



TOWN OF KENTVILLE COUNCIL COVID-19 PROTOCOL AGENDA June 29, 2020 AGENDA

4:00 p.m.

1. CALL MEETING TO ORDER AND ROLL CALL

2. APPROVAL OF THE AGENDA

3. APPROVAL OF THE MINUTES

- (a) Budget Meeting minutes, May 29, 2020
- (b) Council Meeting minutes, June 8, 2020
- (c) Public Hearing minutes, June 17, 2020

4. UNFINISHED BUSINESS

- (a) Second Reading – Stoneridge Properties Rezoning Application (R2 to R3)
- (b) Land Use Bylaw Amendments – Municipal Election Signs
- (c) Land Use Bylaw Amendments – VCLA
- (d) Noise Bylaw Review
- (e) Downtown Space Allocation Report

5. RECOMMENDATIONS AND REPORTS

- (a) Councillors' and Mayor Reports
 - (1) Councillor Andrew
 - a. Kings Transit Authority
 - b. Joint Fire Services Committee
 - (2) Councillor Bolland
 - a. Valley Waste Resource Management Authority
 - (3) Deputy Mayor Gerrard
 - a. Board of Police Commissioners
 - (4) Councillor Maxwell
 - a. KCA/PTA
 - b. Annapolis Valley Trails Coalition
 - c. Parks and Recreation Advisory Committee
 - d. Bursary Selection Committee
 - (5) Councillor Savage
 - a. Investment (Perpetual Fund)
 - b. Kings Regional Sewer Committee
 - c. Diversity Kings
 - (6) Councillor Pulsifer
 - a. Annapolis Valley Regional Library



b. Kings Point-to-Point

(b) Mayor's Report

- a. Audit Committee**
- b. Water Commission**
- c. Regional Emergency Management Operation**
- d. Regional Enterprise Network**
- e. Source Water Protection Advisory Group**

6. CORRESPONDENCE

- (a) Public Art Request – Jamie Peerless**
- (b) Municipality of Barrington**

7. NEW BUSINESS

- (a) Request for Decision – Renaming of Cornwallis Street**
- (b) COVID-19 Town Hall Renovations**
- (c) Town of Kentville – Audit Report**

8. PUBLIC COMMENTS

9. IN CAMERA

- (a) Legal – Contract Negotiations**

10. ADJOURNMENT

TOWN OF KENTVILLE KENTVILLE TOWN COUNCIL CAPITAL BUDGET 2020-2021 MEETING (3) COVID-19 PROTOCOL

Meeting Minutes: May 29, 2020

This meeting was held via electronic means in accordance with the Direction from Minister Chuck Porter: “Effective at 2 pm on March 22, 2020, all municipal councils will discontinue holding their meetings in person, instead only virtual meetings may be held by video or telephone. Those virtual meetings must be recorded, and the minutes posted on a public website within 24 hours of the meeting.”

1. CALL TO ORDER AND ROLL CALL

Mayor Sandra Snow called the meeting to order at 9:00 a.m.

PRESENT

Chief Administrative Office (CAO) Kelly Rice reported that all members of Council were present: Mayor Sandra Snow, Councillor Eric Bolland, Deputy Mayor Craig Gerrard, Councillor Cathy Maxwell, Councillor Cate Savage and Councillor Lynn Pulsifer.

Staff in attendance included Chief Administrative Officer Kelly Rice, Director Debra Crowell, Director Rachel Bedingfield, Director Bev Gentleman, Director Dave Bell, Chief Julia Cecchetto, IT Manager Jason Bethune and Recording Secretary Jennifer West.

ABSENT

Councillor John Andrew

2. APPROVAL OF THE AGENDA

It was moved by Councillor Cate Savage, and seconded by Councillor Eric Bolland

That the agenda of May 29, 2020 be approved.

MOTION CARRIED

3. BUDGET PRESENTATIONS

(a) Capital Program 2020-2021 Projects

Director Crowell reviewed the second draft of the proposed capital budget for the Town of Kentville, inviting questions after each section.

Presentation Available

PROJECT OVERVIEW OF CHANGES TO DEPARTMENT:

ADMINISTRATION

Addition of \$20,000 for design work and tendering to support accessibility, security and safety improvements to Town Hall. The cost of these changes is not known at this time.

TRANSPORTATION SERVICES – PARKING LOT

Addition of \$165,400 for arena parking lot and light standards. This work could be done this year when the arena is closed, and when the Fire Department is also doing work. This work will include adding access from Kings Riverside to the downtown.

TRANSPORTATION SERVICES – SIDEWALKS

Addition of \$34,200 for sidewalks near Headliners and the Ultramar.

RECREATION DEPARTMENT – PARKS AND PLAYGROUNDS

Decreased by \$203,000 related to the skate park bowl, Memorial Park washroom facility (addition of \$17,000), and decrease for the dog park from \$70,000 to \$50,000.

- Points of Discussion
 - What is the capital acquisition related to the dog park? Fencing.
 - Do we suspect that by next year the Department of Environment approvals will be resolved? Director Bell is working with the province and this may include drilling test wells on that property.
 - Are there opportunities to use some AT funding to pave part of the trail? It would be Council's decision to pave the trail or not. Director Bedingfield recommends public consultation around paving the trail before pursuing this option.
 - How will the department deal with the existing bike racks? Those racks have been paid for and will be installed shortly.
 - Some believe that it may be a good idea to survey residents about paving the trail.

RECREATION DEPARTMENT – EQUIPMENT

Decrease of \$8,000 to reflect removal of bike racks from the budget.

- Points of Discussion
 - Could the recreation department install these bike racks this year? They will be installed this year- they were purchased late in the season last year and could not be installed.
- Review of Capital Project Plan for the next 4 years.
- What is the status of Burke subdivision in this budget? The five year plan includes this community, and also MacDonald community.
- Review of future outstanding debt, debt servicing, debt service ratio and debt affordability.

RECOMMENDATION TO COUNCIL

It was moved by Councillor Cathy Maxwell and seconded by Councillor Cate Savage

That Council approve the second draft of the 2020-2021 Capital Budget in the amount of \$2,135,100 and further that Council approve in principle future years up to and including 2024-2025.

