of the revenues, expenses and surplus for the reporting period. The statement consists of the funds for the general operations, the water utility and capital. On this statement, the 2012 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 \$2,870,851 with a budgeted surplus of \$1,955,128. The variance of \$915,723 is accounted for as follows:



Description	Amount
<b>VARIANCES FROM BUDGET TO ACTUAL - CONSOLIDATED SURPLUS</b>	
General tax rate variance as per the general operations section (See Page 1-14)	\$ 304,752
Urban service tax rate variance as per the urban service rate section (See Page 1-16)	\$ 37,343
Transfers (see Below)	\$ 229,365
Net gain on the sale/disposal of Municipal assets	\$ 82,833
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	\$ (55,691)
Landfill liability adjustment based on PSAB requirements	\$ 17,130
Non Urban Streetlights, variance to budgeted surplus	\$ 6,293
Water utility variance as per the water utility section (See Page 1-18)	\$ 194,107
Variance in Capital Revenue (net of funding adjustments for incomplete projects)	\$ 99,591
<b>NET VARIANCE FROM BUDGET TO ACTUAL</b>	<b>\$ 915,723</b>

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
Lloyd Matheson Centre	\$ 430,663
Pension surplus	\$ 107,418
Pension Actuarial	\$ (648,966)
Professional Fees	\$ 46,200
Legal Fees	\$ 14,400
Snow Removal Sidewalks	\$ 22,800
Grants	\$ 71,501
Shubenacadie Water Deficit	\$ 34,800
Fire Department	\$ 8,445
Energy Management	\$ 70,506
Surplus Specific Projects	\$ 39,000
Other projects not carried forward to following year	\$ 32,598
<b>TOTAL TRANSFERS</b>	<b>\$ 229,365</b>

## 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, 2012**

	2012	2011
<b>FINANCIAL ASSETS</b>		
Cash and short term investments (Note 2)	\$ 14,153,443	\$ 15,025,426
Taxes and rates receivable (Note 3)	2,259,074	2,163,145
Accounts receivable (Note 4)	2,050,077	3,054,325
	<u>\$ 18,462,594</u>	<u>\$ 20,242,896</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 3,312,324	\$ 3,497,896
Deferred revenue - general	1,558,009	1,466,328
Deferred revenue - obligatory reserve (Note 6)	2,649,569	2,517,630
Employee benefits and other obligations (Note 9)	279,310	408,303
Tax sale surplus	161,443	154,877
Net short term liabilities (Note 8)	1,500,000	-
Net long term liabilities (Note 8)	27,954,286	28,713,687
	<u>\$ 37,414,941</u>	<u>\$ 36,758,721</u>
<b>NET DEBT</b>	<u>\$ (18,952,347)</u>	<u>\$ (16,515,825)</u>
<b>NON FINANCIAL ASSETS</b>		
Tangible capital assets (Note 1)	\$ 71,522,463	\$ 60,367,195
Work in progress (Note 1)	833,137	6,632,951
Inventory and prepaid expenses	195,510	243,591
	<u>\$ 72,551,110</u>	<u>\$ 67,243,737</u>
<b>ACCUMULATED SURPLUS (Note 12)</b>	<u>\$ 53,598,763</u>	<u>\$ 50,727,912</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, 2012

	*2012 Budget Unaudited (Note 1)	2012 Actual	2011 Actual
<b>Revenues</b>			
Property taxes (Note 13)	\$ 20,640,168	\$ 20,830,056	\$ 19,524,036
Grants in lieu of taxes	278,693	212,902	443,104
Sale of services	1,034,422	999,705	1,056,102
Other revenue from own sources	1,194,132	1,283,941	1,236,497
Unconditional transfers from other governments	91,265	92,164	90,361
Conditional transfers from federal or provincial government	205,890	209,848	192,782
Government grants	1,562,017	1,661,608	4,530,673
Development and other contributions applied	267,821	267,821	679,570
Other transfers	400,000	400,000	460,312
Water utility	2,192,830	2,183,629	2,168,387
<b>Total Revenues</b>	<b>\$ 27,867,238</b>	<b>\$ 28,141,674</b>	<b>\$ 30,381,823</b>
<b>Expenses</b>			
General government services	\$ 4,788,176	\$ 4,651,380	\$ 6,015,029
Protective services	5,875,958	5,854,500	5,484,427
Education services (Note 13)	3,761,070	3,727,368	3,616,416
Social services	29,186	51,560	29,186
Transportation services	1,924,217	1,888,511	1,892,965
Environmental health services	4,671,570	4,792,663	4,571,248
Environmental development services	1,436,048	1,123,571	1,103,079
Increase in landfill long-term liability	-	(17,130)	4,311
Recreation and cultural services	1,477,023	1,452,846	4,721,194
Water utility	1,948,862	1,745,554	1,792,923
<b>Total Expenses</b>	<b>\$ 25,912,110</b>	<b>\$ 25,270,823</b>	<b>\$ 29,230,778</b>
<b>Annual Surplus</b>	<b>\$ 1,955,128</b>	<b>\$ 2,870,851</b>	<b>\$ 1,151,045</b>
<b>Accumulated Surplus, Beginning of Year</b>	<b>\$ 50,727,912</b>	<b>\$ 50,727,912</b>	<b>\$ 49,576,867</b>
<b>Accumulated Surplus, End of Year</b>	<b>\$ 52,683,040</b>	<b>\$ 53,598,763</b>	<b>\$ 50,727,912</b>

Municipality of the District of East Hants  
Consolidated Statement of Changes in Net Debt  
Year Ended March 31, 2012

	*2012 Budget (Note 1)	2012 Actual	2011 Actual
Annual Surplus	\$ 1,955,128	\$ 2,870,851	\$ 1,151,045
<b>Tangible Capital Assets</b>			
Acquisition of tangible capital assets	\$ (6,062,083)	\$ (7,450,304)	\$ (6,586,628)
Amortization of tangible capital assets	2,066,070	1,999,903	1,893,916
Loss (gain) on sale of tangible capital assets	-	(82,833)	887,825
Proceeds on sale of tangible capital assets	-	177,780	130,720
	<u>\$ (3,996,013)</u>	<u>\$ (5,355,454)</u>	<u>\$ (3,674,167)</u>
<b>Other Non-Financial Assets</b>			
Decrease in inventory and prepaid expenses	\$ -	\$ 48,081	\$ 42,824
Increase in Net Debt	\$ (2,040,885)	\$ (2,436,522)	\$ (2,480,298)
Net Debt, Beginning of Year	(16,515,825)	(16,515,825)	(14,035,527)
Net Debt, End of Year	<u>\$ (18,556,710)</u>	<u>\$ (18,952,347)</u>	<u>\$ (16,515,825)</u>

Municipality of the District of East Hants  
Consolidated Statement of Cash Flow  
Year Ended March 31, 2012

	2012	2011
<b>Operations</b>		
Annual surplus	\$ 2,870,851	\$ 1,151,045
Add amortization of tangible capital assets	1,999,903	1,893,916
	<u>\$ 4,870,754</u>	<u>\$ 3,044,961</u>
<b>Changes in Non-Cash Assets and Liabilities</b>		
Decrease in accounts receivable	\$ 1,004,248	\$ 83,070
(Increase) decrease in taxes receivable	(95,929)	29,990
Decrease in accounts payable and accruals	(185,572)	(418,855)
Increase in tax sale surplus	6,567	1,992
Increase (decrease) in deferred revenue	223,619	(490,732)
(Decrease) increase in employee benefits/other obligations	(128,994)	69,280
Decrease in inventory and prepaid expenses	48,081	42,824
	<u>\$ 872,020</u>	<u>\$ (682,431)</u>
<b>Net Change in Cash From Operations</b>	<u>\$ 5,742,774</u>	<u>\$ 2,362,530</u>
<b>Financing Activities</b>		
Long term debt issued	\$ 615,000	\$ 5,678,670
Short term debt issued	1,500,000	-
Long term debt retired	(1,374,400)	(1,399,802)
	<u>\$ 740,600</u>	<u>\$ 4,278,868</u>
<b>Capital Activities</b>		
Additions to tangible capital assets	\$ (13,250,118)	\$ (1,859,729)
Decrease (increase) in work in progress	5,799,814	(4,726,899)
(Gain) loss on sale of tangible capital assets	(82,833)	887,825
Proceeds on sale of tangible capital assets	177,780	130,720
	<u>\$ (7,355,357)</u>	<u>\$ (5,568,083)</u>
<b>Investing Activities</b>		
Decrease (increase) in short term investments	\$ 1,931,967	\$ (708,340)
<b>Increase in Cash Position</b>	<u>\$ 1,059,984</u>	<u>\$ 364,975</u>
<b>Cash Position, Beginning of Year</b>	1,000,940	635,965
<b>Cash Position, End of Year</b>	<u>\$ 2,060,924</u>	<u>\$ 1,000,940</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			Assets in WIP	2012 TOTAL	2011 TOTAL
	Land	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities			
<b>Cost</b>										
Opening Costs	1,914,828	9,305,190	2,046,249	184,670	45,319,245	3,924,073	16,498,112	6,632,951	85,825,317	80,507,577
Additions during year	420,509	-	282,762	77,133	6,181,376	271,306	6,017,032	(5,799,814)	7,450,304	6,586,628
Disposals & Write downs	(19,065)	-	-	(26,513)	(191,821)	-	-	-	(237,399)	(1,268,888)
Closing Costs	2,316,273	9,305,190	2,329,011	235,290	51,308,799	4,195,380	22,515,144	833,137	93,038,223	85,825,317
<b>Accumulated Amortization</b>										
Opening Accum. Amortization	N/A	2,368,446	814,621	73,404	11,568,779	610,296	3,389,625	-	18,825,170	17,181,598
Amortization in Year	N/A	240,953	212,669	19,223	1,185,932	98,102	243,023	-	1,999,903	1,893,916
Adj./Disposals - Accum Amort	N/A	-	-	(16,169)	(126,281)	-	-	-	(142,450)	(250,343)
Acc Amort - End of Year	-	2,609,398	1,027,291	76,459	12,628,430	708,398	3,632,648	-	20,682,623	18,825,171
<b>Net Book Value</b>	2,316,273	6,695,792	1,301,721	158,831	38,680,370	3,486,982	18,882,496	833,137	72,355,600	67,000,146

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**

Government Transfers are recognized in the period in which the events giving rise to the transfer occur, providing transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

**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>2012</u>	<u>2011</u>
Bank	\$ 2,060,924	\$ 1,000,940
Temporary investments	10,049,950	12,101,856
Restricted cash (obligatory reserve funds)	2,042,569	1,922,630
	<u>\$ 14,153,443</u>	<u>\$ 15,025,426</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 \$21,712 (2010 - \$19,461), representing a staff estimate of uncollectible accounts.

