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Finance Committee Meeting Agenda

February 7, 2023 – 9:00 a.m.

MODL Council Chambers – 10 Allée Champlain Drive, Cookville

- 1. Call to Order**
 - 1.1 Mi'kma'ki Territorial Acknowledgement
- 2. Announcements, Acknowledgements, Recognition**
- 3. Public Input (15 Minutes)**
- 4. Changes/Approval of Agenda (as circulated)**
- 5. Approval of Minutes - December 6, 2022**
- 6. Business Arising from Minutes**
- 7. Awarding of Tenders/RFPs - Nil**
- 8. Presentations/Scheduled Times - Nil**
- 9. Consideration of Correspondence**
 - 9.1 Riverport Electric Light Commission, Request for Financial Assistance 1-21
- 10. Recommendations from Committees & Boards - Nil**
- 11. Staff Reports**
 - 11.1 Finance Department**
 - 11.1.1 Operating Variance Reports 3rd Quarter (to December 31, 2022) 22-25
 - 11.1.2 2023/24 Proposed Area Rates: Streetlights, Hydrants & Sewers..... 26-28
 - 11.2 Administration Department**
 - 11.2.1 Strategic Priorities 2023-2025 29-33

- 12. Added Items**
- 13. In Camera - Nil**
- 14. Adjournment**

Riverport Electric Light Commission

PO Box 100, Riverport, NS

Phone: 902.766.4890

Email: info@riverportelectric.ca

Web: www.riverportelectric.ca



Finance Committee

Item: 9.1

Date: February 7, 2023

Authorization: Elana Wentzell

January 25, 2023

Via email: mayor@modl.ca

Mayor Carolyn Bolivar-Getson
Municipality of the District of Lunenburg
10 Allee Champlain Drive
Cookville, Nova Scotia B4V 9E4

Dear Mayor Bolivar-Getson:

Re: Application for Assistance with Financing of Five-Year Capital Expenditures Plan

The Riverport Electric Light Commission (RELC) is an elector-owned public utility, incorporated by an Act of the Nova Scotia Legislative Assembly in 1920, and a distributor of reliable and affordable electricity to Riverport and surrounding communities since then.

For over one hundred years, our small utility has been a source of pride in our community, as it has been known for charging reasonable rates and providing exemplary service to our customers. Historically, the raising of funds for capital expenditures would have taken place via the issuing of debentures by the utility, as occurred during the early years of our utility. Since 1973, the Municipality of the District of Lunenburg played an important role in this debenture process by acting as a guarantor of our loans, as enabled by The Riverport Electric Light Act, section 49, *“The Municipality of the District of Lunenburg, by a two-thirds vote of the Municipal Council, is empowered to guarantee payment of the interest and principal of any debenture issued under the provisions of this Part.”* 1973, c. 119, s. 1.

For municipalities in Nova Scotia, fundraising of substantial capital expenditures for the provision of essential public services can take place directly with the Nova Scotia Municipal Finance Corporation (MFC). However, RELC is not able to apply to MFC, either directly or under the umbrella of MODL, for loans to assist us in the implementation of our capital expenditures plan.

In a meeting on January 5, 2023 with Mr. Tom MacEwan, MODL’s Chief Administrative Officer, RELC representatives were greatly encouraged to learn that we might apply directly to MODL for financing of our proposed capital projects. RELC will benefit from lower interest rates, which in turn will have an impact on the rates we charge our customers. In the current climate of significant rate increases, this is an important consideration, particularly for families in our community who are already at financial risk.

Please accept this letter as our request to the Municipality of the District of Lunenburg for financing in the amount of \$350,000 to assist us in undertaking necessary capital upgrades and expansion throughout our geographic district this year.

Riverport Electric Light Commission

PO Box 100, Riverport, NS

Phone: 902.766.4890

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These proposed capital upgrades and expansion will include the following projects over the next five years:

- Replacement of Depreciated Line Infrastructure;
- Line Upgrade from Riverport Bridge to Kingsburg;
- Line Upgrade Into Kingsburg;
- Replacement of Transformers Containing Polychlorinated Biphenyls (PCBs) (as required by Environment Canada);
- Repairs and Upgrades to Pole Yard Building;
- Voltage Regulators to Upgrade Service and Facilitate Growth in Kingsburg.

At a Special Meeting of RELC electors on November 24, 2022, the following resolution was passed to approve borrowing for 2023 capital expenditures:

Whereas Riverport Electric Light Commission's Five-Year Capital Expenditures Plan was identified by Management, itemized and prioritized in the Strum Engineering Report, and outlined in RELC's application to the UARB;

Therefore be it Resolved that the Electors of RELC:

1. approve the projected expenditures for Calendar Year 2023, not to exceed \$350,000 for the first year of the Five-Year Capital Expenditures Plan;
2. empower and direct the Board of Commissioners of RELC to arrange financing for the 2023 expenditures, with interest rates and arrangements deemed acceptable by Board of Commissioners and Management of RELC.

Thank you very much for the Council's consideration of our request on this matter. We look forward to hearing its decision at your earliest convenience.

In the meantime, please feel free to contact me by phone at (902) 766-4550 or by email chair@riverportelectric.ca if you have any questions.