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, Maxwell, Pulsifer, Savage and Snow

- A lot of debt is covered by debentures, can we repay those early? No.
- All of the infrastructure projects that have been put off over the past 10 years are a big challenge. How long should Council wait before they force these projects to proceed? Director Crowell indicates that announcements about government grants are given in advances. This makes it easy for local governments to move quickly to receive funds. The

Burke subdivision is on the 2021-2022 plan for stormwater, sanitary and street restoration, without funding. That will be the main project for that year. Within the next year, there will be announcements around infrastructure. When funding is announced Council can be consulted and the budget can be amended to support this work. Over the past 3 years, Council has been waiting for these announcements to coincide with this project.

- Some Councillors suggest a small increase in the tax rate to support this kind of project.
- The Burke subdivision upgrades may cost up to \$1,000,000.
- The Province has announced upcoming infrastructure funding, in addition to federal funding.
- If the province and the federal government announce funding this year, before November 2020, could a supplementary budget be brought to Council? Yes.

4. ADJOURNMENT

It was moved by Councillor Cate Savage

That the May 29, 2020 meeting of Council be adjourned at 9:55 a.m.

MOTION CARRIED

DRAFT

TOWN OF KENTVILLE COUNCIL MEETING COVID-19 PROTOCOL Meeting Minutes: June 8, 2020

This meeting was held via electronic means in accordance with the Direction from Minister Chuck Porter: “Effective at 2 pm on March 22, 2020, all municipal councils will discontinue holding their meetings in person, instead only virtual meetings may be held by video or telephone. Those virtual meetings must be recorded, and the minutes posted on a public website within 24 hours of the meeting.”

Town Hall is closed to the public. Council voted by poll.

1. CALL TO ORDER AND ROLL CALL

Mayor Sandra Snow called the meeting to order at 4:05 p.m.

PRESENT

Chief Administrative Office (CAO) Kelly Rice reported that all members of Council were present: Mayor Sandra Snow, Councillor John Andrew, Councillor Eric Bolland, Deputy Mayor Craig Gerrard, Councillor Cathy Maxwell, Councillor Cate Savage and Councillor Lynn Pulsifer.

Staff in attendance included Chief Administrative Officer Kelly Rice, Solicitor Geoff Muttart, IT Manager Jason Bethune and Recording Secretary Jennifer West.

REGRETS

None.

DECLARATIONS OF CONFLICT OF INTEREST

Councillor Andrew declares a conflict of interest around issues relating to 118 Oakdene Avenue. Councillor Pulsifer declares a conflict of interest around issues relating to the Kentville Historical Society.

Note: “Points from Discussion” below show various comments made by individual councillors during debate. They do not necessarily represent the opinion of the group, nor do they always reflect accurate information.

2. APPROVAL OF THE AGENDA

It was moved that the agenda of June 8, 2020 be approved with one addition

- Addition: 6.a Correspondence – David Mangle

MOTION CARRIED

3. APPROVAL OF THE MINUTES

(a) Minutes of Council meeting on April 29, 2019

It was moved that the minutes of Council meeting on April 29, 2019 be approved as distributed.

MOTION CARRIED

(b) Minutes of Council meeting on May 19, 2020

It was moved that the minutes of Council meeting on May 19, 2020 be approved as distributed.

MOTION CARRIED

(c) Minutes of Council meeting on May 20, 2020

It was moved that the minutes of Council meeting on May 20, 2020 be approved as distributed.

MOTION CARRIED

(d) Minutes of Council meeting on May 25, 2020

It was moved that the minutes of Council meeting on May 25, 2020 be approved as distributed.

MOTION CARRIED

4. DEPARTMENT REPORTS AND RECOMMENDATIONS

(a) Finance

(1) Director's Report

Mayor Snow received the report for the period ending May 31, 2020.

See report for more information

(b) Planning and Development

(1) Director's Report

Mayor Snow received the Planning report for May 2020.

See report for more information

• **Points of Discussion:**

- What are the details for the public hearings planned in the coming weeks? These meetings will be livestreamed, with opportunities for submitting questions prior to the meeting, and to call in during the meeting.
- Regarding the proposed changes to the Land Use Bylaw for the Valley Community Learning Association- is the department moving forward on this? The Town has not received the application yet, but it will likely be an amendment to the Land Use Bylaw.

(2) Community Economic Development Coordinator's Report

Mayor Snow received the CEDC report for May 2020.

See report for more information

- Points of Discussion:
 - What is the status of the opening of the Visitor Information Centre? There may be a virtual phone-only VIC opening soon. There is an issue with public washrooms, and with distributing materials to the public. Anyone serving the public is required to have a plan that shows they are meeting provincial guidelines.

(c) Parks and Recreation

(1) Director's Report

Mayor Snow received the Parks and Recreation report for May 2020.

See report for more information

- Points of Discussion:
 - What is the status of opening of the swimming pool this summer? The pool will not open this summer. Social distancing and gathering make it difficult to open this facility.
 - Could the splash pad be opened? It is a possibility.
 - In the inclusion and accessibility community, Kentville has been a leader for the recreation departments work on play kits.

(d) Police

(1) Police Commission Report

Mayor Snow received the Police Commission report for May 2020.

See report for more information

- Points of Discussion:
 - The Commission will next meet on June 19th.

(e) Engineering and Public Works

(2) Director's Report

Mayor Snow received the Engineering and Public Works report for May 2020.

See report for more information

- Points of Discussion:
 - What is the status of removing weeds at Belcher Street along the sidewalk? The CAO will consult with the Director and find that information.
 - What is the status of the Unsightly Premises report? A committee is working on this issue, and is reviewing all identified properties. Letters have been written to several property owners.
 - Has the 2019 survey responses on Unsightly Premises from the business community been reviewed for this committee? This has not been reviewed, parameters were used from the Municipal Government Act.

(f) Administration

(1) Communication Report

Mayor Snow received the Communications report for May 2020.