**4. Accounts Receivable**

The balance for accounts receivable on the consolidated Statement of Financial Position totaled \$2,050,077 (2011 - \$3,054,325). The balance is comprised of the following:

	<u>2012</u>	<u>2011</u>
Amounts due from provincial/federal government	\$ 771,870	\$ 1,924,242
Loan to Lantz fire department	342,831	355,206
Other	935,376	774,877
	<u>\$ 2,050,077</u>	<u>\$ 3,054,325</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>2012</u>	<u>2011</u>
Liability for closure/post closure costs - landfill	\$ 230,892	\$ 248,022
Liability for unamortized pension loss	171,731	116,040
Other payables and accruals	2,909,701	3,133,834
	<u>\$ 3,312,324</u>	<u>\$ 3,497,896</u>

6. Deferred Revenue - Obligatory Reserve

	<u>2012</u>	<u>2011</u>
Developer charges - sewer	\$ 1,950,416	\$ 1,758,611
Developer charges - water	685,024	681,201
Green space contributions	14,129	77,818
	<u>\$ 2,649,569</u>	<u>\$ 2,517,630</u>

7. Continuity of Obligatory Reserve Funds

	<u>2012</u>	<u>2011</u>
Balance at the beginning of year	\$ 2,517,630	\$ 2,958,791
Development charges billed - sewer	174,012	101,251
Development charges billed - water	171,011	98,251
Green space contribution (expensed)	(64,630)	(11,118)
Interest on reserve balance	23,505	23,244
Transfer - Enfield Transmission Main	-	(20,237)
Transfer - Shubenacadie Water Treatment Plant	(171,959)	(557,027)
Transfer- Sewer Scada Upgrade	-	(75,525)
	<u>\$ 2,649,569</u>	<u>\$ 2,517,630</u>

**8. Net Long Term Liabilities**

- a) Of the \$27,954,286 long-term debt (2011 - \$28,713,687) certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2012</u>	<u>2011</u>
General revenues	\$ 3,816,445	\$ 3,847,217
Local improvement charges	663,876	791,801
Area rates	11,204,737	11,751,964
Sale of land in Industrial Parks	2,106,731	2,195,222
Water charges	5,515,002	5,337,863
Tenants rent	4,312,235	4,442,190
Loan to Lantz fire department	335,260	347,430
	<u>\$ 27,954,286</u>	<u>\$ 28,713,687</u>

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

	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>
General Government	\$ 81,328	\$ 83,584	\$ 86,471	\$ 89,684	\$ 18,200
Buildings	136,860	144,130	151,790	159,850	168,350
Hospital	24,558	25,445	26,516	27,549	28,749
Protective Services	7,142	7,297	7,498	7,735	8,000
Transportation	1,146,660	435,826	444,240	394,056	350,436
Environmental Health	168,496	130,834	137,552	144,510	99,662
Sewers	75,021	77,294	80,082	83,178	86,568
Water Utility	182,834	189,591	196,708	204,210	212,114
Environmental Development	513,994	152,837	144,860	70,612	72,024
Recreation	138,284	142,043	146,994	152,574	137,032
Lantz Fire Department	12,800	13,460	14,150	14,880	15,650
	<u>\$ 2,487,977</u>	<u>\$ 1,402,341</u>	<u>\$ 1,436,861</u>	<u>\$ 1,348,839</u>	<u>\$ 1,196,786</u>

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

	<u>2012</u>	<u>2011</u>
Principal	\$ 1,362,230	\$ 1,388,232
Interest	1,314,732	1,312,234
	<u>\$ 2,676,962</u>	<u>\$ 2,700,466</u>

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

	<u>2012</u>	<u>2011</u>
General revenues	\$ 743,577	\$ 660,356
Local improvement charges	161,125	162,017
Area rates	1,095,626	1,204,192
Sale of land in industrialParks	254,751	253,382
Water charges	421,883	420,519
	<u>\$ 2,676,962</u>	<u>\$ 2,700,466</u>

e) The Municipality entered into \$1,500,000 of short-term debt to finance the implementation of LED streetlights throughout the municipality. This debt was repaid on May 15<sup>th</sup>, 2012 as part of the debenture issuance.

**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, 2012, exceeded the value of the plan assets by \$66,184. On a wind-up basis, the liabilities exceed the assets by \$2,205,242. The Municipality made a special payment into the plan of \$635,563 to fund the pension obligation as a result of the December 2010 actuarial review, including approved plan amendments; further to this payment, special payments in the amount of \$184,716 over the next five years are required to fund the solvency deficit.

	<u>Estimated December 31, 2011</u>	<u>Estimated December 31, 2010</u>
Accrued Benefit Obligation	\$7,692,765	\$ 5,526,465
Fair Value Plan Asset	<u>5,840,195</u>	<u>4,750,353</u>
Funded Status - Plan (Deficit) Surplus	<u>\$(1,852,570)</u>	<u>\$ (776,112)</u>

The significant actuarial assumptions adopted measuring the Municipality's accrued benefit obligation as at December 31, 2011 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	\$1,852,570
Unamortized actuarial loss	<u>(1,680,839)</u>
Benefit liability recorded in the statement of financial position	<u>\$ 171,731</u>

During the year, the Municipality and employees contributed \$831,763 (including special payments) and \$149,269 respectively, to the plan. Benefit payments for the year totaled \$97,824.

Administrative fees paid during the 2011-2012 fiscal year totaled \$7,003.

**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 \$230,892 (2011 - \$248,022) 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>2012</u>	<u>2011</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	(955,306)	(773,777)
Long term liabilities issued to fund East Hants Sportsplex	(3,381,288)	(3,500,000)
Unfunded pension liability	(171,731)	(116,040)
Landfill liability funded by reserves	(230,893)	(248,022)
	<u>(4,648,879)</u>	<u>(4,547,500)</u>
Water utility operation	1,198,102	945,990
	<u>\$ (3,450,777)</u>	<u>\$ (3,601,510)</u>

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

	<u>2012</u>	<u>2011</u>
Tangible capital assets	\$ 71,522,463	\$ 60,367,195
Work in progress	833,137	6,632,951
Funds yet to be provided from long term debt	(1,651,868)	(167,907)
Long term liabilities capital	(23,282,432)	(24,092,480)
	<u>\$ 47,421,300</u>	<u>\$ 42,739,759</u>

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

	<u>2012</u>	<u>2011</u>
Working funds	\$ 6,737,390	\$ 6,303,698
Replacement of equipment/assets	2,659,958	5,037,942
Landfill closure/post closure liability	230,892	248,023
	<u>\$ 9,628,240</u>	<u>\$ 11,589,663</u>

d) Consolidated Accumulated Surplus:

	<u>2012</u>	<u>2011</u>
Current fund	(3,450,777)	(3,601,510)
Investment in capital assets	47,421,300	42,739,759
Reserve funds	9,628,240	11,589,663
	<u>\$ 53,598,763</u>	<u>\$ 50,727,912</u>

In prior years, *Amounts to be Recovered* was disclosed as a separate component of the Accumulated Surplus. Management has determined that a more useful presentation is as a part of the relevant fund balances. The 2012 and 2011 fund balance above have been adjusted to reflect this reclassification. In conjunction with this, certain long term debt was transferred from the current fund to the general capital fund.

13. Taxation

	<u>2012</u>	<u>2011</u>
Taxation from real property	\$ 20,830,056	\$ 19,524,036
Less: Taxation collected to pay provincial mandatory education tax rate	(3,727,368)	(3,616,416)
Net taxes available for municipal purposes	<u>\$ 17,102,688</u>	<u>\$ 15,907,620</u>



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

	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
<b>Council</b>			
Warden John Patterson	\$ 41,624	\$ 2,450	\$ 44,074
Keith Rhyno	19,843	871	20,714
Eleanor Roulston	19,843	677	20,520
Fred Bannister	19,489	615	20,105
Rosanne Bland	20,899	545	21,444
Willie Versteeg	19,489	603	20,092
Pam MacInnis	19,138	1,062	20,200
Eldon Hebb	21,404	486	21,890
Norvall Mitchell	19,489	805	20,295
Greg Grant	20,195	573	20,768
John MacDonald	19,138	486	19,625
Wayne Greene	22,976	677	23,653
James D Smith	19,489	621	20,111
Chief Administrative Officer	125,280	3,612	128,892
	<u>\$ 408,298</u>	<u>\$ 14,085</u>	<u>\$ 422,383</u>

**15. Commitments**

The Municipality has outstanding contractual obligations of approximately \$2,731,800 at March 31, 2012 for the Lloyd E. Matheson Centre addition. The value of this project is \$3,500,000; to date we have paid \$768,200 of the contract. Council has authorized the financing of this obligation.

**16. Subsequent Events**

On May 15th, 2012 the Municipality entered into long-term debt in the amount of \$2,053,915; \$1,053,915 of this was to refinance existing debt and \$1,000,000 was borrowed to finance the installation of LED streetlights throughout the municipality. 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 \$335,260 (2010 - \$347,430).

**18. Comparative Figures**

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

The 2012 Consolidated Statement of Operations includes expenses for the Engineering Services department within the Environmental Health Services function. In prior years this was reported within General Government Services.

Municipality of the District of East Hants  
 Schedule of Current Fund Operations - Municipal Operations  
 Year Ended March 31, 2012

	2012 Budget	2012 Actual	2011 Actual
<b>Revenue</b>			
Property taxes	\$ 20,640,168	\$ 20,830,056	\$ 19,524,036
Grants in lieu of taxes	278,693	212,902	443,104
Sale of services	1,034,422	999,705	1,056,102
Other revenue from own sources	1,051,392	1,141,201	1,130,184
Unconditional transfers from other governments	91,265	92,164	90,361
Conditional transfers from federal or provincial government agencies	205,890	209,848	192,782
Other transfers	400,000	400,000	460,311
	<u>\$ 23,701,830</u>	<u>\$ 23,885,876</u>	<u>\$ 22,896,880</u>
<b>Expenses</b>			
General government services	\$ 4,505,436	\$ 4,651,380	\$ 6,015,029
Protective services	5,872,952	5,854,500	5,484,427
Education services	3,761,070	3,727,368	3,616,416
Social services	29,186	51,560	29,186
Transportation services	1,223,188	1,888,511	1,892,965
Environmental health services	4,048,341	4,792,663	4,571,248
Environmental development services	1,332,887	1,123,571	1,103,079
Increase in landfill long-term liability	-	(17,130)	4,311
Recreation and cultural services	1,433,308	1,452,845	4,721,194
	<u>\$ 22,206,368</u>	<u>\$ 23,525,268</u>	<u>\$ 27,437,855</u>
<b>Net Revenue (Expenses)</b>	<u>\$ 1,495,462</u>	<u>\$ 360,608</u>	<u>\$ (4,540,975)</u>
<b>Financing and Transfers</b>			
Debt principal repayment	\$ 1,194,377	\$ 1,194,370	\$ 1,226,377
Long term debt issued	(200,000)	(200,000)	(3,700,000)
Increase (decrease) in amounts to be recovered	-	(38,561)	(40,351)
Amortization & gain/loss on disposal of assets	-	(1,674,047)	(2,535,045)
Transfer to capital fund	40,500	40,500	(190,258)
Transfer to capital reserves	-	(6,647)	(15,092)
Transfer to operating reserves	460,585	1,044,993	713,394
	<u>\$ 1,495,462</u>	<u>\$ 360,608</u>	<u>\$ (4,540,975)</u>
<b>Change in Fund Balance</b>	\$ -	\$ -	\$ -
<b>Opening Fund Balance</b>	(4,547,500)	(4,547,500)	(820,242)
<b>Change in Long Term Debt</b>	-	(62,817)	(3,686,907)
<b>Change in Unfunded Pension Liability</b>	-	(55,691)	(36,040)
<b>Change in Landfill Liability</b>	-	17,129	(4,311)
<b>Closing Fund Balance (Note 12)</b>	<u>\$ (4,547,500)</u>	<u>\$ (4,648,879)</u>	<u>\$ (4,547,500)</u>

Municipality of the District of East Hants  
 Schedule of Current Fund Operations - Water Utility  
 Year Ended March 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Revenue	\$ 2,192,830	\$ 2,183,629	\$ 2,168,387
Expenses			
Operating	\$ 1,373,029	\$ 1,248,508	\$ 1,287,563
Interest on debt	266,643	254,023	258,664
Amortization expense	309,190	243,023	246,696
	<u>\$ 1,948,862</u>	<u>\$ 1,745,554</u>	<u>\$ 1,792,923</u>
Net Revenue	\$ 243,968	\$ 438,075	\$ 375,464
Transfers and Financing			
Principal debt payment	\$ 167,861	\$ 167,860	\$ 161,855
Transfer to depreciation reserve	-	-	10,770
Transfer to capital	19,389	18,103	3,456
	<u>\$ 187,250</u>	<u>\$ 185,963</u>	<u>\$ 176,081</u>
Change in Fund Balance	\$ 56,718	\$ 252,112	\$ 199,383
Opening Fund Balance	945,990	945,990	746,607
Closing Fund Balance (Note 12)	<u>\$ 1,002,708</u>	<u>\$ 1,198,102</u>	<u>\$ 945,990</u>

Municipality of the District of East Hants  
 Schedule of Capital Fund Operations - Municipal Operations  
 Year Ended March 31, 2012