Yours truly,

Jennifer M. James

Jennifer M. James
Chair, RELC

Capital Budget received from RELC - to be approved by NSUARB

Capital Project	Total 5 Year Cost	2022	2023	2024	2025	2026
Replacement of Depreciated Line Infrastructure	100,000	20,000	20,000	20,000	20,000	20,000
Repairs and Upgrades to Pole Yard Building	20,000	20,000				
Line Upgrade from Bridge to Kingsburg	170,000	85,000	85,000			
Line Upgrade Into Kingsburg	465,000			155,000	155,000	155,000
Replace Transformers with PCB's	362,675		170,835	120,625	71,215	
Cost Shared Projects						
Replace Bridge Poles	150,000	150,000				
Line Extensions	30,000	30,000				
Total Capital Projects	1,297,675	305,000	275,835	295,625	246,215	175,000
Capital Funding						
Bridge Job (Contributed Capital)	150,000	150,000				
Deprecation Recapture	393,000	65,000	72,000	80,000	86,000	90,000
Line Extensions (Contributed Capital)	30,000	30,000				
Total Funding for Capital Projects	573,000	245,000	72,000	80,000	86,000	90,000
Net Cost to Operating Budget	724,675	60,000	203,835	215,625	160,215	85,000

2022 Utility will use GIC/Capital Reserve Account to pay for \$60,000. Remainder to be paid by cash reserves

RIVERPORT ELECTRIC LIGHT COMMISSION
Financial Statements
Year Ended March 31, 2022

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Riverport Electric Light Commission are the responsibility of the Commission's management and have been prepared in accordance with Canadian public sector accounting standards. Management is also responsible for all of the notes and schedules to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 3 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for the preparation of the financial statements.

The financial statements have been audited by Belliveau Veinotte Inc., independent external auditors appointed by the Commission. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Commission's financial statements.

Ms. Jane Henson, Commissioner
On behalf of the Commission

September 29, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members and Commissioners of Riverport Electric Light Commission

Opinion

We have audited the financial statements of Riverport Electric Light Commission (the Commission), which comprise the statement of financial position at March 31, 2022, and the statements of operations and accumulated surplus, statement of changes in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2022, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of Riverport Electric Light Commission for the year ended March 31, 2021 were reviewed and are presented for comparative purposes only.

We draw attention to Note 13 to the financial statements, which explains that certain comparative information for the March 31, 2021 has been restated. Our conclusion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report to the Members and Commissioners of Riverport Electric Light Commission
(continued)

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bridgewater, Nova Scotia
September 29, 2022

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

Statement of Financial Position

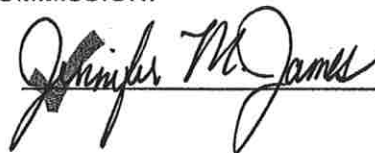
Year Ended March 31, 2022

	2022	2021 <i>(restated)</i>
FINANCIAL ASSETS		
Cash (Note 4)	\$ 233,981	\$ 157,251
Term deposits, bearing interest at 0.4% per annum	62,612	62,387
Accounts receivable	266,144	260,297
	562,737	479,935
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	198,912	141,609
Employee deductions payable	3,137	10,860
HST payable	14,083	27,744
Long term debt (Note 10)	95,627	128,608
Customer prepaid power	63,189	17,218
Deferred revenue (Note 14)	72,027	81,030
Deferred capital contributions (Note 15)	180,100	165,809
	627,075	572,878
NET DEBT	(64,338)	(92,943)
NON-FINANCIAL ASSETS		
Inventory	163,851	134,519
Prepays	1,097	3,788
Tangible capital assets (Note 7)	878,693	849,754
	1,043,641	988,061
	1,043,641	988,061
ACCUMULATED SURPLUS (Note 11)	\$ 979,303	\$ 895,118

ON BEHALF OF RIVERPORT ELECTRIC LIGHT COMMISSION:



Commissioner



Commissioner

See accompanying notes to the financial statements

Statement of Operations

Year Ended March 31, 2022

	Budget 2022 (Note 17)	Total 2022	Total 2021 (restated)
REVENUES			
Power sales	\$ 1,392,372	\$ 1,409,997	\$ 1,345,965
Power sales - interest	3,700	3,853	3,555
Street lighting	51,415	64,269	51,415
Sundry (Note 17)	147,460	94,985	99,668
Yard light and pole rentals	7,500	6,967	7,409
Amortization of deferred revenue (Note 14)	9,003	9,003	9,003
Amortization of contributed capital (Note 15)	-	5,173	4,627
	1,611,450	1,594,247	1,521,642
DIRECT COSTS			
Power	1,000,000	1,015,566	970,944
Line materials	10,000	-	4,246
Wages and subcontractors	304,700	195,704	175,566
	1,314,700	1,211,270	1,150,756
GROSS PROFIT	296,750	382,977	370,886
EXPENDITURES			
Advertising and promotion	3,200	410	225
Amortization	55,000	63,190	61,140
Bad debts	1,500	-	1,401
Commissioners fees	2,500	1,865	2,022
Insurance	17,300	19,204	14,771
Interest and bank charges	7,000	716	6,071
Interest on long term debt	250	3,344	5,087
Office	11,700	15,868	14,960
Professional fees	12,000	37,879	9,448
Property taxes	3,300	3,220	3,238
Regulatory fees	1,500	66	2,861
Repairs and maintenance	36,000	17,381	3,933
Salaries, wages and benefits	8,400	96,043	73,862
Security interest in vehicle	-	-	116,462
Supplies	17,900	12,035	17,545
Travel and vehicle	27,500	27,571	25,957
	205,050	298,792	358,983
SURPLUS FOR THE YEAR	\$ 91,700	\$ 84,185	\$ 11,903

See accompanying notes to the financial statements

RIVERPORT ELECTRIC LIGHT COMMISSION
Statement of Accumulated Surplus
Year Ended March 31, 2022