See report for more information

- Points of Discussion:
 - What is the intent to facilitate communication between the Town and the Kentville Business Community (KBC)? Is there a need to have more formal communication between the Town and KBC to ensure positive relations?
 - Who was responsible for telling KBC that the project would include removing 56 parking spaces, and that KBC should release a survey? Wording of a motion needs to be much more specific. Staff determined that input from the business community was warranted for this issue. More information needs to be collected around this issue.
 - The business community was alarmed by this Council motion.
 - The first step after making this motion was to reach out to the business community for their input.
 - Many businesses currently have lineups into stores, which makes physical distancing impossible on the sidewalks. There are challenges and opportunities to making more room for pedestrians, and for keeping parking and making room for more cars.
 - KBC should deliver a message to their members with the correct information as part of the engagement process. It is a difficult situation, perhaps a no-win situation.
 - During the May 25 meeting, several issues were brought up including closing Aberdeen and making more room for pedestrians. The motion was in principle and did not have specifics, in order to flush out more details.
 - The intention is good to bring more people downtown, but it is important to respect the business community.

(2) Chief Administrative Officer's Report

Mayor Snow received the CAO's report for May 2020.

See report for more information

- Points of Discussion:
 - The Town has a backyard pool bylaw, and a resident has a pool that is not being maintained. Does the Bylaw wording around "fail to maintain the pool" apply to a pool that is not being used? Yes, and the Bylaw Officer will look into this issue.
 - What is the status of the regional recreation strategy? Is has stalled due to the Covid pandemic.

It was moved by Councillor Cate Savage and seconded by Councillor Eric Bolland

That the reports from the directors be received.

MOTION CARRIED

Councillors who voted in favour of this motion:

Andrew, Bolland, Gerrard, Maxwell, Pulsifer, Savage and Snow

5. BUSINESS ARISING FROM THE MINUTES/OLD BUSINESS

(a) Banning of Municipal Election Signs

CAO Rice read the staff report outlining the challenges and opportunities to banning municipal election signage.

Report available

- **Points of Discussion**

- Councillor Bolland brought this to Council in 2019. This is an important issue for the environment, and also is an expensive requirement for candidates. It would be good for Kentville to make a change on this issue.
- Council sought legal input on this issue, and a report is not ready yet. Solicitor Muttart believes that a ban may not withstand charter scrutiny. There could be a regulation around the material that signs are made of.
- Signs are an eye-sore for the Town, and purchasing them is a barrier for some people to enter politics. There may be newer and more innovative ways to promote candidates. The signs may be an opportunity for people to engage with elections without internet access.
- Will the sign ban cover municipal, provincial and federal election signs?
- The environmental issues are separate from prohibition issues.
- How do other municipalities manage to have no signs? Some might have “handshake agreements” between candidates not to use signs. There is a chance that a judge could rule against this action with expensive repercussions.
- It may be more difficult to campaign with social distancing in the fall. New candidates may be at a disadvantage.

Councillor Maxwell calls Point of Order on Mayor Snow regarding a comment Mayor Snow made to Councillor Bolland.

Councillor Maxwell calls Point of Order on Mayor Snow regarding a comment that Mayor Snow made to Councillor Maxwell.

- Signage could be upcycled, and could be recycled to reduce plastics going to landfills. An alternative is to limit the number of signs for each candidate, and to have designated areas for signs.
- The Town of Yarmouth has passed this in that area. All Kentville residents have internet access. There is additional information about the Yarmouth ban.
- Does Valley Waste send this material to Chest to be processed? Where does Valley Waste send this material? The signs are not recyclable in this jurisdiction, and Valley Waste is not aware of recyclable election signs.
- This subject requires more dialogue, and deserves respectful discussion and research.
- The discussion should be continued during an In Camera session in order to disclose further legal information.

RECOMMENDATION TO COUNCIL

It was moved by Councillor Eric Bolland and seconded by Councillor John Andrew

That Council approve the banning of Municipal Election signage in the Town of Kentville and direct staff to move forward with the required amendments to the Land Use Bylaw for a public hearing in July.

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, and Maxwell

Councillors who voted against this motion: Pulsifer, Savage and Snow

(b) Kentville Historical Society Grant Request

CAO Rice read the staff report outlining the details of the Kentville Historical Society grant applications in 2019 and in 2020.

Report available

7. CORRESPONDENCE

(a) David Mangle – June 8, 2020

The organization Extinction Rebellion wrote to Councillor Eric Bolland to support his request for a ban on municipal election signs.

Letter available

8. NEW BUSINESS

(a) Kentville Historical Society

Councillor Pulsifer removes herself from the discussion of this item.

CAO Rice read the report outlining a request to move forward with the development of a small legacy green space near the Kentville Historical Society Heritage Centre.

Letter available

RECOMMENDATION TO COUNCIL

It was moved by Councillor Cathy Maxwell and seconded by Councillor Cate Savage

That Council approve the creation of a legacy green space, celebrating the 150th anniversary of the first Masonic Lodge #58, adjacent to the Via station on Town of Kentville owned land in partnership with the Kentville Historical Society at no cost to the Town of Kentville.

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, Maxwell, Savage and Snow

9. IN CAMERA

It was moved by Deputy Mayor Craig Gerrard and seconded by Councillor John Andrew

That Council proceed to a closed session at 5:19 pm to discuss a legal matter.

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, Maxwell, Savage, Pulsifer and Snow

It was moved by Deputy Mayor Craig Gerrard and seconded by Councillor Cate Savage

That Council return to open session at 6:30 pm

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, Maxwell, Pulsifer, Savage and Snow

It was moved by Councillor Eric Bolland and seconded by Councillor John Andrew

That based on legal opinion shared in camera that Council rescind the motion to approve the banning of the municipal election signage.

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, Maxwell, Pulsifer, Savage and Snow

It was moved by Councillor Craig Gerrard and seconded by Councillor Lynn Pulsifer

That Council direct staff to draft an amendment to the Land Use Bylaw to limit the number of municipal election candidate signs to 6.

MOTION CARRIED

Councillors who voted in favour of this motion: Andrew, Bolland, Gerrard, Maxwell, Pulsifer, Savage and Snow

10. ADJOURNMENT

It was moved by Councillor John Andrew and seconded by Deputy Mayor Craig Gerrard

That the June 8, 2020 meeting of Council be adjourned at 6:35 p.m.