	2012	2011
<b>Revenue</b>		
Government grants	\$ 1,661,608	\$ 4,530,673
Development and other contributions applied	267,821	679,570
	<u>\$ 1,929,429</u>	<u>\$ 5,210,243</u>
<b>Financing and Transfers</b>		
Principal payments	\$ (1,225,047)	\$ -
Long term debt issued	-	(1,978,670)
Transfers from reserves	(3,142,509)	(130,566)
Amortization and gain/loss on disposal of assets	1,674,047	2,535,045
Transfers from operations	(58,603)	186,802
	<u>\$ (2,752,112)</u>	<u>\$ 612,611</u>
<b>Increase (Decrease) in Fund Balance</b>	\$ 4,681,541	\$ 4,597,632
<b>Opening Fund Balance</b>	42,739,759	38,142,127
<b>Closing Fund Balance (Note 12)</b>	<u>\$ 47,421,300</u>	<u>\$ 42,739,759</u>

Municipality of the District of East Hants

Schedule of Reserve Operations

Year Ended March 31, 2012

	2012	2011
<b>Revenue</b>		
Investment income	\$ 142,740	\$ 106,313
<b>Net Transfers From/To Other Funds</b>		
Transfers from Current Fund	\$ (1,038,346)	\$ (709,072)
Transfers to Capital Fund	3,142,509	130,566
	<u>\$ 2,104,163</u>	<u>\$ (578,506)</u>
<b>Net Change in Reserve Funds</b>	\$ (1,961,423)	\$ 684,819
<b>Opening Reserve Fund Balance</b>	11,589,663	10,904,844
<b>Closing Reserve Fund Balance (Note 12)</b>	<u>\$ 9,628,240</u>	<u>\$ 11,589,663</u>
<b>Analyzed as follows:</b>		
Reserves set aside for specific purposes		
Operating contingencies/surplus	\$ 909,591	\$ 891,538
Solid waste diversion operations	46,520	75,020
General government	707,406	485,806
Solid waste management facilities/equipment/operations	1,172,494	1,051,915
Office equipment	188,447	160,588
Computer hardware/software	206,519	151,201
Municipal offices/buildings	-	89,890
Pool building and equipment	525,215	433,938
Transportation and equipment	474,044	391,055
Recreation and leisure	24,729	51,616
Emergency measures	118,669	108,055
Passenger vehicles	104,750	84,750
Tax sale surplus	15,586	15,586
Gas tax excess	86,217	2,192,045
Lloyd Matheson Centre	60,000	40,000
Industrial park land development from sales	164,841	284,315
Landfill closure/post closure costs	230,892	248,022
District beautification funds	28,920	19,497
Emergency grant fund - fire departments	168,246	153,225
Tourism grant fund/capital	82,079	77,079
District recreation grant fund	48,830	59,527
Rural economic development fund	177,287	127,287
Urban Service Rate contingencies/surplus	820,867	1,050,561
Lights other surplus	168,720	28,356
Lights communities	42,746	-
Corridor fire protection system	1,194,577	1,243,414
Sewer system	520,714	575,400
Sidewalks excess debenture/operations	265,666	305,162
East Hants water system	1,073,668	1,194,815
	<u>\$ 9,628,240</u>	<u>\$ 11,589,663</u>

Municipality of the District of East Hants

Reconciliation of the Financial Plan to the PSAB Budget

Year Ended March 31, 2012

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	PSAB Budget
<b>REVENUE</b>							
Taxes	\$ 20,640,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,640,168
Water utility		2,192,830					2,192,830
Grants in lieu of taxes	278,693	-	-	-	-	-	278,693
Sale of services	1,034,422	-	-	-	-	-	1,034,422
Other revenue from own sources	1,051,392	-	-	-	142,740	-	1,194,132
Unconditional transfers from other	91,265	-	-	-	-	-	91,265
Conditional transfers from government	205,890	-	-	-	-	-	205,890
Government grants	-	-	-	1,562,017	-	-	1,562,017
Development and other contributions applied	-	-	-	267,821	-	-	267,821
Other transfers	400,000	-	-	-	-	-	400,000
Long term debt issued	200,000	-	-	-	-	(200,000)	-
Transfers from reserves (capital/operating)	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 23,901,830</b>	<b>\$ 2,192,830</b>	<b>\$ -</b>	<b>\$ 1,829,838</b>	<b>\$ 142,740</b>	<b>\$ (200,000)</b>	<b>\$ 27,867,238</b>
<b>EXPENSES</b>							
General government services	\$ 4,505,436		\$ 282,740	\$ -	\$ -	\$ -	\$ 4,788,176
Protective services	5,872,952		3,006	-	-	-	5,875,958
Education services	3,761,070		-	-	-	-	3,761,070
Social services	29,186		-	-	-	-	29,186
Transportation services	1,223,188		701,029	-	-	-	1,924,217
Environmental health services	4,048,341		623,229	-	-	-	4,671,570
Water utility		\$ 1,948,862	-	-	-	-	1,948,862
Environmental development services	1,332,887	-	103,161	-	-	-	1,436,048
Increase in landfill long-term liability	-	-	-	-	-	-	-
Recreation and cultural services	1,433,308		43,715				1,477,023
Transfer to capital		19,389	-		(19,389)	-	-
Debt charges - principal payment	1,194,377	167,861	-	(1,225,047)		(137,191)	-
Transfer to reserves (capital/operating)	501,085		-		(501,085)	-	-
<b>Total expenses</b>	<b>\$ 23,901,830</b>	<b>\$ 2,136,112</b>	<b>\$ 1,756,880</b>	<b>\$ (1,225,047)</b>	<b>\$ (520,474)</b>	<b>\$ (137,191)</b>	<b>\$ 25,912,110</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ 56,718</b>	<b>\$ (1,756,880)</b>	<b>\$ 3,054,885</b>	<b>\$ 663,214</b>	<b>\$ (62,809)</b>	<b>\$ 1,955,128</b>

Municipality of the District of East Hants  
Consolidated Schedule of Operations by Function  
Year Ended March 31, 2012

	General Government	Protective Services	Transportation Services	Env. Health Services	Env. Developmnt Services	Other
<b>REVENUE</b>						
Property taxes	\$ 16,760,209	1,907,425	\$ 77,140	\$ 2,085,282	\$ -	\$ -
Grants in lieu of taxes	200,239			12,663	-	-
Sale of services	285,853	-		521,880	18,140	-
Other revenue from own sources	884,346	7,111		93,586	128,015	142,740
Unconditional transfers from other governments	92,164	-				-
Conditional transfers from federal or provincial governme	-	-		163,421	3,885	-
Government grants	-	-				1,661,608
Development and other contributions applied	-	-				267,821
Other transfers	-	-		400,000		
Gain on sale of TCA	-	-			148,215	
Water utility	-	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 18,222,811</b>	<b>\$ 1,914,536</b>	<b>\$ 77,140</b>	<b>\$ 3,276,832</b>	<b>\$ 298,255</b>	<b>\$ 2,072,169</b>
<b>EXPENSES</b>						
Salaries, wages and benefits	\$ 2,176,486	\$ 236,197	\$ -	\$ 1,322,215	\$ 640,636	\$ -
Operating costs	1,934,244	5,615,297	830,715	2,609,770	406,198	3,761,798
Amortization	282,740	3,006	701,029	623,229	103,161	-
Interest on long term debt	257,910	-	356,767	172,067	121,791	-
Loss on sale of TCA	-	-	-	65,382	-	-
<b>Total expenses</b>	<b>\$ 4,651,380</b>	<b>\$ 5,854,500</b>	<b>\$ 1,888,511</b>	<b>\$ 4,792,663</b>	<b>\$ 1,271,786</b>	<b>\$ 3,761,798</b>
<b>Surplus (Deficit)</b>	<b>\$ 13,571,431</b>	<b>\$ (3,939,964)</b>	<b>\$ (1,811,371)</b>	<b>\$ (1,515,831)</b>	<b>\$ (973,531)</b>	<b>\$ (1,689,629)</b>

Municipality of the District of East Hants  
 Consolidated Schedule of Operations by Function  
 Year Ended March 31, 2012

	Recreation and Cultural Services	Water Utility	2012 Total	2011 Total
<b>REVENUE</b>				
Property taxes	\$ -	\$ -	\$ 20,830,056	\$ 19,524,036
Grants in lieu of taxes	-	-	212,902	443,104
Sale of services	173,832	-	999,705	1,056,102
Other revenue from own sources	28,143	-	1,283,941	1,236,497
Unconditional transfers from other governments	-	-	92,164	90,361
Conditional transfers from federal or provincial governme	42,542	-	209,848	192,782
Government grants	-	-	1,661,608	4,530,673
Development and other contributions applied	-	-	267,821	679,570
Other transfers	-	-	400,000	460,311
Gain on sale of TCA	-	-	148,215	-
Water utility	-	2,183,629	2,183,629	2,168,387
<b>Total revenue</b>	<b>\$ 244,517</b>	<b>\$ 2,183,629</b>	<b>\$ 28,289,889</b>	<b>\$ 30,381,823</b>
<b>EXPENSES</b>				
Salaries, wages and benefits	\$ 547,937	\$ 554,481	\$ 5,477,952	\$ 4,696,045
Operating costs	709,020	694,027	16,561,069	20,440,758
Amortization	43,715	243,023	1,999,903	1,893,916
Interest on long term debt	152,174	254,023	1,314,732	1,312,234
Loss on sale of TCA	-	-	65,382	887,825
<b>Total expenses</b>	<b>\$ 1,452,846</b>	<b>\$ 1,745,554</b>	<b>\$ 25,419,038</b>	<b>\$ 29,230,778</b>
<b>Surplus (Deficit)</b>	<b>\$ (1,208,329)</b>	<b>\$ 438,075</b>	<b>\$ 2,870,851</b>	<b>\$ 1,151,045</b>



**SECTION 3 - YEAR END DEPARTMENT REPORTS**



# ADMINISTRATION DEPARTMENT

## Year End Report 2011-2012

### 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.

### New Municipal Brand

The Administration Department continues to play a key role in the promotion and proper use of the Municipality's Brand. The Director leads the Brand Standards Committee whose mandate is to review and make recommendations on new uses of the Brand based on the standards that were developed for its use. A significant amount of focus over the past year has been to ensure the new municipal brand is given profile at every opportunity. Work is currently underway to develop a 'Brand Package' that will be provided to external agencies/parties who partner with the Municipality and want to include the Brand in their publications and media.

### 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 services. External factors such as changes to senior government legislation, changes in demographics and a declining labour force, as well as evolving work ethics between older and younger generation employees, all impact on the management strategies required to ensure a skilled, motivated and healthy workforce. The Municipality continues to carry out a variety of initiatives and projects to proactively manage its human resources. Some of the more significant HR activities undertaken in 2011-12 by the Administration Department are outlined below.

## Compensation Review

A review of the Municipality's compensation plan was completed in December 2011. The new compensation plan strikes an important balance between what is affordable for the taxpayers of East Hants and the Municipality's need to promote the recruitment and retention of qualified, motivated and productive staff. The results of the review included the adoption of a Compensation Philosophy, development of a new salary structure, and a review of the job descriptions for all positions in the Municipality. The approval of the Salary Administration Plan Policy now requires that all job descriptions be reviewed on an annual basis and every employee receive at least one evaluation of their performance each year.

## Staff Website

A new internal staff website was rolled out in June 2011. The new site mirrors the design of the Municipality's new public website and provides a one-stop, go-to place for staff to access information related to their employment with the Municipality. To provide an alternative to e-mail and enhance two-way communication between employees, discussion forums are available on the new website. In addition to an organization-wide forum, separate forums also exist with restricted access for specific staff groups/committees. For example, there is a Directors' forum that is only accessible by Directors; a Social Committee forum where Committee members discuss planning for upcoming events and other Social Committee initiatives.

## Training and Professional Development

The training and professional development of staff continues to be a priority. As with any asset, investments in the Municipality's human capital are critical to the on-going need for a qualified workforce to meet the evolving needs of the Municipality and its taxpayers. The shift away from off-site training and professional development continued in 2011 with more in-house sessions being offered as a way to maximize the investment in training dollars. Some of the key in-house training sessions offered over the past year included communication skills training; Business Planning training for Directors; computer skills training for all employees in Microsoft Outlook; and "The Extraordinary Administrative Assistant" training for all Administrative Assistants.