	2022	2021 <i>(as restated)</i>
ACCUMULATED SURPLUS - BEGINNING OF YEAR		
As previously reported	\$ 895,118	\$ 801,227
Change in inventory valuation <i>(Note 13)</i>	-	81,988
As restated	895,118	883,215
Surplus for the year	84,185	11,903
ACCUMULATED SURPLUS - END OF YEAR	\$ 979,303	\$ 895,118

See accompanying notes to the financial statements

RIVERPORT ELECTRIC LIGHT COMMISSION
Statement of Changes in Net Debt
Year Ended March 31, 2022

	2022 Budget	2022	2021 <i>(restated)</i>
SURPLUS (DEFICIT)	\$ 91,700	\$ 84,185	\$ 11,903
Acquisition (use) of inventory	-	29,332	(9,233)
Increase (decrease) in prepaids	-	(2,671)	3,788
Increase in deferred capital contributions	-	19,464	61,980
Acquisition of tangible capital assets	62,500	72,645	62,528
Amortization of tangible capital assets	(55,000)	(63,190)	(61,140)
	7,500	55,580	57,923
DECREASE (INCREASE) IN NET DEBT	-	28,605	(46,020)
Net debt - beginning of year	-	(92,943)	(46,923)
NET DEBT - END OF YEAR	\$ -	\$ (64,338)	\$ (92,943)

See accompanying notes to the financial statements

Statement of Cash Flow

Year Ended March 31, 2022

	2022	2021 <i>(restated)</i>
OPERATING ACTIVITIES		
Surplus for the year	\$ 84,185	\$ 11,903
Items not affecting cash:		
Amortization of tangible capital assets	63,190	61,140
Amortization of deferred revenue	(9,003)	(9,003)
Amortization of contributed capital	(5,173)	(4,627)
	133,199	59,413
Changes in non-cash items:		
Accounts receivable	(5,847)	(45,278)
Inventory	(29,332)	9,233
Prepays	2,693	(3,788)
Accounts payable and accrued liabilities	57,305	(67,315)
HST payable	(13,661)	28,714
Customer prepaid power	45,971	(1,747)
Employee deductions payable	(7,723)	5,104
	49,406	(75,077)
Cash flow from (used by) operating activities	182,605	(15,664)
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(72,668)	(62,528)
Purchase of term deposits, net	(225)	(325)
Cash flow used by capital activities	(72,893)	(62,853)
FINANCING ACTIVITIES		
Proceeds from long term financing	-	116,462
Repayment of long term debt	(32,982)	(45,111)
Cash flow from (used by) financing activities	(32,982)	71,351
INCREASE (DECREASE) IN CASH FLOW	76,730	(7,166)
Cash - beginning of year	157,251	164,417
CASH - END OF YEAR (Note 4)	\$ 233,981	\$ 157,251

See accompanying notes to the financial statements

Notes to Financial Statements

Year Ended March 31, 2022

1. PURPOSE OF THE COMMISSION

Riverport Electric Light Commission (the "Commission") is incorporated under the Electricity Act of Nova Scotia as well as under a Special Act of the Nova Scotia Legislature "The Riverport Electric Light Act for Polling District No.2, in the County of Lunenburg". The Commission administers the rates approved by the Nova Scotia Utility and Review Board.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with CPA Canada Public Sector Accounting Standards, as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants of Canada.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting estimates

The preparation of financial statements in conformity with CPA Canada Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

The Commission recognizes revenues when they are earned and when the ability to collect is reasonably assured. The Commission follows the deferral method of accounting for contributions.

Revenue is recognized when the significant risks and rewards of ownership are transferred to the customer, which generally coincides when the electricity meters are read, collectability is reasonably assured, persuasive evidence of an arrangement exists and the sales price is fixed and determinable. Revenue is recorded net of allowable discounts and rebates.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Term deposits

Term deposits consist of a Guaranteed Investment Certificate with a maturity date of less than 4 months from year end.

Cash

Cash includes cash on hand and balances with financial institutions.

(continues)

Notes to Financial Statements

Year Ended March 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*Inventory

Inventory consists of line materials and supplies and is valued at the lower of cost and net realizable value with the cost being determined using the average cost method.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and impairment losses.

Cost includes the purchase price and other acquisition costs such as brokers' commissions, installation costs including architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges.

Where constructed by the Commission, the cost also includes direct construction or development costs, such as materials and labour, as well as overhead costs directly attributable to the construction or development activity.

The costs incurred to enhance the service potential of an item of tangible capital assets (betterment) is also included in the cost of an asset.

For property and equipment with a finite life, the cost of each item is amortized over its estimated life/useful life in a systematic manner appropriate to the nature of that item and its use by the Commission. Accordingly, using the straight-line method, a fixed amount is periodically amortized into income over their respective life/useful life, which in total would be the greater of:

- (a) The cost less salvage value over the life of the asset; and
- (b) The cost less residual value over the useful life of the asset.

Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following method and rates:

Buildings	36 years	straight-line method
Equipment	20%	declining balance method
Motor vehicles	15 years	straight-line method
Line distribution system	36 years	straight-line method
Line extensions	36 years	straight-line method
Computer equipment and systems software	55%	declining balance method

The Commission regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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Notes to Financial Statements

Year Ended March 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealised gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

Transaction costs on the acquisition, sale, or issue of financial instruments which are subsequently reported at fair value are expensed when incurred. Transaction costs on the acquisition, sale, or issue of financial instruments which are subsequently reported at amortized cost are amortized over the expected life of the instrument.

Financial assets measured at amortized cost include cash, term deposits and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred revenue and long term debt.