MOTION CARRIED

DRAFT

TOWN OF KENTVILLE PUBLIC HEARING STONERIDGE PROPERTY, PROPERTY ID 55290241 COVID-19 PROTOCOL

Meeting Minutes: 4:30 p.m. June 17, 2020

1. CALL TO ORDER AND ROLL CALL

PRESENT

Mayor Sandra Snow, Deputy Mayor Craig Gerrard, Councillor John Andrew, Councillor Eric Bolland, Councillor Cathy Maxwell, Councillor Lynn Pulsifer and Councillor Cate Savage.

Chief Administrative Office (CAO) Kelly Rice, Director of Planning Bev Gentleman, Economic Development Coordinator Lindsay Young, IT Manager Jason Bethune and Recording Secretary Jennifer West. Chrystal Fuller, Brighter Community Planning and Consulting representing Stoneridge Properties.

REGRETS

None.

2. OPENING OF THE PUBLIC HEARING

Mayor Snow opened the public hearing by welcoming everyone and providing an outline of the meeting process.

3. REVIEW OF GENERAL RULES OF CONDUCT

Director Gentleman reviewed the general rules of conduct for public participation in this meeting.

4. PUBLIC HEARING

(a) Presentation by Planner Beverly Gentleman

Director Gentleman reviewed the process of completing a rezoning application, including a description of the property, description of provincial statements of interest, and the reason for this request.

Presentation available

(b) Presentation by Applicant

Ms. Fuller from Brighter Community Planning and Consulting for Stoneridge Properties gave a presentation about the proposal to rezone this property to allow for residential development on a shared driveway and to promote housing options.

Presentation available

5. COMMENTS FROM THE PUBLIC

(a) Ian Peck, 141 School Street

- What is the Town doing to reduce trespassing, and what will the developer do to reduce water flowing from this property?
- Good engineering practices will manage stormwater on this site and will prevent additional stormwater from leaving the site.

- It is difficult to control trespassing on to private property.

(b) Ron Cousins, 88 School Street

- How will the developer keep people out of his woodlot? He does not want kids to be able to play in his woods.
- There may be opportunities through the site planning process to make it more difficult for people to trespass through woodlots or private property (fencing, stormwater structures, paths, signage).
- Will the developer pay for a fence?
- There may be ways to incorporate signage or fencing into a site plan, at the cost of the developer.

(c) Cynthia Peck, 141 School Street

- Ms. Peck has some of the same concerns as Mr. Cousins including trespassing. Wants to know what is going on at that site. Concerns about ice and flooding issues.
- Stormwater management will be addressed in the site plan.

(d) Catherine Herber, 44 Spring Garden Road

- Ms. Herber's property is adjacent to proposed development. She has concerns about the natural springs which run all the time. The developer needs to finish the construction of ditches and fences in that area, at the expense of the developer. Would like to see fewer trespassers. Would like to ensure that the driveway culvert will be replaced.
- Regarding the open ditches, this could be an artifact of the old Land Use Bylaw. The work cited by Ms. Herber should be completed by the developer prior to the application being approved.

(e) Steve Clouthier, 15 Overlook Road

- Mr. Clouthier supports the development, with careful planning and community consultation. He wants to ensure that homeowners are protected, and property development is strategic.
- Is the purpose of the rezoning going to make it easier for the owner to sell the property? The submission is inadequate and lacks sufficient detail.
- The detailed site assessment and traffic studies must be completed and may show that some issues can be resolved, and others cannot.

(f) Karuna Singh-Smith, 81 Spring Garden Road

- Ms. Singh-Smith outlines her concerns which include
 - o the site evaluation plan as part of the review process.
 - o steep slopes and stormwater management. What erosion and sedimentation studies have been completed?
 - o water flow, public services, traffic and littering.
 - o water, pedestrian traffic increase, buffer between Spring Garden and development.
- There has not been a determination of the number or size of apartment buildings. They might be town houses or stacked townhouses. The exact development form has not yet been determined. Studies will sort out all these issues if the rezoning is approved.
- Stormwater is an important consideration which impacts site planning. The zoning bylaw is clear about setbacks and parking requirements.
- Does not support this rezoning at this time.

(g) Jaimie and Aaron Peerless, 35 Overlook Road – June 15, 2020

- General concerns about changes now impacting the community and families in the future.

Submitted Letter Attached

(h) Jesslyn Munro and Mark Hughes, 33 Overlook Road – June 10, 2020

- Request to delay decision on this matter to allow more robust community consultation.
- Concerns about 7 issues with the development application – they do not support this application in its current state.

Submitted Letter Attached

(i) Paul Ross, address unknown – June 10, 2020

- General support for the project, but some concerns about water runoff and traffic access.

Submitted Letter Attached

(j) Kathy Ross-Laing – June 11, 2020

- Concerns about water runoff from this development – she does not support this application.

Submitted Letter Attached

(k) Colin Pottie, 221 Prospect Avenue – June 12, 2020

- Support for this development, support for helping Kentville grow.

Submitted Letter Attached

(l) Larry Honey, 47 Academy Street

- Conditional support for the development, with concerns about drainage, water services, traffic, and the timeline.

Submitted Letter Attached

(m) Steve and Wendy Clouthier, 15 Overlook Road – June 14, 2020

- Concerns about 9 issues with the development application – they do not support this application in its current state.

Submitted Letter Attached

(n) John and Jacqueline Hire, 31 Overlook Road – June 15, 2020

- Concerns about several issues with the development application – they do not support this application in its current state.

Submitted Letter Attached

6. CLARIFICATION FOR COUNCIL

Councillor Savage

- How will the developer complete the prep work including open ditches?
- The site planning approval process will ensure that all these issues will be dealt with.

Councillor Andrew

- There is a need for affordable housing in Kentville, there is a housing crisis in this area and across the country. Housing diversity needs to be considered further.

Deputy Mayor Gerrard

- Has there been a traffic impact study?
- Not yet, a traffic study would be completed after more details of the development are known.

Councillor Maxwell

- Is the site development plan a public process?
- Yes, there will be public consultation and an opportunity for residents to review the plan.