## HR Policy Review

There was only a limited amount of work done in 2011 on the HR Policy Review project due to demands on staff resources. Five policies were reviewed and approved including New Employee Orientation Policy, Definition of Employee Policy, Bereavement Policy, Salary Administration Plan Policy and Provision of Work Apparel Policy. The Overtime/On Call/Call-Out Policy is currently under review and is expected to be approved early in 2012-13.

## Occupational Health and Safety

The Municipality appreciates the importance of providing a safe and healthy work environment for all of its employees and recognizes its responsibility for every “work site” that is created through contract of outside companies. Work is ongoing to ensure the Municipality has well documented processes, procedures and record keeping.

### Safety Program Gap Analysis

To ensure the Municipality’s Safety Program is compliant with legislative requirements, an external auditor was engaged to review the twenty-two components required for a legally compliant Safety Program. While the Municipality scored very well in some areas, there were six areas where weaknesses were identified and recommendations made. Since the audit, several recommendations have been acted upon and further action on the remainder will be a priority for 2012.

### Joint Occupational Health and Safety (JOHS) Committee

The Municipality is fortunate to have a proactive and trained JOHS Committee that places a high priority on promoting health and safety in the workplace. Over the past year the Committee undertook a number of initiatives, some of which included education and promotion during the North American OH&S week, promoting flu vaccinations, development of the OH&S section of the staff website and a comprehensive review of the organization’s OH&S Manual. As part of its annual work plan, the Committee carried out workplace inspections of all municipal worksites, facilitated fire drills in all municipal buildings and updated incident and hazard reporting processes.

## 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 completed 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.

## 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

- 342 requests for support were logged this year (2010-11 - 284)

#### E-mail Statistics (External)

- Total e-mails received: 310,094
- Total e-mails sent: 109,170

#### E-mail Viruses Blocked

- 2433 infected e-mails blocked; 0.78% of total mail

#### E-mail Spam Blocked

- 97,282 spam mail messages were blocked; 31.37%

#### Viruses Blocked at the Desktop

- 5 virus infections were prevented in 2011-12

#### Data Flows

- Currently 699030 files are backed up, 59526 folders on user shared drives and over 848,564 mail items were stored on the Exchange Server (101 GB).

## Properties and Facilities Maintenance

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

- Municipal Office - Milford
- Municipal Annex - Milford
- Municipal Pool - Milford
- Lloyd E. Matheson Centre - Elmsdale
- Municipal Dog Pound - Georgefield
- Former CN Train Station - Elmsdale
- E.H. Horne School Building - Enfield
- Tin Smith Shop Museum - Shubenacadie
- Walton Lighthouse - Walton
- Burntcoat Head Lighthouse - Burntcoat
- Branch Libraries - Elmsdale and Mount Uniacke

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 2011-12.

## **Lloyd E. Matheson Centre**

In June 2011 the Municipality entered into a contract with MHPM Project Managers Inc. for the provision of Project Management services for the Lloyd E. Matheson Centre Addition. The addition will be a Class A office building of approximately 11,750 square feet and will be delivered using a design-building construction delivery methodology.

In June 2011 the Municipality also entered into a contract with harveyArchitecture Limited for the preparation of the Design-Build Request for Proposal document to facilitate the construction of the addition to the Lloyd E. Matheson Centre.

In October 2011, the Municipality awarded the Design-Build Construction Contract to Avondale Construction Limited. Construction is underway and substantial completion is set for November 30, 2012.

## **Municipal Building - Milford**

In addition to routine maintenance of the Municipal Building, repairs to exterior concrete walkways were carried out in 2011-12.

## **Municipal Pool - Milford**

In December 2011 responsibility for the Municipal Pool building was transferred from the Recreational & Culture Department to the Administration Department. This transfer of responsibility was made to maintain consistency as the Administration Department is responsible for other Municipal properties.

From December 2011 to March 31, 2012 a number of projects were completed at the Pool. These included modifications to the reception area doorway to better accommodate high traffic volume during peak registration periods; the installation of a second fire exit in the Pool deck area to meet Fire Code requirements; replacement of toilets in the ladies change room and the installation of heat recovery units in both the men's and ladies change rooms.

## **Tin Smith Shop Museum - Shubenacadie**

During 2011-12 two projects were completed at the Tinsmith Museum; mould testing and subsequent remediation was carried out on main level of the building and the side yard deck was replaced. Building Inspection staff also conducted a structural assessment of this building and several recommendations identified in that assessment will be carried out in 2012-13.

## Walton Lighthouse - Walton

In February 2012 responsibility for the Walton Lighthouse property moved from the Recreational & Culture Department to the Administration Department. This transfer of responsibility was made to maintain consistency as the Administration Department is responsible for other Municipal properties. Building Inspection staff conducted a structural assessment of this building and several recommendations identified in that assessment will be carried out in 2012-13.

## Burntcoat Head Lighthouse - Burntcoat

In February 2012 responsibility for the Burntcoat Lighthouse property moved from the Recreational & Culture Department to the Administration Department. This transfer of responsibility was made to maintain consistency as the Administration Department is responsible for other Municipal properties. Building Inspection staff conducted a structural assessment of this building and several recommendations identified in that assessment will be carried out in 2012-13.

## Mount Uniacke Library - Mount Uniacke

In 2011-12 the Mount Uniacke Library was provided with a replacement photocopier. The septic tank at this location was pumped and landscaping reinstated. A new power supply was installed in the Community Police Office to accommodate its security system requirements.

## RFP for Contract Services

In addition to the request for proposals and quotations for projects noted above, the Administration Department facilitated a request for quotations for the provision of Security System Monitoring and Maintenance for Municipally Owned Properties and the provision of Snow and Ice Control Services at the Mount Uniacke Library.

## By-law Enforcement

As in previous years, 2011-12 was a busy year for by-law enforcement. Following outlines the level of activities:

### Dog Control

The By-law Enforcement Officer responded to 119 complaints and inquiries about dogs in 2011-12. A total of 13 dogs were impounded all of which were either reclaimed by their owners or adopted directly from the Municipality or through the SPCA. There was one dog seized in the interest of public safety. This dog was held for thirty one (31) days, and was returned to the owner with successful prosecution and joint recommendation. The Municipality did not euthanize any dogs in 2011-12.

## 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 2011-12 there were 22 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 2011-12 the By-law Enforcement Officer assisted in the investigation of 65 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 2011-12, the By-law Enforcement Officer posted 10 tax sale notices throughout the Municipality.

## Emergency Management Operations

The Emergency Planning Committee met on four occasions in 2011-12. 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 regional zone meetings and the annual EMO conference. As well, the EMC facilitated the application and receipt of Federal JEPP funding. The JEPP funding program has been discontinued effective 2012-13.

## Incident Command System

The main focus of EMO over the past year has been transitioning to the Incident Command System for managing emergency responses. All members of the Planning Committee completed Level 100 ICS training and Level 200 ICS training. The CAO, as the Emergency Operations Centre Manager, appointed the members for the new structure and further training is planned for 2012-13.

## All Hazards Plan

The EMC continues to maintain the Municipality's All Hazards Plan. In 2011-12, in conjunction with the Planning Committee, a Flood Contingency Plan was developed and added to the All Hazards Plan. An all hazards risk assessment is scheduled for 2012-13 at which time the need for any other contingency plans will be identified.



## Comfort Centres

A review of all designated comfort centres began in 2011-12. Working in partnership with the Red Cross, the EMC has begun meeting with community organizations across the Municipality to provide support and training regarding what is involved to open and operate a comfort centre. As part of the project, a Comfort Centre Operations Manual is being developed and will be provided to each organization to ensure community volunteers are organized and prepared if their facility is needed during an emergency.

## 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 have facilitated a review of all municipal grant programs. While the review has not yet been completed, a number of key achievements have been made.

## Municipally-Owned Tourism Properties

The Municipality owns three properties that are operated as tourist attractions by not-for-profit organizations; the Tin Smith Shop Museum, Burntcoat Head Lighthouse and Park and the Walton Lighthouse. It also leases and then subleases property in South Maitland for a Visitor Information Centre and tourist attraction. To ensure the community volunteer organizations that operate these tourism properties continue to be viable, a number of initiatives were put in place in 2011-12.

### Building and Property

Beginning in 2011-12 the Tim Smith Shop, Burntcoat Head Lighthouse and Walton Lighthouse will receive an annual grant for building and property repairs and maintenance. Previously, only the Tim Smith Shop received an annual grant. A review of the buildings situated on each of these properties was carried out in 2011-12. Only minor issues were identified at the Burntcoat Head Lighthouse and Walton Lighthouse; however, a number of structural and energy efficiency deficiencies were identified for the Tin Smith Shop. Staff will be meeting with the community volunteers for each property to discuss how the deficiencies will be addressed in 2012-13 and onward.

### Financial Support

In addition to annual funding for building and property maintenance, a Municipal Property Student Employment Grant program was established which will enable the community volunteers to hire summer students on a timely basis for each tourism season.

## Governance

In 2011-12 it was identified that there were no active lease agreements in place between the Municipality and the volunteer community organizations operating the tourism properties, with the exception of the South Maitland VIC and Interpretive Centre. Lease agreements were prepared and signed following meetings with each of the community organizations.

## 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 to standardize the application and evaluation processes for existing program was identified. A framework was developed that will increase the efficiency with which grant applications are managed and will mitigate the risks of duplicate funding or funding which fails to achieve the strategic objectives of the Municipality. Further work on the framework with recommendations to Council will be forthcoming in early 2012-13.

## Fire Advisory Committee

The Administration Department provides administrative support to the Fire Advisory Committee. The Committee met on three occasions in 2011 and completed a number of key multi-year initiatives.

## Communications Project

The project to develop and install of a new emergency paging and communications infrastructure for all fire departments in East Hants began in January 2009. The purpose of the project was to make it easier for all departments to communicate during Mutual Aid events. The project was completed in two phases. Phase I included inventorying all radio transmitting equipment and ensuring compliance with Industry Canada guidelines; adopting guidelines for encoding equipment to prevent system failure; and issuing a Request for Proposal for the design and build of the new infrastructure. Phase II involved the actual construction of the new system, testing, and an extensive amount of training as each Department adopted the new system. The Municipality supported the project in a number of ways including funding by way of a grant and an short-term loan; facilitating land lease agreements, as well as insurance; and general administrative support for the Fire Services Communication Committee. The new system went live in the fall of 2011 and provides enhanced and inclusive communication for fire departments not only in East Hants, but neighbouring municipalities of Colchester, Cumberland and Kings. It is worthy to note that a project of this magnitude was only possible as a result of dedicated volunteers who sit on the Communications Committee and the mutual support of all fire departments and the Municipality.

## Mutual Aid Agreement

The Mutual Aid system used by East Hants fire departments and neighbouring municipalities has been in place for a number of years. To protect fire departments and minimize the risk of potential liability, the need for a written agreement signed by all fire departments was identified. Staff carried out the necessary research and consulted with the Fire Service to draft an agreement and facilitate legal review. The Agreement has been signed by all fire departments in East Hants and staff are currently facilitating signature by those departments outside of the Municipality who are part of the system.

## Risk Protection and Insurance Program

For a number of years the Fire Advisory Committee has worked jointly with the East Hants Fire Service Association to develop a risk protection and insurance Program. The Municipality provided multi-year funding to engage an external consultant to work with Fire Service to develop the program. The Administration Department played a key role in facilitating communications and gathering the information needed to develop the program. In April 2012 a program was presented to the Fire Service which was unanimously adopted. All fire departments now have comprehensive coverage, are fully insured total premiums savings in excess of \$17,500.

## Fire Department Registrations

In early 2011 Council passed a motion that now requires all fire departments to annually register with the Municipality to provide emergency and fire services. During the past year the Administration Department worked very closely with the fire departments to identify ways to streamline the registration process and minimize the amount of effort required to register. New registration forms were developed and the Director met with the Fire Chiefs to provide training and support. Registrations are now required by May 31<sup>st</sup> of each year.