4. CASH

	2022	2021
Unrestricted cash	\$ 188,335	\$ 111,605
Capital reserve cash	45,646	45,646
	\$ 233,981	\$ 157,251

5. COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic due to the outbreak of COVID-19. The outbreak of COVID-19 has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods, social and physical distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Commission in future periods. To date, the Commission has not had to revise judgements, estimates or assumptions nor has the pandemic had any material impact on the Commission's liquidity, credit or business risks.

6. ECONOMIC DEPENDENCE

The Commission is economically dependent on three suppliers of electricity to provide 100% of its volume as alternative suppliers are not readily available. These suppliers are New Brunswick Power, Nova Scotia Power and AREA. Should these customers substantially change its dealings with the Commission, management is of the opinion that continued viable operations would be doubtful.

Notes to Financial Statements

Year Ended March 31, 2022

7. TANGIBLE CAPITAL ASSETS

Cost	2021 Balance	Additions	Disposals	2022 Balance
Building	\$ 59,523	\$ -	\$ -	\$ 59,523
Equipment	92,966	-	-	92,966
Motor Vehicles	329,305	-	-	329,305
Line Distribution System	1,037,512	72,666	-	1,110,178
Line Extensions	225,493	19,463	-	244,956
Computer equipment and software	4,369	-	-	4,369
	\$ 1,749,168	\$ 92,129	\$ -	\$ 1,841,297

Accumulated Amortization	2021 Balance	Amortization	Accumulated Amortization on Disposals	2022 Balance
Building	\$ 36,944	\$ 1,669	\$ -	\$ 38,613
Equipment	70,525	4,488	-	75,013
Motor Vehicles	125,290	21,954	-	147,244
Line Distribution System	631,185	26,469	-	657,654
Line Extensions	34,268	6,868	-	41,136
Computer equipment and software	1,202	1,742	-	2,944
	\$ 899,414	\$ 63,190	\$ -	\$ 962,604

Net book value	2022	2021
Building	\$ 20,910	\$ 22,579
Equipment	17,953	22,441
Motor Vehicles	182,061	204,015
Line Distribution System	452,524	406,327
Line Extensions	203,820	191,225
Computer equipment and software	1,425	3,167
	\$ 878,693	\$ 849,754

8. BANK INDEBTEDNESS

The Commission has a bank line of credit with a maximum credit limit of \$50,000. If utilized, the credit facility bears interest at prime plus 4% and is secured by a general assignment of all assets and undertakings. As of March 31, 2022 the balance of the credit facility is \$Nil (2021 - \$Nil).

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accounts payable	\$ 134,908	\$ 123,644
Accrued liabilities	42,788	8,099
Customer deposits	21,216	9,866
	\$ 198,912	\$ 141,609

Notes to Financial Statements

Year Ended March 31, 2022

10. LONG TERM DEBT

	2022	2021
TD Canada Trust loan bearing interest at 6.45% per annum, repayable in monthly blended payments of \$2,367. This loan matured on March 10, 2022.	\$ -	\$ 27,105
Town of Mahone Bay loan bearing interest at 2.27% per annum, repayable in monthly blended payments of \$1,068. The loan matures on November 15, 2029.	95,627	101,503
	\$ 95,627	\$ 128,608

Principal repayment terms are approximately:

2023	\$ 10,150
2024	12,822
2025	12,822
2026	12,822
2027	12,822
Thereafter	34,189
	<u>\$ 95,627</u>

During the year, the Commission repaid \$32,981 of long term debt. The interest paid on long term debt during year was \$3,344.

11. ACCUMULATED SURPLUS

	2022	2021
Investment in capital assets	\$ 576,156	\$ 566,133
Unrestricted	357,501	283,339
Capital reserve	45,646	45,646
	\$ 979,303	\$ 895,118

12. RESERVE FOR CAPITAL EXPENDITURES

On November 1, 2010, the Nova Scotia Utility and Review Board approved a rate change as long as the funds were used for capital expenditures. If the capital expenditures are less than the annual amortization expense, the difference is to be placed in a reserve account. Additions to the capital reserve fund in the current year were \$Nil (2021 - \$Nil). The balance in the reserve fund as at yearend March 31, 2022 is \$45,646 (2021 - \$45,646).

13. PRIOR PERIOD ADJUSTMENTS

The financial statements for the year ended March 31, 2021, have been restated to correct the year end inventory balance and to correctly capitalize line extensions in accordance with CPA Canada Public Sector Accounting Standards section 3150.

(continues)

Notes to Financial Statements

Year Ended March 31, 2022

13. PRIOR PERIOD ADJUSTMENTS (continued)

CPA Canada Public Sector Accounting Standards section 3150 states that the cost of a tangible capital asset includes the purchase price of the asset and other related acquisition costs such as installation costs, site preparation costs, material and labour, etc. The tangible capital asset must be amortized over its useful life in a rational and systematic manner appropriate to its nature and use by the Commission. The useful life is the estimate of either the time period over which the tangible capital asset is expected to be used, or the number of production or similar units that can be obtained from the tangible capital asset. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

The changes have been applied retrospectively, resulting in changes to beginning equity and restatement of certain assets and liabilities as described below.