Councillor Pulsifer

- Appreciate the detail in the Council packages

Councillor Bolland

- Concerns about this proposal and specific properties.
- There are provisions in the Land Use Bylaw for slopes, and for this kind of development.

Mayor Snow

- Regarding stormwater ponds- can these be used by residents to water gardens? Is there any consideration for green buildings grants?
- These grants are often done through partnerships and will be considered. Many efficiency considerations are covered in the new Federal Building Code.

Councillor Savage

- What are the impacts associated with the Donald Hiltz Connector Road?
- If the second entrance is needed, will there be a traffic impact study based on number of units.
- From a developer's perspective, will their proposal address all required services including fire and emergency service traffic?

Deputy Mayor Gerrard

- Is there a threshold for traffic because this is a minor collector road?
- There is no threshold, but there could be improvements and changes in the future.

7. ADJOURNMENT

It was moved by Councillor Cate Savage and seconded by Councillor Eric Bolland

That the June 17, 2020 meeting of Council be adjourned at 6:47 p.m.

MOTION CARRIED



TO: Council

FROM: Beverly Gentleman, Director of Planning and Development

DATE: June 29, 2020

SUBJECT: **Second Reading:** Stoneridge Rezoning R-2 to R-3 Application: PID #55290241

On May 25, 2020 Council gave first reading to an application for a rezoning of a parcel of land on Prospect Ave owned by Stoneridge Properties Limited. The application was to rezone a 26 +/- acre parcel of land from One-and-Two Unit Dwelling (R-2) to Medium Density Residential (R-3).

A Virtual Public Hearing was held Wednesday June 17, 2020 at 4:30 PM. Residents were invited to make their opinions known to Council via written submissions; by attending the online meeting via Zoom; by calling in; or by sending an email during the live Facebook stream to the CAO.

- 9 written submission were received;
- 4 calls were received; and
- No emails were submitted during the Live streaming of the meeting on Facebook

Several reoccurring questions and comments were received during the meeting regarding:

- stormwater runoff;
- traffic problems;
- insufficient details regarding layout;
- steep slopes.

As advised during the Public Hearing, the above noted items will be addressed once the applicant/property owner submits development plans for review; until such time it is impractical to undertake those studies until it relates to a tangible project. Therefore,

Recommendation

It is therefore my recommendation that Council approve Second reading on the Rezoning request for PID# 55290241 from One-and-Two Unit Dwellings (R-2) to Medium Density Residential (R-3)



TO: Council

FROM: Beverly Gentleman, Director of Planning and Development

DATE: Monday June 29, 2020

SUBJECT: Proposed Amendments to the Land Use Bylaw to limit the number of political signs a candidate may erect to a maximum of 6.

ORIGIN

Environmental concerns brought forward by Councilor Bolland

BACKGROUND

Concern over the environmental impact of signs that cannot be recycled; the cost to candidates to purchase election signs; the desire to end “sign wars”; the improper placement of signs and the stress of enforcement of the improper placement of signs are the reasons Councilor Bolland feels municipal election signage must be regulated.

As a result, Council at their June 8, 2020 meeting voted unanimously to direct staff to draft amendments to the Land Use Bylaw to limit the number of municipal election signs, specifically candidates’ signs to six (6).

RECOMMENDATIONS

It is the recommendation that Council give first reading to the following resolution to amend the Land Use Bylaw to limit the number of municipal election signs per candidate to six (6) and to hold a Public Hearing on Wednesday July 22, 2020 at 2:00 PM.

TOWN OF KENTVILLE

AMENDMENTS TO

the

Land Use Bylaw

“BE IT RESOLVED that the Land Use Bylaw for the Town of Kentville be amended as follows”:

- (1)** Part 1 Definitions, is hereby **amended** by adding the following immediately after the definition “Cabaret”: **“Candidate”** means a person who has been officially nominated as a candidate for the office of councillor or mayor in the Town of Kentville pursuant to section 48 of the Municipal Elections Act, RSN 1989, c.300, as amended;
- (2)** Part 1 Definitions, is hereby **amended** by adding the following immediately after the definition of “Directional Sign”: **“Election Candidate Sign”** means a sign or poster containing a message that promotes or opposes the election of a candidate, including one that takes a position on an issue with which a candidate is associated, and which is authorized by the candidate or their official agent;
- (3)** Part 4 General Provisions, section 4.3.3 Signs Which Do Not Require a Development Permit, subsection h) is hereby **amended** by replacing the words after the word “not” **“be posted earlier than 30 days prior to an election and such signs shall not remain in place for more than 7 days following the election for which the sign was erected”**;
- (4)** Part 4 General Provisions, section 4.3.3 Signs Which Do Not Require a Development Permit, subsection h) is hereby **amended** by adding immediately after the word *erected* the words

 - i. No more than six election candidate signs shall be erected or displayed by or on behalf of a candidate within the Town of Kentville**



TO: Council

SUBMITTED BY: Beverly Gentleman, Director of Planning and Development

DATE: Monday May 29, 2020

SUBJECT: Amendment to the Land Use Bylaw to allow Public and private schools in the One-and-Two Unit Dwelling Zone (R2) subject to conditions.

<https://youtu.be/bVmo9DYxMOK>

ORIGIN

Valley Community Learning Association (VCLA) is a not-for-profit charitable school that works to raise the literacy levels of adults in Kings and Annapolis Counties, in Nova Scotia, Canada. VCLA does this by offering a range of free classes and 1-1 tutoring in such areas as the GED, basic literacy, English as an additional language, numeracy, health literacy, family literacy, computer literacy, trades-related upgrading and youth programming.