## CAO'S OFFICE

### Year End Report 2011-2012

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 2011/2012 these included the following:

- Continued Branding initiatives
- Involvement in potential litigation situations
- Matheson Center addition
- Involvement in various economic development initiatives
- Compensation review completion and roll out
- Various personnel issues
- Recruitment processes
- Policy development
- Information Management initiative
- Emergency Measures structure review and training
- Land purchase in Elmsdale Business Park
- Issue of Contracts- solid waste collection, waste transportation
- Renewed focus on OHS
- New Staff web portal
- Bylaw Process

In addition, the CAO 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
- Re-structuring in CAO's Office
- Early Election preparation
- Police Advisory members( public)
- Removal of the Municipality from Dykeland Lodge

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.

In early 2012 , Janice Vantol retired as the Deputy Clerk. The position was replaced with a new position of Clerk. The new position's responsibilities will include that of Returning Officer for the Municipal Election to occur in October 2012, the role of ombudsman for the organization as well as assuming duties of the Clerk as outlined in the MGA. The Recording Secretary assumed the role of Executive Assistant to the CAO.



# ECONOMIC & BUSINESS DEVELOPMENT

## Year End Report 2011-12

### Overview

The 2011-12 fiscal year was an active time for the Department of Economic and Business Development with a focus on strategies to support and grow local businesses and opportunities to attract investment and build our economy.

Over the last two years, our business community has weathered the most severe economic recession in eighty years and is now preparing for future growth. This is very encouraging and provides a solid background for consideration of some significant “game changer” opportunities for East Hants centered on its positioning as a natural logistic hub for regional and global commerce.

During the year, staff initiated implementation of the revised *East Hants Economic Development Plan* which was approved by Municipal Council at the end of the previous fiscal year (March 2011). The revised plan supports the continued proactive implementation of seven core strategies and initiatives detailed in the original plan adopted in 2006 and in addition provides a new action plan, the Departmental *Performance Optimization Program*, designed to significantly increase operational efficiency and maximize existing resources within the EBD department to ensure the achievement of key EBD objectives and enhance the “open for business” brand experience. This was further complemented by the introduction in June of the department’s “SMART Objectives” which provide focus and target goals for the year.

Over the year staff focused on providing services to support local businesses, business attraction in general and the marketing of commercial lots in the municipal business parks. A number of activities were initiated to create a higher profile for the Municipality within the business community locally and throughout the region. These included a comprehensive marketing strategy featuring award winning advertising and promotion in a number of different media, and experiential marketing including participation as community host sponsor for the high profile and very successful Halifax Club Charity Golf Tournament at the Links at Penn Hills (the first time the event has been held outside of HRM) and representation at regional conferences such as Progress Magazine Face2Face and a number of local events in partnership with the East Hants & Districts Chamber of Commerce and the Hants Regional Development Authority.

Some of the key projects during the year supporting the Economic Development Plan objectives included, Elmsdale Business Park expansion out Park Road; the implementation of the innovative social media platform, to support businesses and entrepreneurs, “*GoToEastHants.ca*”. This business platform will provide the department with a broader reach to its various target markets than could be possible with existing limited resources to service the business community; the completion of the Corridor

Transit Feasibility Study, the completion of the Regional Catchment Area Trucking Study and advancement of the East Hants Logistics Centre concept. The Logistic Centre Project will integrate opportunities related to the Atlantic Gateway Strategy, the Irving Shipbuilding contract, the Regional Trucking Hub as identified in the Catchment Area Study report, and anticipated Halifax Airport Cargo growth opportunities facilitated by the runway extension currently being underway.

The year saw continued growing interest in the Municipality as a business location. New and expanded commercial operations and business park sales were evident as companies showed signs of moving beyond the conservative investment approach adopted during the economic downturn. As the region's profile increases, both within the local community and beyond our municipal boundaries, East Hants is becoming identified as a prime location to invest and do business.

Recent developments in mineral exploration for Titanium and Rare Earth Elements in Cobequid Bay and the Shubenacadie River are being monitored by EBD staff as the economic impact of viable commercial deposits of these valuable mineral elements is significant and has regional and international development potential and spin off benefits.

The feasibility of a rail reload centre to provide access to rail for local businesses and commercial operations is being explored by staff. A report is expected in the next fiscal period.

Streamlining departmental operations was a focus as staff identified new strategies and tools to improve communications and services to clients and target audiences. Staff is determined to maximize results and progress toward the municipal economic development objectives with the resources available.

The road to economic growth in East Hants is incremental; each year sees evidence of significant progress toward our economic goals. Global economic challenges notwithstanding, as the national and regional economy grows East Hants is very well positioned to exploit its significant growth potential.

## Programs & Activities

The department has primary responsibility for developing, implementing, and maintaining an economic and business development strategy designed to reach specific objectives leading to a significant increase in the commercial tax base for the Municipality.

The general strategic directions identified in the economic development plan to help achieve overall objectives include: a) support to encourage existing companies to expand and grow; b) the targeting of specific sectors and businesses (transportation, distribution, resource); c) focusing on proven winners and "best bet" for success opportunities; d) introduction of a communications strategy focused on a new business image, an "Open for Business" message and increased visibility and awareness for East Hants; and e) generally create an attractive and fertile climate to encourage business investment. The department is responsible for business retention and expansion in the Municipality and the maintenance, marketing and sales for the Municipality's two business parks. In addition, the

department provides services and support of a general nature to the business community to encourage business growth and development. The department leads specific sector development initiatives, including outward marketing and trade and inward investment attraction.

## Business Parks

The Municipality of East Hants owns and operates two business parks, the Elmsdale Business Park and the Uniacke Business Park. The two business parks constitute an integral and very important part of the Economic Development Strategy for East Hants. The Parks are projected to generate 30% - 40% of the total targeted commercial tax base increase over the next ten years. To realize the potential, continued investment and upgrading of the parks is required. The department promotes a strategy of responsible investment in the business parks designed to provide for future development and growth to realize associated short and long-term benefits for the Municipality.

**The Elmsdale Business Park** consists of 360 acres and is now home to over 40 businesses. During the year six lots were available for sale (8.47 acres). Lot prices per acre are \$60,000 per acre for regular lots, \$75,000 per acre for lots on Park Road and \$110,000 per acre for lots facing Highway 102. Interest in the Park lots notable increased toward the end of 2011. This in part was stimulated by the decision to extend park road and building activity on lots facing highway 102. The announcement of the Irving Shipbuilding Contract has increased interest and inquiries. Buildings which had been on the market for sometime sold and brought new commercial activity to the Park. Lot sales on Park Road and new construction on these lots demonstrated the strength of the Park as a business location.

In the past year, the BDO has interfaced with more than fifty (50) parties interested in land available in EBP and active discussions are ongoing with approximately half who are in various stages of the due diligence process. Several of these prospects have local connections to the area and have been contemplating a move closer to home for some time. They are now deciding to give the idea more serious consideration - it is believed that ongoing development and marketing activities are playing a role in this - they want to “get in” while land is still available.

**The Uniacke Business Park** consists of 125 acres of unserviced land and is currently home to just over 20 businesses. Interest in the lots in the Park has always been strong with sales ahead of projections. The midyear shipbuilding contract announcement has increased that interest even more. An agreement to open up the extension of Martha Avenue providing five new lots was being finalized at year end.

With the sale of Lot B2 in June of the current fiscal, just three (3) lots (9.9 acres) were readily available for purchase in the Uniacke Business Park inventory for the remainder of 2011-12.



Throughout the year it was discovered that a substantial section of one of the three remaining lots (Lot A8, 2.2 acres) was wetland rendering it unbuildable which reduced our total number of readily available lots down to two. However, an opportunity to sell the lot surfaced when a telecommunications company expressed interest in setting up a cellular tower in the park. Lot 8 is a perfect location for such a development and at the close of the 2011-12 fiscal year, the transaction was in the purchase and sales process. Additionally, Lot B8 (5-acre lot) is very close to closing pending some environmental testing. This will leave one lot remaining in the existing inventory with an additional 5 coming on the Martha Ave Ext in the very near future. Strong interest has already been expressed in many of these new lots.

Despite the minimal inventory available, in the 2011-12 fiscal, the BDO interfaced with 20 qualified prospects for lands in Uniacke Business Park.

## Business Retention & Expansion and Small Business

The Department of Economic & Business Development is active in **business retention and expansion activities** to support existing companies to survive, grow, and develop new markets. The department has a cooperative working agreement with the Hants Regional Development Authority in coordination with the provincial BRE initiative.

Because of staff changes and administrative adjustments, BRE activity with the Hants RDA has been impacted with a nominal number of company visits during the year. A refocus on BRE activities with the RDA is required and will be addressed.

The objectives of the business retention and expansion program include:

- Initiate regular contact and interaction with key local businesses;
- Improve customer service to local business to ensure they choose to remain and expand in East Hants;
- Demonstrate a pro-business attitude and to develop an effective means of communication with local business.

Encouraging entrepreneurship and supporting start-up businesses is one of the key mandates of the department. Through resources, networking opportunities and workshops, the department assisted over 50 entrepreneurs over the year.

The type of small business assistance offered by the department includes:

- Business plan basic review

- Access to up to date demographic information on East Hants
- Access to small business training & seminars
- Access to information on government grants/programs
- Referrals to government agencies (i.e. ACOA, NS Dept of Economic & Rural Development)
- Access to business publications, etc.

## Business Attraction:

### The Atlantic Gateway / Logistics Hub Opportunity

The East Hants Atlantic Gateway opportunity has been a departmental initiative for business attraction since it was identified in 2006. The vision for this project in East Hants centers around an Intermodal Logistics Centre Facility located on the CN main line at Milford Station. The concept sees the facility developed and operated by the private sector with warehousing and value added manufacturing spin offs. The project would add capacity and growth options for the Port of Halifax to attract container traffic to and from North America.

This project would provide significant employment, during all phases, for citizens of East Hants and add millions of dollars to the municipal commercial tax base.

The business case for the intermodal logistics centre has been defined and refined with input from key stakeholders, potential partners, investors, and users. Interest from potential users and investors has been identified and validated.

The ultimate objective, upon confirmation of interest, is to establish partnerships with key stakeholders, operators, investors, and users which would lead to an initial development agreement.

The result of the work to date indicates that there is real potential for this project and that further discussion of the business case with strategic partners will lead all stakeholders to conclude the business case for this project is sound. Staff are confident this project will be attractive to investors and at maturity provide considerable economic benefit for East Hants.

East Hants is a natural logistic hub. At the core of the Gateway Opportunity is the fact that East Hants is a logistics hub where rail, road, air and sea modes of transportation can easily meet in a green field site with room for growth.

Based on recent developments over the last year, staff recognized that the “Atlantic Gateway Opportunity” to support the Port of Halifax can be complemented and strengthened by three other opportunities which will enhance the significant potential benefits for East Hants. These include, the Irving Shipbuilding contract; the findings of the MEH Catchment Area Trucking Study and the extension of the runway at the Halifax Airport to handle the larger cargo aircraft.

A new project initiative, *The East Hants Logistics Centre Project*, has evolved and is being refined by staff. Promotion of East Hants as a Logistics Centre for local, regional, national and international manufacturing and distribution will be a major focus for the Business Attraction Action Plan going forward. The related opportunities will be developed with specific initiatives which complement and support the Logistic Centre umbrella project.

## Rural Economic Development

The Rural Economic Development Strategy consists of activities designed to encourage and support community infrastructure and sustainable business activity for the rural areas of East Hants.

The community of Kennetcook because of its existing core resources and growth potential has been identified as the centre for development which will support growth throughout the rural region. EBD has been supporting KSEED in their local development projects including the Annual Festival and their exploration of other community development projects.

These and other community initiatives are supported by EBD because they in effect constitute a foundation on which to create and build commercial and economic activity utilizing the rural community's cultural and historic assets. As this is put in place, and an economic base is established, more traditional businesses and industries will be encouraged to establish and grow in the area.