- a) The statement of financial position and statement of accumulated surplus at March 31, 2021 has been restated as follows:

	March 31 2021	Adjustment	Restated
Inventory	\$ 52,531	\$ 81,988	\$ 134,519
Tangible capital assets	694,741	155,013	849,754
Deferred capital contributions	-	(165,809)	(165,809)
Accumulated surplus - end of year	\$ (823,926)	\$ (71,192)	\$ (895,118)

- b) Surplus for the year ended March 31, 2021 which was previously reported using CPA Canada Public Sector Accounting Standards, has been restated as follows:

	March 31 2021	Adjustment	Restated
Revenues	\$ 1,542,883	\$ (21,241)	\$ 1,521,642
Direct costs	(1,155,091)	4,335	(1,150,756)
Expenditures	(365,092)	6,109	(358,983)
Surplus for the year	\$ 22,700	\$ (10,797)	\$ 11,903

14. DEFERRED REVENUE

The Town of Mahone Bay and the Commission have a cost sharing arrangement for the linesmen and the costs of the utility truck. They presently share in 40% of the costs of the truck such as the maintenance, licensing and insurance.

In 2015, the Commission purchased a new truck for a total of \$270,110. The Town of Mahone Bay agreed to contribute \$135,050 towards the loan payments. This amount is recorded in deferred revenue and will be taken into income over the amortization period of the truck, which is 15 years. If either party terminates the resource sharing, the Commission will have to repay to the Town of Mahone Bay a prorated portion of this contribution.

	2022	2021
Balance - beginning of year	\$ 81,030	\$ 90,033
Less: amounts amortized to revenue	(9,003)	(9,003)
	\$ 72,027	\$ 81,030

Notes to Financial Statements

Year Ended March 31, 2022

15. DEFERRED CAPITAL CONTRIBUTIONS

Contributed funds related to line extensions which have been capitalized in the financial statements are deferred over the life of the tangible capital asset to which it relates. This amount is recorded in deferred revenue and will be taken into income over the amortization period of the line extensions, which is 36 years.

	2022	2021
Balance - beginning of year	\$ 165,809	\$ 108,456
Add: Capital additions	19,464	61,980
Less: amounts amortized to revenue	(5,173)	(4,627)
	\$ 180,100	\$ 165,809

16. FINANCIAL INSTRUMENTS

The Commission is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Commission's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Commission is exposed to credit risk from customers. In order to reduce its credit risk, the Commission reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Commission has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, and payables and accruals.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Commission manages exposure through its normal operating and financing activities. The Commission is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

17. SUNDRY

	2022	2021
Miscellaneous jobs	\$ 60,264	\$ 65,331
Truck reimbursements from the Town of Mahone Bay	12,636	13,743
Pole rental	12,461	12,461
Wire permits	9,395	7,810
Interest on Investments	229	323
	\$ 94,985	\$ 99,668

Notes to Financial Statements

Year Ended March 31, 2022

18. BUDGET FIGURES

	Approved Fiscal Plan	Adjustments	Fiscal Plan per Financial Statements
REVENUES			
Power sales	\$ 1,392,372	\$ -	\$ 1,392,372
Power sales - interest	3,700	-	3,700
Street lighting	51,415	-	51,415
Sundry	147,460	-	147,460
Yard light and pole rentals	7,500	-	7,500
Amortization of deferred revenue	-	9,003	9,003
	1,602,447	9,003	1,611,450
DIRECT COSTS			
Power	1,000,000	-	1,000,000
Line materials	10,000	-	10,000
Wages and subcontractors	304,700	-	304,700
	1,314,700	-	1,314,700
EXPENDITURES			
Advertising and promotion	3,200	-	3,200
Amortization	55,000	-	55,000
Bad debts	1,500	-	1,500
Commissioners fees	2,500	-	2,500
Insurance	17,300	-	17,300
Interest and bank charges	7,000	-	7,000
Interest on long term debt	250	-	250
Office	11,700	-	11,700
Professional fees	12,000	-	12,000
Property taxes	3,300	-	3,300
Regulatory fees	1,500	-	1,500
Repairs and maintenance	36,000	-	36,000
Salaries, wages and benefits	8,400	-	8,400
Supplies	17,900	-	17,900
Travel and vehicle	27,500	-	27,500
	205,050	-	205,050
Capital work			
FCM project	12,500	(12,500)	-
Replace transformers	50,000	(50,000)	-
	62,500	(62,500)	-
	\$ 20,197	\$ 71,503	\$ 91,700

Canadian public sector accounting standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations and the statement of changes in net financial assets has been adjusted to be on a consistent basis as actual results. Above are the reconciled figures from the approved fiscal plan to the fiscal plan per the financial statements.



Municipality of the District of Lunenburg

Report to Council

Report To: Finance Committee
Submitted By: Elana Wentzell, Director of Finance
Date: February 7, 2023
Re: Operating Variance Reports 3rd Quarter (to December 31, 2022)

The enclosed Operating Fund Variance Report gives Council details of operating budget accounts where expected variances to budget will occur. Staff have commented on all variances over \$1,000. Changes from the first quarter report are highlighted.

In this third quarter report, staff are projecting an Operating surplus of \$2.272M which represents a \$2.260 M (6.35%) budget variance.

The revenue variance shows \$1,883,090 in additional revenue expected to be received compared to budget. Deed transfer tax and interest on deposits account for \$1,810,150 of this variance.

The expenditure variance shows \$416,700 less than budgeted.

Additional details are provided in the enclosed report.

Report Preparation	
Department	Finance
Report Prepared by	Elana Wentzell
Report Approved by	
Date Reviewed by C.A.O.	