BACKGROUND

VCLA have outgrown their current space at 49 Cornwallis Street and have been looking for a new location for a few years. VCLA have an opportunity to purchase the former Christian Reform Church at 118 Oakdene to relocate and expand their school. Executive Director Peter Gillis presented their vision to relocate to 118 Oakdene to Council at their May 25, 2020 meeting, and asked if Council would support any amendments required to the Municipal Planning Strategy and Land Use Bylaw to allow the property to be used as a school. Council unanimously voted to support any necessary changes to the planning documents to facilitate VCLA's move to 118 Oakdene Avenue (Councillor Andrew withdrew as he declared a conflict of interest)

DISCUSSION

In January 2019, TOK's current Municipal Planning Strategy and Land Use Bylaw received Ministerial approval. During the development of the plan, Council was proactive not to rely too heavily on the use of Development Agreements due to the cost and lengthy timelines

required to get projects approved. Instead, policy and language were adopted in the MPS and LUB that would allow certain uses subject to conditions (which is what a development agreement essentially does).

The policy within the Municipal Planning Strategy that endorses certain non-residential uses within residential zones is as follows:

5.5 Other Uses in Residential Areas

Policy RS-19 *It shall be the intention of Council* to ensure that areas designated Residential are used primarily for residential purposes. However, the following additional uses may be permitted in the Residential Designation subject to the relevant policies of this Strategy and the provisions of the Land Use By-law:

- a) Public and private schools;
- b) Parks and open spaces;
- c) Existing Churches and church halls;
- d) Groups homes and homes for special care;
- e) Neighborhood day care centers;
- f) Special Events Facilities; and
- g) Bed and breakfasts;

As an example, Bed and Breakfast's are permitted uses within the (R-2) zone subject to conditions outline in the LUB. (The following is taken from the Land Use Bylaw)

5.3 One and Two Unit Dwelling (R2) Zone

5.3.1 Permitted Uses

The following uses shall be permitted as-of-right in the One- and-Two Unit Dwelling (R2) Zone subject to the requirements of the Bylaw:

- Single Unit Detached Dwelling
- Two Unit Dwelling
- Residential Care Facility, Home for Special Care, Small Option Home or Group Homes to a maximum of 4 bedrooms devoted to residential care use

5.3.2 Permitted Uses with Conditions

The following uses shall be permitted in the One and Two Unit Dwelling (R2) Zone subject to the requirements of this By-law:

- a) Ancillary Dwelling Units subject to Section 5.1.1 of this By-law.
- b) Home Based Businesses, in accordance with Section 5.1.2 and 5.1.3 of this By-law.
- c) **Bed and Breakfast, in accordance with Section 5.1.4 of this By-law**
- d) Inns, in accordance with Section 5.1.5 of this By-law.
- e) Converted dwellings subject to 5.1.11 of this By-law

Section 5.1.4 states:

5.1.4 Special Requirements for Bed and Breakfasts

In addition to all other requirements under this By-law, the following special provisions shall apply to a Bed and Breakfasts:

- a) Parking for a Bed and Breakfast shall be 1 space per rental room and shall be located at the side or rear of the property. Where it is not practicable to do so as a result of existing building or lot configuration, parking may be permitted at the front of the property;
- b) 1 business identification sign subject to 5.1.2 (e), being a maximum of 3 ft² (0.28 m²) affixed to the building and and 1 ground sign not exceeding 4 ft (1.21 m) in height may be permitted. The sign shall have a minimum front and side yard setback of 5 ft (1.52 m);
- c) Operates within a single detached dwelling unit that is occupied as a residence by the proprietor of the bed and breakfast;
- d) Consists of a maximum of 4 guest rooms; and
- e) The property does not front on a local road, as defined by the Transportation Map, Map#2 of the Municipal Planning Strategy.

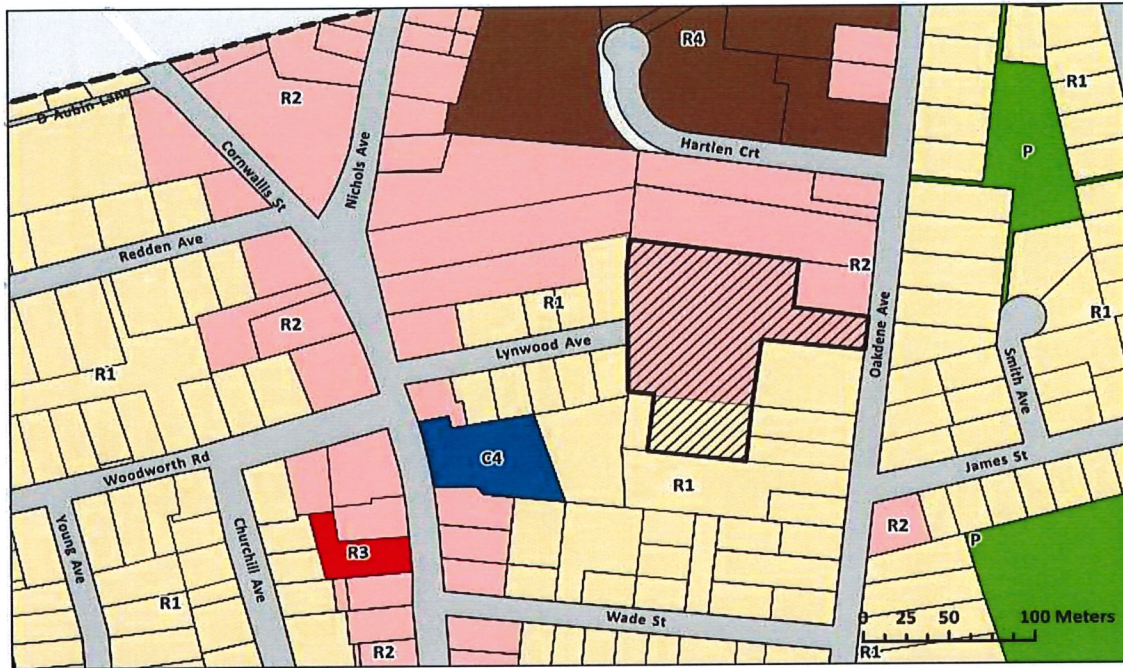
From a community planning perspective schools have been considered a neighborhood anchor and focal point. They help define a neighborhood's character and promote a strong sense of community for residents. Schools located in residential communities reinforce community life and ensure easy walkable distances for students. They also provide physical places for community gathering for cultural or sporting events or on a smaller scale places to walk the dog or play on the playground or school field. It is also important from an accessibility perspective to locate schools that provide options to walk, bike and use public transit.