In addition to supporting rural development, over the year the department worked with other communities and organizations such as the South Maitland Fundy Interpretive Centre, the Walton Area Development Association, and the Maitland and District Development Association

Tourism has the potential to be a major economic "engine", especially in rural communities. The department is considering tourism opportunities to help establish a sustainable economic base for rural communities.

## Marketing

Implementation of the Economic Development Plan includes marketing strategies as an integral strategic component. The marketing (advertising and promotion) identified for East Hants is part of the Business Park Promotion and the Investment Attraction Action Plan is very specifically targeted to a business audience to help attract investment and businesses generally and, more specifically, those involved in logistics, distribution and transportation, resource management and light manufacturing. The advertising and promotion for the business parks is focused on companies looking for an appropriate, cost effective location for their operations. A refinement of this campaign focuses on attracting businesses away from the Burnside Business Park and HRM in general.

East Hants has had an awareness problem within its target audiences. The audience does not know where the Municipality is located, let alone the assets and value proposition it has to offer. This is addressed with marketing strategies in the Economic Development Plan.

Advertising is critical in building profile and awareness and complementing other investment attraction initiatives. Creating awareness of East Hants through advertising is one aspect of a multifaceted marketing strategy and is central to our Economic Development Plan.

Awareness leads to marketplace dominance and easier sales efforts to enable EBD to meet its business attraction and retention goals.

The 2010-11 marketing program was designed to put East Hants “on the map ” To indicate to the market that the municipality was ready and able to compete for commercial growth with other municipalities in the region. East Hants was positioned as a viable option for companies looking to move their business or to set up new ones. East Hants has all of the advantages of our competitors and a few more.

In 2011-12, staff wanted to move to the next level. In collaboration with a creative agency a campaign was crafted that allowed us to align East Hants’ competitive and entrepreneurial values to that of our potential investors/business owners. The focus was on the target companies, to position East Hants as a solution within their success plan. This approach applied if it was a local homegrown venture of a large international conglomerate.

The resulting advertising campaign, “From A to B”, was selected from 206 submissions across Canada for a 2011 Marketing Canada Award from the Economic Developers Association of Canada.

## Tourism

Tourism is an important economic engine especially for the rural communities of East Hants. The Department of Economic & Business Development led the development of the Municipality’s first tourism strategy which was approved in principle by Municipal Council. The strategy identifies several initiatives to support the tourism sector going forward. Due to limited resources and budget restrictions this year staff were not able to address most of the initiatives proposed for the year including the fourth annual Tourism Symposium which had been very successful in previous years. At yearend Municipal Council identified and funded an initiative whereby the Hants RDA would assume new responsibilities for promoting tourism in East Hants in collaboration with the Directors of the Departments of Recreation and Leisure and Economic & Business Development.

## Tourism Grants

The department is responsible for coordinating the annual MEH Tourism Grant Program. The grants are approved annually for the next fiscal year. In 2011-12, a total of eight applications were received and considered under the Tourism Grant Program. The amount of funds available for distribution was

reduced from \$35,000 to \$22,500. This reduction equals an amount of maintenance grants provided to municipally owned tourism properties and transferred to the Municipal Properties Budget. An inter-departmental committee, consisting of the Director of Administration, the Director of Recreation and Culture, and the Director of Economic and Business Development, reviewed the applications and made recommendations to Council. Of the eight applications received five were approved for funding grants totalling \$ 22,500.

All municipal grants were the focus of an interdepartmental committee review during the year. The final committee report is yet to be presented. The criteria for a new Special Event Fund consisting of a total of \$10,000 is under review.

## Transit Options

The Department has been leading initiatives to explore transportation service links to the Halifax Stanfield International Airport and downtown Halifax and to consider transit options within the Municipality. Previous reports considered transit options in the Corridor area (2007) and Mount Uniacke (2010). This year, in part because Metro Transit announced service to the Halifax Stanfield International Airport would commence in the spring of 2012 a new study was commissioned to reconsider transit options for the corridor area. The study was funded in part by provincial funding under the NSTRIP program. The report has been completed and is awaiting Council review.

## Staffing and Operations

The Department has three full time positions.

Director - The Director reports to the CAO and is responsible for managing the department and implementing the MEH Economic Development Plan and such other duties as the CAO may assign.

Business Development Officer (BDO) - The BDO position reports to and generally supports the Director in implementing the MEH Economic Development Plan with specific responsibility for business park promotion and sales, business retention and expansion, community infrastructure and small business relations and development, website/internet content development and maintenance, and assists with office coordination.

Administrative Assistant - The Administrative Assistant position reports to the Director and provides overall office management and coordination including interface with the general public and clients.

EBD has developed a new action plan to significantly increase operational efficiency within the department to maximize existing resources to ensure the successful achievement of key objectives and enhance the “open for business” brand experience. This will be an important area of focus in the next fiscal year.

## Partnerships

### Halifax International Airport Authority (HIAA)

The Director is a member of the Halifax International Airport Authority Community Consultative Committee. Opportunities to partner with the HIAA have been pursued over the year, including shipping and logistic facility development.

### Municipal Economic Development Officers (MEDO)

The Director participates in regular meetings of Nova Scotia Municipal Officials responsible for economic and business development. These meetings produce a valuable sharing of information and opportunities for collaboration and cooperation. Plans are to continue the meetings on a regular basis and to formalize the organization to enhance the influence of the group on policy and related matters.

### Hants Regional Development Authority

During the year the Director worked with a committee of Council and the Executive Director of the RDA to forge a new operating relationship with the RDA as East Hants assumes responsibility for economic development and related initiatives.

### Sector and Networking Conferences

Throughout the year the Director and staff participated in a number of key business and industry sector conferences and meetings to promote East Hants and to cultivate strategic partnerships.

### Chamber of Commerce

As part of the department's executive outreach program to build relationships with the business community, the Director and the BDO are actively involved with the East Hants & Districts Chamber of Commerce. The Director serves on the Chamber Board. Chamber events such as the Annual Dinner were supported and sponsored.

# ENGINEERING SERVICES DEPARTMENT

## Year End Report 2011-12

### Introduction

Engineering Services Department is responsible for major capital projects, engineering standards and environmental compliance oversight of the Municipality's service systems (water, wastewater, stormwater and solid waste). The Department is also responsible for reviewing the design and construction of new subdivision roads and services. Operational Services' Civil Technologist performs field inspections of subdivision developments on behalf of Engineering Services.

Engineering Services is the technical services arm of the Municipality and as such, provides technical assistance and advice to other Municipal Departments.

The term of employment for the incumbent Project Engineer ended on May 31, 2011 and the position remains vacant pending department structure review. The Environmental Engineering Technologist returned from maternity leave on December 5, 2011.

In the past year, Engineering Services has participated in a number of projects and initiatives as noted below:

### Water

- Water quality monitoring and public awareness and education components of Source Water Protection Plan for the Regional Water System were carried out; the ongoing requirement for the Grand Lake watershed advisory committee is under review.
- Construction and commissioning of the Engineered Spring (Grand Lake) was completed (\$2,200,938).
- Increased water withdrawal permit for the Enfield Water Treatment Plant was received from Nova Scotia Environment (NSE); calibration of Shubenacadie River flows is underway to satisfy permit requirements.
- Construction and commissioning of the Shubenacadie Water Treatment Plant was completed (\$2,975,963); NSE permit to operate was received following year end.
- Seasonal deficiencies on Enfield Water Transmission Main (Bakery Lane) were completed.
- Construction of the Mill Village Road Watermain was completed (\$264,205).
- Technical reports and application for groundwater withdrawal rights for the Shubenacadie Water Treatment Plant were completed; NSE permit was received.
- Ongoing liaison with Irving regarding water servicing of the Big Stop in Enfield (HRM).
- Engineering Services continues to work with Operational Services to meet Nova Scotia Environment compliance requirements; this includes data management and preparation of quarterly and annual reports for the Regional and Shubenacadie water systems.

### Wastewater

- Construction of the Milford Wastewater Treatment Plant and Public Works Building was completed (\$3,555,567); seasonal deficiencies remain.
- Review of Shubenacadie sewage treatment capacity was undertaken.

## Sidewalks

- The Enfield and Elmsdale railway crossings were completed.
- The design contract for the Shubenacadie Sidewalks was procured and awarded.
- The final design of the Milford Sidewalks was commenced.

## Roads

- Subdivision roads taken over by the Municipality include Pine Court (Nine Mile River) and Martha Avenue extension (Mount Uniacke).
- Paving of Morning Breeze Drive (Mount Uniacke) was completed.
- Cost shared paving of the Provincial portion of Kali Lane (Elmsdale) was completed (by NSTIR).
- The service road extension of Park Road was transferred from the Province to the Municipality.
- The Controlled Access Roads By-law was prepared and enacted.
- Road access guidelines were prepared and accepted by Council.
- Ongoing technical support was provided to Operational Services as needed.

## Development

- Ongoing assistance to Economic & Business Development in long term planning and development for Business Parks (Elmsdale & Uniacke).
- The access and servicing agreement for FOGI Enterprises was drafted and signed.
- The design contract for Park Road extension was procured and awarded.
- Construction (by Developer) of Martha Avenue extension was completed.
- Review of subdivision applications including Shubenacadie Heights (Shubenacadie) and Headwater Village - Phase 2 (Mount Uniacke) and numerous development applications.
- Construction monitoring of Trevor's Lane (Lantz) and MacKenzie Lane (East Uniacke).
- Ongoing allocation and tracking of water capacity for the Regional Water System.

## General

- Technical support for Administration on Matheson Centre Addition.
- Facilitated NSE wetland determination that permitted Matheson Centre parking lot expansion.
- The Walton Breakwater Replacement Study was undertaken.
- Assumed energy management reporting responsibility.
- Participation in Information Management initiative.
- Ongoing development of servicing standards (water, sewer, storm & roads).
- Ongoing technical drawing management.
- Commented on streetlight policy.



# FINANCE DEPARTMENT

## Year End Report 2011-2012

### 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.

### 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 June 2011. Year end 2011 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 2011-2012 the Noel, Elmsdale and Walton fire departments were all reviewed by municipal staff.

Staff were instrumental in preparing four year HST returns for two of the volunteer fire departments, generating over \$63,000 of cash flow for the two departments. Finance also oversaw the accounting for the Fire Department Communication project - a \$187,000 shared project to build a communication infrastructure for common use by fire services throughout East Hants. Several fire department

procurement issues were guided by Finance staff as well as the adoption by Council of a new policy to provide fire departments with legal service funding for procurement advice.

Finance launched an electronic vendor payment initiative in 2011/2012 (which is on-going in 2012/2013). This will develop 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 2011/2012:

Activity	2010/2011	2011/2012
Invoices Processed	5,600	5,644
Cheques Issued	3,644	3,588
Journal Entries Completed	1,212	1,150
Electronic Payments Processed	15,000	17,150
PAD Payments Processed	6,200	6,200
Landfill Tickets Processed	1,900	1,785
New Vendors or Amendments	130	155
Payroll Deposits	2,704	2,691
T4's Issued	146	142

Finance successfully transitioned to compliance with PSAB Section 3150 Tangible Capital Asset for year end 2009/2010. In order to ensure the integrity of the asset tracking and valuation system remains effective, a joint project to implement SAP Asset Accounting was undertaken in 2011-2012 between three municipal units running SAP and the provincial government. This project is complete and staff are working with the system to perform year end calculations and manage depreciation of municipal assets.

In 2011-2012 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 2011 back office Finance staff turned their attention to the capital and operating budgets for 2012/2013. The Finance Department's role in the budget process is one of coordination, calculation and analysis. In 2011 the budget document was revised to include business plans and a more consistent appearance through the whole document. The 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, 2012.

The federal government *Gas Tax Agreement* brings with it more mandatory reporting than other infrastructure programs and has added notably to the work of the Finance Department. In 2011 the program required an audited expenditure report and a Capital Investment Plan (CIP). The CIP is essentially a five year capital budget which uses a mechanism to evaluate all of the proposed capital projects against a list of pre-established weighted criteria. The Municipal Rural Infrastructure Fund, Build Canada Fund and Infrastructure Stimulus Fund are all funding agreements for which claims were audited during 2011/2012.