**Municipality of the District of Lunenburg
Operating Fund Variance Report - 3rd Quarter
December 31, 2022**

	Actual to Date	Annual Budget	FORECAST	Actual Variance (% Budget left)	Variance	Comments on Forecast Variance
REVENUE						
Tax Revenue	\$ 26,595,576	\$ 26,441,100	\$ 26,571,100	-0.6%	\$ 130,000	Estimate based on actual billing less expected outstanding appeal adjustments
Business Property	220,217	162,300	220,000	-36%	57,700	Based on HST offset received in excess of budget
Deed Transfer Tax	2,637,086	2,000,000	2,900,000	-32%	900,000	Estimate based on actual received to date
Other Taxes	62,035	62,000	62,000	0%	-	
Grants in Lieu of Taxes	62,990	254,100	254,900	75%	800	Estimated based on actual Federal Grants in Lieu received
REMO/Accessibility recovery from Other Units	55,109	73,400	73,400	25%	-	
Sale of Services						
Recreation Services	31,420	57,000	60,140	45%	3,140	Revenue timing - winter programs received in current year
Building Inspection Services	55,462	222,100	222,100	75%	-	
Other Revenue - Fines, Permits, Rentals & Interest	1,615,725	1,168,200	2,078,350	-38%	910,150	Based on increased interest rates paid on municipal funds on deposit (Prime rate less 1.3). Budgeted 1.1% (Prime 2.4% less 1.3%) Prime is currently at 6.45%
Farm Acreage Grant	53,889	93,900	95,200	43%	1,300	Based on actual paid to date
Provincial Grants	267,674	347,500	227,500	23%	(120,000)	Provincial Transit grant received \$50K (not budgeted) - Flood grant \$170,000 paid to another Muni (in/out)
TOTAL REVENUE	\$ 31,657,183	\$ 30,881,600	\$ 32,764,690	-3%	\$ 1,883,090	
EXPENDITURES						
Mayor & Council	\$ 493,539	\$ 719,000	\$ 719,000	31%	-	
Bank Interest & Charges	1,848	4,200	4,200	56%	-	
Administration	780,738	1,119,000	1,119,000	30%	-	
Finance	550,154	770,300	770,300	29%	-	
Tax Exemptions	268,923	255,700	270,700	-5%	15,000	Overage for low income tax rebates approved by Treasurer per policy (10% budget up to \$17K)
Legal & Advisory Services	114,778	407,100	367,600	72%	(39,500)	Legal costs estimated decrease based on actual cost of service required
Administration Building, Supplies and Data Processing	475,980	1,220,400	1,135,200	61%	(85,200)	Estimate reduction based on actual administration building power & mtce costs (\$6,500) & Planning MODL 2040 & sustainability initiatives deferred (\$75,000)
Allowance for Uncollectible taxes	-	100,100	100,100	100%	-	
Tax Sale Expenses	37,618	70,000	70,000	46%	-	

**Municipality of the District of Lunenburg
Operating Fund Variance Report - 3rd Quarter
December 31, 2022**

	Actual to Date	Annual Budget	FORECAST	Actual Variance (% Budget left)	Variance	Comments on Forecast Variance
Government Relations, Communications & Municipal Celebrations	65,708	112,000	112,000	41%	-	
Insurance	175,377	166,500	175,700	-5%	9,200	Overage based on actual cost for October 2022 insurance renewal
Grants to Organizations	442,616	745,900	724,900	41%	(21,000)	Trail grant \$55K carry over from prior year not needed as it was paid before year end last year offset by new Transit grant approved \$34,500
Election Costs	-	-	-	0%	-	
Assessment Services	515,589	687,500	687,500	25%	-	
Police Protection	2,921,484	3,920,000	3,920,000	25%	-	
Correction Services & Prosecutions	383,302	521,800	520,400	27%	(1,400)	Based on actual cost of service
Fire Protection Municipal Costs	386,944	408,500	410,500	5%	2,000	Cookville hydrant costs increased \$2,000
Emergency Measures	112,218	169,300	169,300	34%	-	
Protective Inspection Services	460,393	732,100	733,400	37%	1,300	Estimated overage based on Building Services Costs
Dog Control	28,810	44,500	44,500	35%	-	
Common Services (Engineering)	373,417	669,400	652,800	44%	(16,600)	Estimated savings in Office expenses and travel costs
Provincial Roads & NSTIR Paving Partnerships	492,026	962,000	962,000	49%	-	NSTIR - paid overages for 2021 contracts in current year \$146,069 (yet to be paid Lester Getson/Forest View Drive \$259,700 estimate)
Municipal Road Maintenance	94,146	426,100	333,500	78%	(92,600)	Estimate reduction based on actual municipal road maintenance costs/contracts
Garbage & Waste Collection	1,934,547	2,684,500	2,682,000	28%	(2,500)	Estimate decrease for advertising
Regional Housing	-	35,000	35,000	100%	-	
Planning & Zoning	530,256	1,044,200	864,800	49%	(179,400)	Flood grant \$170,000 paid to another Muni (in/out)
Economic Development, Schools, CES Bldg & Tourism	458,218	1,498,200	1,051,000	69%	(447,200)	Riverport School maintenance \$3,000 ditching costs, Bell ISP Project savings (carry over) \$450,000 CCBF Transfer below
Recreation Staffing, Facilities and Programming	1,154,914	1,621,700	1,612,900	29%	(8,800)	Estimate savings in park maintenance \$2,300 and program costs \$6,500
Libraries	149,775	199,700	199,700	25%	-	
LCLC	545,600	663,800	663,800	18%	-	
Education	6,601,885	8,802,600	8,802,600	25%	-	
Financing & Transfers	-	(287,800)	162,200	100%	450,000	CCBF Transfer for Bell Internet (to be carried over next fiscal)
TOTAL EXPENDITURES	\$ 20,550,804	\$ 30,493,300	\$ 30,076,600	33%	\$ (416,700)	