In summary, schools play a major role in neighborhood design and community wellbeing; however certain conditions should be taken into consideration regarding where they are located such as limiting access from a local street or proximity to a bus route etc.

To facilitate the request of the applicant it is my recommendation to include "Public and Private schools" in accordance with Council's Policy RS-19, as a permitted use with conditions within the One and Two Unit Dwelling (R-2) Zone. Those conditions could include:

- Exterior lighting regulations
- Signage;
- Access to a minor or major collector road, etc.

Zoning Map



Location Map





POLICY IMPLICATIONS

The proposed amendment is supported by existing Policy RS-19 to allow Public and Private Schools within Residential Areas

BUDGET IMPLICATION

The redevelopment of the subject property could provide additional tax revenue.

RECOMMENDATIONS

It is the recommendation of staff that Council give first reading to the following Resolution to amend the Land Use Bylaw to permit Public and Private Schools within the R-2 zone, subject to Conditions and hold a Public Hearing July 22, 2020 at 2:00 PM

The Specific amendments proposed are set out in the following Resolution.

TOWN OF KENTVILLE

AMENDMENTS TO

the

Land Use Bylaw

“BE IT RESOLVED that the Land Use Bylaw for the Town of Kentville be amended as follows:”

- (1) Immediately following the definition of Public Park, Part 1 Definitions, is hereby amended by adding the words ***“Public and Private Schools” A publicly or privately funded educational institution designed to provide learning spaces and learning environments for the teaching of students***

- (2) Immediately following clause e) 5.3.2 Part 5, Residential Zones, Permitted Uses with Conditions, is hereby **amended** by adding the words ***“f) Public and Private Schools subject to 5.1.13”***; and

- (3) Immediately following subsection 5.1.12 l) Part 5, Residential Zones, is hereby **amended** by adding the words

“5.1.13 *Special Requirements for Public and Private schools*

In addition to all other requirements under this Bylaw, the following provisions shall apply to Public and Private Schools:

- a) ***All exterior lighting within the Property shall not be directed upon streets or neighbouring properties and shall be full cut-off fixtures approved by the International Dark Sky Association;***
- b) ***The property owner shall at all times maintain the Property in a neat and presentable condition including the structures, driveways, landscaping and parking areas;***
- c) ***One (1) wall sign with a maximum area of 15% of the facade; and one (1) ground sign maximum 16 square feet and 10 feet in height;***
- d) ***The property does not front on a local road, as defined by the Transportation Map, Map #2 of the Municipal Planning Strategy;***
- e) ***No dormitories shall be permitted;***
- f) ***All setbacks shall meet the minimum requirements of the Institutional (I) Zone;***
- g) ***All school property's must be within 1000 feet of public transit”*** after the word neighbourhood.

TO: COUNCIL

SUBMITTED BY: CAO

DATE: June 29, 2020

SUBJECT: Draft Noise Bylaw

ORIGIN Council received a request from a resident to consider the implementation of a Noise Bylaw.

BACKGROUND Council received a request on December 9, 2019 at the Council Advisory Committee meeting from a resident asking Council to consider the implementation of a noise bylaw because of issues they were experiencing with a neighbouring property. At that time, Council directed staff to research and bring back a draft for their review and input.

DISCUSSION Council requested staff to research and draft a document for their review and input. During the drafting of the document we looked at other municipal noise bylaws and conversations took place with staff around enforcement and past practices. We also had input from our Solicitor and his comments and recommendations have been incorporated into this first draft.

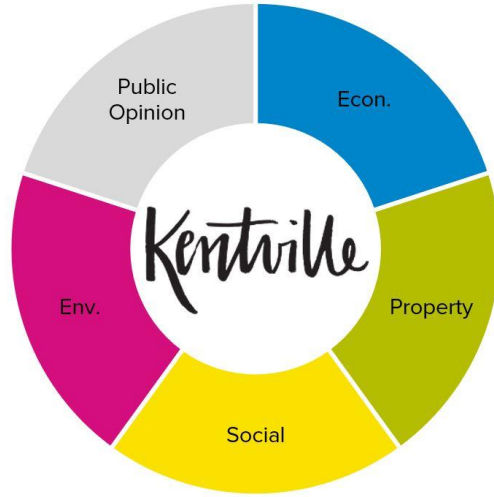
POLICY IMPLICATIONS N/A

BUDGET IMPLICATION If implemented, approx.. cost would be \$1,000

ATTACHMENTS N/A

RECOMMENDATION Staff awaits further instruction from Council.

Town of Kentville Decision Wheel:





TOWN OF KENTVILLE BY-LAW CHAPTER 99 NOISE BYLAW

1.0 PURPOSE

This By-Law is entitled the “Noise By-Law”.

2.0 DEFINITIONS

2.1 “Building” means any permanent structure consisting of a roof supported by walls that is used or intended to be used for the shelter, accommodation of persons, animals, goods, chattels, or equipment.

2.2 “Bylaw Enforcement Officer” means a person appointed by the Chief Administrative Officer who is a Special Constable or Bylaw Officer pursuant to the Nova Scotia Police Act or similar legislation and empowered by such appointment to enforce this bylaw.

2.3 “Dwelling Unit” means living quarters that

2.3.1 are accessible from a private entrance, either outside the building or in a common area within the building.

2.3.2 are occupied or, if unoccupied, are reasonably fit for occupancy.

2.3.3 contain kitchen facilities within the unit.

2.3.4 have toilet facilities that are not shared with the occupants of other dwelling units.

2.4 “Highway” includes public highway, street, lane, road, alley, sidewalk, parking lot, driveway, park, beach or place including bridges, any part of which is intended for or used by the general public for the passage of vehicles or persons, and includes private property that is designed to be and is accessible to the general public for the pedestrian and motor vehicle use.

2.5 “Occupier” means:

2.5.1 A person who is in possession of a Dwelling Unit, or

2.5.2 A person who has responsibility and control over the condition of dwelling unit or the activities there carried on.

notwithstanding that there is more than one occupier of the same dwelling unit

2.6 "Person" means a corporation as well as an individual

2.7 "Police Officer" means a member of the Kentville Police Service authorized to provide police services to the Town of Kentville.