Several statistics reports are required to satisfy reporting to other levels of government. The Finance 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 2011/2012:

Activity	2010/2011	2011/2012
Statistics Reports Prepared	11	15
Funding Claims/Audits	16	4
Budget Over-expenditures Reviewed	54	56
Budget Reallocations Reviewed	60	56

## 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 June 2011 changes to Council's Procurement Policy were approved; the intent was to facilitate procurement on a day to day basis and align procurement and accounting guidelines for the organization.

In the spring of 2011 a policy on providing procurement advice to volunteer fire departments was prepared and approved by Council.

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. Recommendations will be presented to Council for changes in early summer 2012 with a roll-out in the fall.

## Taxation

The taxation function was extremely busy this past year. There were over twenty seven thousand tax bills mailed in 2011/2012. The Municipality has 28 mortgage company listings to manage (the larger banks have between 320 and 990 accounts each) and 160 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	2010/2011	2011/2012
Tax Bills Mailed	27,200	27,350
Accounts Billed Through Mortgage	3,220	3,273
Mortgage Acct. Changes (name, mortgage # or banking info)	1,421	1,370

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. On average, phone calls to the Collection Officer have increased by five per day (21/day up from 16 in 2010). Collection staff attributes this increase to higher unemployment and other economic pressures facing families in East Hants as well as better communication with the taxpayer when managing payment plans and the collection process.

During 2011 staff advertised twenty properties for tax sale (from eighty-six Preliminary Notices to Proceed to Tax Sale that were sent). The Collection Officer cleared thirteen of these twenty advertised properties prior to auction, resulting in seven properties being auctioned at tax sale - six of the seven were sold in June 2011.

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, formerly known as the Property Assessment Information Program (PAIP). This student is hired to work through PVSC in the PDCP program in order to review the assessments in the East Hants area. As a result of this program the 2012 residential roll increased by \$3.7 million - resulting in an extra \$33,300 in general tax revenue, plus area rates, for each year hereafter.

Interesting statistics from Taxation in 2011/2012:

Activity	2010/2011	2011/2012
Arrears Notices Mailed	3,100	3,678
Collection Officer Phone Calls	3,600	5,300
Coll. Officer Fax/letter/email	2,400	4,400
Coll. Officer Meet with Taxpayer	200	185
Tax Assistance Applications Received	353	326
Tax Assistance Applications Approved	333	312
Name/address/phone changes	1,000	1,100
Tax Certificates Issued	155	153
Written Tax Information Requests	692	739
Account Assessment, Billing and Balance Adjustments	600	530

## 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.

Interesting statistics from Water Utility billing in 2011/2012:

Activity	2010/2011	2011/2012
Water Accounts	2,490	2,540
Water Bills Mailed	10,000	10,200
Water Arrears/Disconnection Notices	3,150	3,500
Disconnections - Non Payment	57	68
Service Orders Issued	215	309
Account Adjustments	134	98

## Directors Activities

1. Coordinated the finance side of the LED streetlight conversion initiative; developing a financial and risk management model to evaluate the benefits of an ownership model for municipal streetlights.

2. Preparation of a Council Street Lighting Policy and later amendments to include LED;
3. Coordination of 2012/2013 Operating and Capital budgets;
4. Continuous Quality Assurance initiative - Finance undertook a codification and risk evaluation of all core processes and implemented a continuous improvement process with assigned workgroups to improve the effectiveness and efficiency of departmental operations and ultimately improve taxpayer and inter-departmental service quality;
5. Oversight of SAP Asset Accounting module implementation;
6. Developed a policy framework to accept donations to support community based organizations and assist Recreation and Culture in finding new sources of funding and engagement for the development of community assets; resulted in a Council approved Acceptance of Donations Policy;
7. Participation on the Information Management (IM) Strategy advisory group as well as acting as a department representative for user input;
8. Worked on business process evaluation as part of the IM Plan;
9. Several meetings/discussions/committee participation around organizational branding initiatives;
10. Various discussions and report to Council regarding the curling association project;
11. Keeping abreast of economic development initiatives including the rail reload project, participation on the Shipbuilding Contract Mobilization Working Group, commercial tax analysis and related activity;
12. Prepared Business Park Analysis for future expansion and extension of Park Road;
13. Prepared Council Policy on Fire Department Procurement Advice;
14. Attended EMO Incident Command Center training;
15. Prepared finance related articles for Weekly Press;
16. Involvement in new building project committee;
17. Participated on the compensation review committee;
18. Finalized the pension plan actuarial review and pension upgrade reports to Council;
19. Meeting with Standard Life regarding pension investments;
20. Involvement in local improvement issues;
21. Led the electronic accounts payable project; and,
22. Coordination of the Fire Department communication project accounting/ financing.

# OPERATIONAL SERVICES DEPARTMENT

## Year End Report 2011-2012

### Introduction

The Department of Operational Services is responsible for three focus areas of municipal service; Solid Waste Management, Public Works, and Transportation.

- 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.
- 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.
- 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.

### Solid Waste Management

#### Solid Waste Programs

Over the past year, our Solid Waste team based out of the Waste Management Centre in Georgefield highlighted the year with 3 major contract negotiations, implemented energy savings projects, and focused on enhancing security of the site.

Three 5-year contracts were negotiated and finalized for the following areas:

- Collection Contract
- Organics/Recycling Transportation Contract
- Organic Processing Contract

As part of the Municipality's climate change adaption planning, a solar wall was installed at the Waste Management Site to reduce the energy costs of onsite operations. The other main operational project was the addition of a site security camera system to allow operators to monitor all areas of the site.

#### Waste Reduction Programs

This past year, education staff focused on working with the three strategic targets agreed upon by all solid waste regions. These targets were Food Service, Multi-Unit Dwellings, and Institutions. The RRFB and Municipalities/Regions have been working towards a unified approach to education for several years.

As a member of the Northern Region, East Hants is required to report a specified number of education hours to RRFB Nova Scotia to receive funding. The following outlined those hours reported to RRFB.

- 77 hrs of work with Institutions (Schools, VON, etc) (70 hrs required)
- 29 hrs of education for multi-unit dwelling residents (29 hrs required)
- 35.5 hrs of Food Service industry greening/education (35 hrs required)
- 154.5 hrs of other events/outreach activities (133 hrs required)

In addition to the Education Contract, there are a number of annual programs that the education staff are responsible for or participates in. The following provides an overview of annual programs and participation:

- 661 households participated in the annual Compost Giveaway during Compost Awareness Week (May 2011)
- 210 households participated in the two (2) Household Hazardous Waste events held. Events were located in Mount Uniacke and Elmsdale in the fall.
- 141 + new organics carts, mini bins, and information packages were provided to either new homes/residents and/or businesses
- As part of the Northern Region's Nova Scotia Recycles Day Contest we had
  - Winning P/1 Class (class got promotional items for all students; school received \$500)
  - Winning Gr.2-3 Level - student received prize package; school received \$500
  - Runner-Up Gr. 4-6 Level - student received prize package; school received \$250
  - Runner-Ups Gr. 10-12 Level - 4 students received prize packages; school received \$250
  - Runner-Up in Grade 12 Essay Competition - the student received \$750 scholarship
- Direct-Mail Education: 5 double-sided flyers, 2 four-page newsletters, and collections schedules were sent to residents in 2011.
- 16 Illegal Dumpsites were cleaned in East Hants. 11 of those were coordinated by the Waste Reduction Coordinator. In all there were 148 tonnes collected, and the direct cost to East Hants was \$5,826 in contractor fees.

## Waste Auditor/Compliance Officer Program

This is a 100% funded program from RRFB Nova Scotia. The Municipality hired Donna Bourgeois for a 6-month term to perform waste audits. The results of the program are as follows:

- 1947 curbside audits were conducted (garbage, recycling, and organics)
- 230 warning / rejection stickers were issued



- 464 education packages were delivered (door-to-door) to those who needed more information
- 6855 bags of recyclables were audited at the Waste Management Centre
- 7 garbage truck loads were audited
- 2 organics truck loads were audited

## Public Works

### Wastewater Treatment

The past year saw the completion of several projects and work programs. It also saw a reorganization of staff with the retirement of 2 long-term employees.

The largest project completed was the development of a New Milford Sewage Treatment Site. This consisted of the construction of a new site office as well as the construction and startup of the new sewage treatment plant. These two new buildings establish the home base for the municipal sewage treatment operations with its central location along the serviced area within the Municipality.

A new zoning program was started which categorizes geographical work areas into zones. Under this zone program, planned jobs and event tracking are coded by zone so that work can be bundled by area. This bundling helps identify potential problem areas sooner and will help in efficiently scheduling work. One major piece of zone work took place in Zone 6. This work consisted of video inspection of standpipes and manholes which resulted in a prioritization list and a budget allocation for the following fiscal year.

There was significant work done on lift stations throughout the municipality. One of those projects was an upgrade to pump capacity for the Mill lift station. This work included flow tests, other related studies, and the implementation of work. Upgrade projects were also completed for the Burgess Road and Maitland Road lift stations.

### Water Treatment

This past year saw the completion of one major capital project, staff training achievements, execution of several operational system responses and preparation for future work.

The major project completed was the construction of the new Shubenacadie water plant. Commissioning of this plant will take place in April 2012 using the Shubenacadie-Milford Aquifer Complex as a source, replacing the use of the Snide's Lake watershed. This underground water source is accessed through two large wells. This water source option was conceptualized during a Dalhousie University study that started in 1995. That study validated the water source as a viable option in a published thesis in 1999. In 2006, the Municipality began the scoping of the potential project which officially kicked off in January of 2007. The completion of the new Shubenacadie water plant, this

past year, was the highlight of over a decade's worth of effort to provide higher quality water in the Shubenacadie region.

Operationally, the public works team work diligently to maintain the Municipal water supply. Over the course of the year, the team responded and repaired 12 breaks in the mainline and repaired 35 leaks to service lines. This work could not have happened without a strong commitment to maintaining staff skill levels. This was highlight through one of our newer team members achieving Level 1 Collection certification.

## Transportation

Last fiscal marked an expansion to the operating strategy for the municipality as it took over ownership of Street Lights from the Province. This involved a major initiative to change over all 1692 street lights in the Municipality to LED lighting. The municipality also coordinated the installation of 8 new traffic signs.

The years work also encompassed the overall management of maintenance contracts for sidewalks and roads, as well as the monitoring of municipal storm water infrastructure. Although winter did not produce a significant amount of snow, there was a significant amount of precipitation which resulted in the close monitoring of ice conditions. The lack of snow did aid in the management of storm water flow which was beneficial to the municipality.



# PLANNING & DEVELOPMENT DEPARTMENT

## Year End Report 2011-2012

### 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, construction activity continues at a reduced pace from the peak a few years ago and this is reflected in the permit statistics. However, overall activity within the Planning & Development Department has not seen dramatic change. Subdivision and building permit totals continue to be soft and the overall value of construction has decreased from the previous year. A number of important policy issues and high profile development applications were also dealt with. Also of note from the past year, the number of by-law enforcement cases brought to a conclusion as well as the number of open case files has decreased.

Staffing issues returned as a challenge over the reporting period. In the 2011-2012 period, however, one building inspector left to pursue another employment opportunity while two other staff were on maternity leave. In general, retaining qualified staff in specialized areas such as GIS, Planning, and Building Inspection remains a challenge.

	2009-2010	2010-2011	2011-2012
<b>Planning, GIS &amp; Research</b>			
Planning Applications Reviewed	15	11	11

	2009-2010	2010-2011	2011-2012
Planning Projects Undertaken	19	12	16
<b>Building Inspection</b>			
Building Permits Issued	304	203	213
Value of construction	37,489,110	44,922,902	36,769,823
No. of inspections carried out	944	905	728
New dwelling units created	116	126	145
<b>Fire Inspection</b>			
Properties with initial inspections conducted to date	207	269	323
<b>Development Control</b>			
Plans of subdivision approved	52	59	36
New Lots approved	155	121	93
<b>By-law Enforcement</b>			
No. of cases investigated & concluded	50	66	46
Current open case files	35	22	18

## Planning Services

Over the past year The Senior Planner, Project Planner and Director dealt with 16 research projects. Support on a number of these projects is provided by the GIS Technician and Planning & Development Technician. 11 applications from developers for rezonings, development agreements or amendments to the Municipal Planning Strategy were also dealt with over this year. Staff also dealt with one appeal to the NS Utility & Review Board over the reporting period.