**Municipality of the District of Lunenburg
Operating Fund Variance Report - 3rd Quarter
December 31, 2022**

	Actual to Date	Annual Budget	FORECAST	Actual Variance (% Budget left)	Variance	Comments on Forecast Variance
Area Rates						
Fire Protection Revenue	3,901,047	3,846,300	3,846,300	-1%	-	
Fire Protection Expenditures	(3,923,393)	(3,846,300)	(3,846,300)	-2%	-	
Sewage Collection & Disposal Revenue	429,557	462,300	462,300	7%	-	
Sewage Collection & Disposal Expenditures	(593,926)	(824,300)	(863,395)	28%	(39,095)	Estimate for increased costs for small equipment and maintenance/monitoring \$16,900, Hebbville Sewer \$12,700, New Germany \$2,600, Conquerall Bank \$5,300 and Cookville \$1,400
Private Road Maintenance Revenue	282,806	283,000	283,000	0%	-	
Private Road Maintenance Expenditures	(269,338)	(269,400)	(269,400)	0%	-	
Street Lighting Revenue	144,197	143,100	143,100	-1%	-	
Street Lighting Expenditures	(83,569)	(171,300)	(171,300)	51%	-	
NET AREA RATES	\$ (112,619)	\$ (376,600)	\$ (415,695)		\$ (39,095)	
SURPLUS (DEFICIT)	\$ 10,993,760	\$ 11,700	\$ 2,272,395		\$ 2,260,695	
% Annual Budget		0.03%	6.38%		6.35%	

Finance Committee
Item: 11.1.2
Date: February 7, 2023
Authorization: Elana Wentzell



Municipality of the District of Lunenburg

Request for Decision

Report to: Finance Committee
Submitted by: Angela Veinot, Accounting Manager
Date: February 7, 2023
Re: 2023-24 Proposed Area Rates: Streetlights, Hydrants, & Sewers

Recommendation

It is recommended that the Finance Committee recommend Municipal Council approve:

- The 2023/24 Fire hydrant rate at \$0.1713/\$100 of assessment
- The 2023/24 Streetlight rates as presented
- The 2023/24 Sewer rates at \$0.43/\$100 of assessment for global rate and \$0.25/\$100 of assessment for Hebbville rate

Executive summary

Enclosed are the proposed budgets for streetlights, fire hydrants and sewer rates for the fiscal year 2023/24.

The streetlight and hydrant rates are calculated based on the prior years' revenues collected minus the actual costs. The current year's property assessment and any estimated overage and shortage in the accounts are included in the calculation.

Sewer rates were set in December 2019, based on a 5-year sewer rate review. 2023/24 marks year 4 of 5 for these approved rates.

Discussion

As part of the budget process, area rates are required to be approved by Council. Streetlight and hydrant rates can be easily forecasted based on the nature of the revenues and expenditures. Revenues have been billed for the year and most expenditures have been recorded. The revenues and expenditures for these rates are analyzed by the Accounting Manager and a running total of the account

balance is kept. Any surpluses or deficits from prior year are rolled into the next year to be recovered through the area rates.

The street light rates are detailed on the attached schedule. These rates vary slightly from year to year.

The hydrant rates are increasing based on the 2022-23 actual billing amount which was adjusted by the Public Service Commission.

The sewer billing has two rates: the global rate and the Hebbville rate. The approved 5-year rates are \$0.43/\$100 of assessment for the global rate and \$0.25/\$100 of assessment for the Hebbville rate. As per past practice, Council is asked to approve the sewer rates annually.

Budget implications

Once Council approves the rates, they will be used to calculate the revenue budgets for 2023/2024.

Conclusion

Staff recommend Council approve the rates as presented.

Report Preparation	
Department	
Report Prepared by	Angela Veinot
Report Approved by	
Date Reviewed by C.A.O.	

**Municipality of the District of Lunenburg
Area Rates 2023/24 Draft Budget**

STREET LIGHT RATES

	2022-23 Approved	2023-24 Proposed
Rates per \$100 of assessment		
Riverport	\$ 0.025	\$ 0.024
Dayspring	\$ 0.065	\$ 0.071
New Germany	\$ 0.045	\$ 0.041
Catidian Place	\$ 0.010	\$ 0.013
Pine Haven Subdivision	\$ 0.036	\$ 0.041

Flat Rates Per Property

Barss Corner	\$ 49.02	\$ 54.75
Vogler's Cove, Broad Cove & Cherry Hill	\$ 44.21	\$ 53.62
Chelsea	\$ 86.43	\$ 95.44
Pine Grove	\$ 50.83	\$ 53.56
Oakhill Acres	\$ 32.39	\$ 33.93
Little Tancook	\$ 31.82	\$ 36.19
Whitley & Jenny	\$ 30.23	\$ 31.85
Westside Drive	\$ 120.91	\$ 137.39

	2022-23 Approved	2023-24 Proposed
Rates per \$100 of assessment		
FIRE HYDRANT RATE	\$ 0.1459	\$ 0.1713
SEWER RATES		
Global Sewer	\$0.43	\$0.43
Hebville Sewer	\$0.25	\$0.25

Finance Committee
Item: 11.2.1
Date: February 7, 2023
Authorization: Elana Wentzell



Municipality of the District of Lunenburg

Request for Decision

Report to: Finance Committee
Submitted by: Alex Dumaresq, Deputy CAO
Date: February 7, 2023
Re: Strategic Priorities

Recommended Motions

Move that the Finance Committee recommend the approval of the strategic priorities for 2023 -2025 to Council as presented.