Projects completed over the year include:

- Local Improvement By-law review
- Temporary Events Regulations
- Kali Lane paving petition
- GIP Project - road paving

- Frontage on private roads - review
- Civic Numbering
- Business Park amendments (R4 zoning & serviceable boundary)
- Agricultural Policy Review
- Duplicate road names
- ES Zone review
- Residential density study
- Pockwock Watershed amendments
- Special events regulations

In addition, major projects that staff continue to work on include the Growth Management/Growth Reserve study, Core Village phase 2, 2012 Election, Floodlands study, Streetlighting policy, demographic study, climate change action strategy and public participation policy review.

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

- Griff Construction - appeal
- JIZ Holdings - DA amendment Enfield
- Wilson's - drivethru Milford
- Fogi Enterprizes - commercial development Elmsdale
- Abruzzi Properties - R2/R3 Rezoning Lantz
- June & Bruce Steadman
- Magnum - DA Elmsdale
- Ben MacKay - rezoning multi-unit Elmsdale
- Tolson Developments - DA multi-unit Elmsdale

## Development Control

In the past year the number of subdivision plans decreased from 59 to 36 while the number of new lots declined from 121 to 93.



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 46 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 66 the previous year.

Similarly, the number of open case files under investigation decreased from 22 to 18.

## Building Inspection

Development activity increased slightly over the previous reporting period. A total of 213 permits were issued in the past year compared to 203 permits in FY 2010-2011. However, the number of inspections carried out declined from 905 to 728.

The value of construction decreased from \$44,922,902 to \$36,769,823 over the reporting period. The previous year's estimate was higher than typical due to a high value permit issued for the Sportsplex expansion which was valued at \$15,900,000. The estimate for this reporting period was similar to 2009-2010. 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 126 to 145 in this reporting period as more multi-unit dwellings are being built.

In this reporting period one building inspection position became vacant. We were fortunate to find a fully qualified building official to fill this position. As a result, both inspectors are qualified 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, John Strickland, has conducted initial inspections on approximately 323 restaurants, retail stores, community halls, apartment buildings, churches, and industrial buildings by the end of FY2011-2012.

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.

## 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 and trails using a GPS receiver, assisting planners with preparing imagery for planning reports, and compiling data that the municipality is required by law to supply to Statistics Canada.

When this position was created it was deemed necessary to allocate 30% of this staff member's time to Engineering Services projects. To this end, the GIS Technician continues to provide technical support for various engineering projects.

In addition, the GIS Technician has been able to provide support to other municipal departments such as Recreation & Culture, Economic & Business Development, Finance and Operational Services.

Specific projects over the reporting period included:

- Community boundary change
- Police service area mapping
- Mapping/Tables/Fieldwork for Civic Numbering Project
- Mapping for Cockscomb Lake open space study
- Mapping required for Long Lake land use study
- A number of public requests for general community mapping

## Civic Numbering

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

# DEPARTMENT OF RECREATION AND CULTURE

## Year End Report 2011-2012

### Introduction

The Department of Recreation and Culture exists to support the promotion and responsible development of recreation, leisure and culture while operating under the belief that;

1. Municipal recreation and leisure services is people and community centred.
2. Peoples needs and interests are of utmost importance in decision-making.
3. Every resident has the right to recreation services.
4. Equity is essential in all municipal programs and services.
5. Efficiency and effectiveness within the preceding principles is important. *(Adopted by Council 1999)*

### General Recreation and Culture

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

- 1. In regular information dissemination to the residents of East Hants regardless of geographic location.**

#### Action items for 2011/12

During the 2011 /12 year we were successful in accomplishing:

- Continued distribution of the Recreation and Culture e-newsletter, the frequency of this form of communication is less than a year ago due to the success of the Facebook site. Despite this our ability to communicate to the broader public increased significantly.
- The establishment of a Facebook presence has meant an almost live form of communication as well as offering instant feedback to from the public
- Updating, printing and distribution of the 2<sup>nd</sup> edition of What's Up East Hants a print publication of all recreation, culture and heritage related aspects of East Hants 6000 copies were distributed throughout East Hants as well as a regularly updated version online
- 6 Community meetings in the three geographic regions of East Hants



- 1 Heritage related community meeting as appropriate. This did not happen do to weather and scheduling however will be scheduled in for the 2012 year
  - Increased presence in the area papers and press. Pictures, articles etc.
- 2. In the development of a quality system of open space and trail-based opportunities, through either direct action or partnerships with community groups, non-profit organizations or other levels of government, consistent with the needs and expectations of Municipal residents.**

#### Action items for 2011/12

During the 2011 /12 year we were successful in accomplishing:

- To continue work with community groups and developers who are working on trail development projects around East Hants:
- Commenting and long-term Open Space planning as it relates to Sub-division developments in the Corridor, Mt. Uniacke
- Continued development of Waterfront access egress points on the Shubenacadie River. The efforts made in this area has meant that there is a new life for a major event in the Municipality; the Canoe to thr Sea race. The event now has a new Start/Finish location with the Shubenacadie Dock
- Cocks Comb Lake Study to determine out best to pursue as a community use park. This study is largely complete and staff are working now to work with the end report and its impact on the local community.
- Long Lake /Herbert River Study. The purpose of this study is to bring together all stakeholders of the Herbert river Long Lake area to better determine how future development can take place while endeavoring to address the varied needs of users. This study is largely completed and the success of the study has lead to new opportunities with the Province and developers in terms of land use
- Continue work with Physical Activity Strategy in partnership with the Office of Health Promotion and Protection

- 3. In the continued maintenance of existing trails and open space throughout the Municipality.**

#### Action items for 2011/12

During the 2011 /12 year we were successful in accomplishing:

- To continue working with developers and Community groups in the maintenance of existing trails. This effort is very much subject to the availability of the volunteers who have taken on the role of Trail developers and stewards. Continued efforts to move the 9 Mile River Trail to completion are underway and it is expected to see this trail officially open in 2012
- To continue the development of the Adopt a Park program
- To continue with developing a relationship with the Enfield Earth Keepers to maintain trails and open spaces not covered by Adopt a Park agreements.
- To seek outside sources of funding to support trail and Open Space initiatives
- To refine the risk management strategies for the existing Municipal Open Space properties.
- Continue work with Physical Activity Strategy in partnership with the Office of Health Promotion and Protection

**4. In the continued support and recognition of volunteers and volunteer community groups.**

**Action items for 2011/12**

During the 2011 /12 year we were successful in accomplishing:

- To adopt the new municipal brand and incorporate it into the existing brand of the department of recreation and culture
- To host the 30<sup>th</sup> annual Volunteer recognition award on behalf of the Municipality of East Hants.
- To put forward a name for Provincial recognition at the annual Provincial Volunteer Recognition awards in Halifax
- District Recreation Funds and Community grants; To continue to work with community groups in their efforts to create and or improve recreation facilities around the Municipality of East Hants.(see below)
- Completion of a recreation and culture needs assessment.
- Continued delivery of Leadership programs for those involved in children’s recreation - High Five and Sport Fundamentals



## District Recreation Funds and Community Grants

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. For 2011 we awarded District Recreation Funds to 24 groups \$125 508.00. Over \$274,000.00 was requested. In terms of Community Grants; 64 groups or individuals were awarded \$20,815.00 Amount requested was \$34 976.00

- 1. In the creation of affordable, accessible programs and opportunities for children, youth and families to be recreationally active throughout the Municipality regardless of ability, economic situation, gender or geographic location.**

### Action items for 2011/12

During the 2011 /12 year we were successful in accomplishing:

- To adopt the new municipal brand and incorporate it into the existing brand of the department of recreation and culture. Much of the department has been branded consistent with the Municipal Strategy. As the profile in the Community of Recreation and Culture is very high the presentation of the brand is important.
- To continue with the Municipal Day Camp program in as many communities as possible.
- Completion of a recreation and culture needs assessment.
- Continue developing the Physical Activity Strategy in partnership with the Office of Health Promotion and Protection -
- To carry out Activities under the Physical Activity/Active East Hants strategy. These include, Kite Festival, Howe High is your tide run. Wardens Walker Program and Circus programs, Canoe to the Sea
- The Howe High is Your Tide Run saw over 200 present in Burntcoat.
- To celebrate success in Physically Active Lifestyles
- To promote the High Five Sport Trainer workshops in an effort to encourage new community coaches.
- To assess the interest of communities for programmed summer activities focused on multipurpose courts around the Municipality of East Hants.
- To continue our efforts to support those folks who due to economic challenges need assistance with funding. Kidsport and Jumpstart as well as our Municipal Special Needs policy.

- To continue to offer programs in Mt. Uniacke and Hants North that create opportunities for Children Youth and families to be physically active
  - Completion of a Physical Activity Strategy for the Municipality
  - Creation and roll out of Geo-caching in East Hants
  - Continue development of Municipal Carpet bowling league for East Hants. This year saw the completion of the 1<sup>st</sup> Municipal Seniors Games Carpet Bowling Championships
  - Advance the outdoor gym equipment project in the three distinct regions of East Hants. One complete set has been installed in Mt Uniacke and the second set for Elmsdale will be completed as the ground dries up.
- 2. In the support of community efforts to develop new, sustainable recreation facilities throughout the Municipality of East Hants.**

#### Action items for 2011/12

During the 2011 /12 year we were successful in accomplishing:

- Completion of a recreation and culture needs assessment.
- MacKenzie Field in Mt. Uniacke - This project is in limbo at this time until the community is in a position to advance the project further.
- HERH Sport Complex - No progress at this time
- South Maitland Tidal Interpretive centre - this BOD has been rebuilt and was able to run a successful VIC and Interpretive Centre in 2011 employing 3 FT staff over the Summer
- East Hants Curling Association - This project is moving forward with a dependency of the availability of Provincial and Federal; Funding.
- East Hants Bowling Association
- Investigate and work with local community group(s) re feasibility of Skateboarding park - This effort has morphed into a larger issue which included the cycling community and is slated for further study in 2012

### East Hants Seniors Games

This was the 22<sup>th</sup> 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. 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.

**3. In the continued operation of an aquatic facility to meet the present and future aquatic recreation needs of the Municipality of East Hants.**

**Action items for 2011/12**

During the 2011 /12 year we were successful in accomplishing:

- To continue following the Lifecycle Analysis for the East Hants Municipal Pool including an update on future plans
- Completion of a recreation and culture needs assessment. This study was important as it provided important data needed in the decision making process around support for the case for developing a plan to build a new Aquatic Facility.
- To continue with offering programs for all ages and abilities. It is exciting to see the growth of walking and Carpet Bowling programs all throughout the Municipality.
- To continue offering Aquatics programming through the Municipal pool to the Hants North and Mt. Uniacke communities.
- Replacement of existing pool lighting to energy efficient lighting. This project was completed and we are already seeing the benefits
- Partner in water quality study for the water feeding the pool and Municipal building.
- Continue work with Physical Activity Strategy in partnership with the Office of Health Promotion and Protection. This program is an important part of the long-term Recreation and Culture plan as it bridges one strategic plan to the next by focusing on creating an opportunity for the community to be physically active.

## **East Hants Municipal Pool**

The East Hants Municipal Pool continues to represent a significant part of the recreational infrastructure 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 up in 2010-11 and remained stable over the 2011-12 time period. Our 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.

## 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 2011-12 we saw consistent numbers over 2010 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 2011-12 period has grown into a stable and sustainable program which is looking at moving to a club format.

## Arthritis Water Therapy

This is a program that has grown over the past couple of years with attendance in 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.

## 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 come 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 and the support we provide is important to their ability to continue on. We anticipate an exciting future as we are able to dig deeper into accomplishing the mission areas identified in the Recreation and Culture Strategic Plan and we look forward to the creation and eventual adoption of a new plan for 2012-13.