Background:

Council regularly completes a strategic priority setting process, to help guide budget preparation and to focus the work of the Municipality. The process normally involves input from citizens including: through the “Your Government, Your Ideas” meetings series, a review of existing projects and plans, identification of emerging issues, followed by Council identifying priorities.

The chart is a living document that provides guidance to staff when preparing budgets and allocating staff time. It is also a central communication tool, forming a part of the budget presentation, acting as the focus of “Your Government, Your Ideas” meetings, and is used regularly in responding to resident and stakeholder questions.

Since last discussing strategic priorities, Council approved a new vision for the Municipality as part of the MODL 2040 Municipal Planning Strategy:

The breathtaking, natural beauty of the Municipality of the District of Lunenburg is home to thriving communities with unique cultural identities. Growth centres support our diversified economies, driven by our residents' passion for the place they call home. With our strong economy, we can live, work and raise families here. We are a destination for visitors attracted to our vibrant parks, beaches, and hiking trails. As leaders in sustainability, we passionately protect our natural environment.

Council also approved the following values:

- **Thriving Communities:** We encourage meaningful connections.
- **Act with Integrity:** We are accountable and strive to provide exceptional leadership within our Municipality.
- **Respect and Kindness:** We value the uniqueness and diversity of our communities, welcoming everyone with respect and kindness.
- **Equity and Inclusion:** We take action to change and grow to be a truly diverse, equitable, and inclusive municipality.
- **Ready for Action!:** We are innovators, economic leaders, and collaborative partners.

And identified the following as the mission of the Municipality, we are:

- Responsible financial managers
- Strategic planners
- Sustainable community builders
- Collaborative engagers

Discussion

Corresponding with the new vision statement and the increased focus on longer term projects, staff are recommending that Council focus its strategic priorities on the following four large project groupings:

Osprey Village Growth Centre

Major developments are planned for the growth centre at Osprey Village. These include sale of land and partnerships to create residential units, including affordable housing developments. In addition, the Municipality has partnered with Lumia Health to develop a Community Hub and collaborative health centre. In concert with the major increase in housing, there are significant municipal infrastructure upgrades planned for the area, including: trail connections, active transportation and public transit links, an active living park; comprehensive water and wastewater services, and community beautification.

Re-Create! Parks

Council has identified the need for significant upgrades to existing parks and recreation facilities. Staff are currently developing standards and classification for all MODL facilities. As part of their redevelopment, the parks will be audited to identify accessibility and welcoming upgrades. Staff will also be developing a maintenance program for each class of parks. These decisions will inform the multi-year investment plan to re-invigorate parks and increase accessibility. In addition, two facilities that are currently used by the public, the MARC and Wiles Lake, will undergo a community engagement process to guide their redevelopment.

Climate Change Action Plan

In 2019 Municipal Council declared a climate emergency. Council has made significant steps to address carbon emissions in the Municipality including: hiring a Sustainability Coordinator, signing on to the Canadian Partners for Climate Protection program, developing a corporate emissions reduction plan and establishing a Sustainability Committee who would advise Council on the now-approved community emissions reduction program.

The implementation of the plans has also begun, including replacing some gas vehicles with electric vehicles and the installation of solar panels on the municipal services building. There remains significant work to achieve Council's goal of reaching net-zero emissions by 2050. This includes:

- Catalyzing the retrofitting of buildings to make energy efficient homes;
- Developing Public Transit;
- Creating an electrified transportation network;
- Achieving Net Zero emissions for municipal facilities & fleet;
- Supporting green renewable energy development;
- Increasing local food security; and
- Improving emergency preparedness & response.

MODL 2040

The Province has created regulation requiring land-use planning across all municipalities. Currently MODL only has development controls in approximately 12% of the municipality. Developing a comprehensive Municipal Planning Strategy (MPS) and Land Use Bylaw (LUB) is a major policy and public engagement endeavour. The Municipality has dedicated resources over the next two years to develop plans that meet the provincial requirements for development controls.

Having these plans in place will be a critical tool in guiding development in our communities. Planning will help Council in protecting natural environment, fostering growth centres, preserving distinct communities, encouraging climate change sensitive development, and will guide municipal Infrastructure decisions.

Emerging Issues

Establishing large, longer-term projects as priorities will help provide focus and resources to these major initiatives. However, Council will still continue to consider issues and opportunities that will require attention. Smaller scale but pressing community issues can still proceed and will be highlighted in the annual budget process. For example, projects such as the Lyme disease research and public education project

and anti-racism initiatives will continue in the 2023/24 budget and on Council’s regular agendas.

Council will also continue its role as an advocate for community issues that fall outside of municipal jurisdiction. For example, mobile phone coverage is inconsistent across the county and is impacting access to services, tourism & economic growth, quality of life, and emergency response. Council can continue to amplify these community concerns and advocate for improved service from mobile phone providers, the CRTC and the federal and provincial governments.

Process Revisions

As Council has focused on larger scale, strategic, and multi-year projects, there has been a need to shift processes to reflect the longer timelines and large scale of the work. Staff will engage Council in an in-depth review of strategic priorities every 4 years, with a mid-term check-in at the conclusion of a Council’s second year in a 4-year Council term.

Conclusion

The proposed four strategic priorities represent ambitious work that will move the Municipality forward as a leader in economic growth, recreation and public space, climate change mitigation and community planning. The proposed priorities align with Council’s new vision mission and values statement and speak to the municipal responsibilities as established in the Municipal Government Act.

Report Preparation	
Department	Administration
Report Prepared by	Alex Dumaresq, Deputy CAO
Report Approved by	
Date Reviewed by	
C.A.O.	