2.8 "Property" means any public or private place in the Town of Kentville, including but not limited to Highways, parks, parking lots, yards appurtenant to a Building or Dwelling, or vacant lands.

2.9 "Public Place" means a Highway, public park, parking lot or other lands to which the public has access as of right or by invitation and includes private property that is exposed to public view.

2.10 "Sound System" shall include a public address system or any other device or apparatus, whether operated electronically, mechanically or in any other way whatsoever, whether movable or stationary, whether located inside or outside a dwelling unit or motor vehicle, that reproduces, amplifies, emits, or transmits sounds.

2.11 "Town" means the Town of Kentville.

3.0 SCOPE

This Bylaw applies to the Town of Kentville in its entirety.

4.0 PROCEDURE

4.1 The following acts, among others are hereby declared to be noises which disturb or tend to disturb the peace and tranquility of the Town of Kentville or any portion of it;

4.1.1 All activities proscribed in Schedule A

4.2 In a prosecution for a violation of the Bylaw, evidence that one person is disturbed or offended is prima facie evidence that the public or the neighbourhood is disturbed or offended.

4.3 It is a defense to a charge under this section that there was another occupier who had a greater right of possession or greater responsibility and control over the dwelling unit in question at the time of the prohibited activity.

4.4 This By-Law does not apply to the following:

- 4.4.1 Employees of the Town of Kentville, the Government of Canada, the Province of Nova Scotia, or Nova Scotia Power Incorporated when those employees are acting in the reasonable execution of their duties;
 - 4.4.2 Noises emitted by machinery or equipment when used under the provisions of section 4.5.1,
 - 4.4.3 A person or a corporation, or an employee of such persons or corporation, reasonably performing work at the request of any party described in 4.5.1;
 - 4.4.4 Noise emitted by machinery or equipment used in snow removal and snow clearing operations to provide safe and unimpeded access to and egress from health care and health service facilities, where the responsible health care provider has concluded that such operations must be carried out at that time.
 - 4.4.5 Noises in connection with athletic, recreational or school activities in arenas, playing fields, courts, school grounds or in park areas between the hours of 7 a.m. and 11 p.m.;
 - 4.4.6 Noises in relation to religious activities between the hours of 7 a.m. and 11 p.m.;
 - 4.4.7 Noises in relation to parades, street dances, or other community activities between the hours of 7 a.m. and 11 p.m. subject to permission having been granted under Section 4.6 of this By-Law;
 - 4.4.8 The regulation of any loud and unnecessary noise in or from the engine, exhaust system, braking system, or from the contact of the tires with the roadway, by a motor vehicle from starting, driving, turning, stopping, or accelerating;
 - 4.4.9 The regulation, registration, licensing or identification of vehicles, or the use of the highway by such vehicles, both categories of which are within the jurisdiction of the Motor Vehicle Act.
- 4.5 Notwithstanding any other provision of this By-Law, it is lawful to emit or cause or permit the emission of noise in connection with:
- 4.5.1 Emergency measures undertaken for the immediate health, safety and welfare, or any of them, of the inhabitants of the Town;

- 4.5.2 Emergency measures undertaken for the preservation of property;
 - 4.5.3 Construction activities between the hours of 7 a.m. and 10 p.m. for which a Building Permit has been issued by the Town;
 - 4.5.4 Agricultural activities carried on by a farm operation.
- 4.6 An exemption from the application of this bylaw may be considered or may not be considered by the Town Council as it deems appropriate prior to the contemplated activity commencing. In those cases where an exemption is to be considered the following terms shall apply:
- 4.6.1 Notwithstanding anything contained in this Bylaw, any persons in the Town may make application to the Council to be granted an exemption from any of the provisions of this Bylaw with respect to any emission of noise for which that person might be prosecuted. The Council may refuse to grant any exemption applied for or may grant the exemption applied for or any exemption of lesser effect. Any exemption granted shall specify the time period, not in excess of six months, during which the exemption shall be effective and the exemption shall be in written form and shall include such terms and conditions as the Council deems appropriate.
 - 4.6.2 In deciding whether or not to grant an exemption, the Council shall give consideration to the social or commercial benefit of the proposed activity, the views of any residents which may be expressed concerning the request, the proposed hours of operation of the proposed noise making activity, the proposed duration of the subject activity and the level of noise anticipated to be generated by the activity. Prior to making a decision concerning an exemption application, Council shall request a report and recommendation from the Town of Kentville.
 - 4.6.3 In those cases where an exemption is granted, the Council may revoke the exemption if it believes that a breach of same has occurred.
 - 4.6.4 Any alleged breach by the applicant of any of the terms or conditions of any exemption granted by the Council shall be investigated by staff and reported to the Council in writing. The Council shall determine whether or not a breach has taken place and where it determines that a breach has taken place as much as five (5) days may be allowed for ceasing the activity.

4.7 Every person who contravenes any of the provisions of the By-Law is guilty of an offence and shall, on summary conviction be liable to a fine of not less than one hundred dollars (\$100.00) and not more than three hundred dollars (\$350.00).

5.0 ASSOCIATED DOCUMENTS

Schedule A

6.0 CLERK'S ANNOTATION FOR OFFICIAL BY-LAW BOOK

Date of first reading:

Date of advertisement of Notice of Intent to Consider:

Date of second reading:

*Date of advertisement of Passage of By-Law:

Date of mailing to Minister a certified copy of By-Law:

I certify that this Noise Bylaw – Chapter 100 was adopted by Council and published as indicated above.

Clerk

Date

*Effective Date of the By-Law unless otherwise specified in the By-Law

Schedule A

Part 1: Activities proscribed at all times:

1. The operation of any combustion engine or pneumatic device without an effective exhaust or intake muffling device in good working order and in constant operation;
2. The operation of a vehicle or a vehicle with a trailer resulting in banging, clanking, squealing or other like sounds due to an improperly secured load or equipment or inadequate maintenance;
3. The operation of a motor vehicle horn or other warning device except where required or authorized by law or in accordance with good safety practices;
4. The detonation of fireworks or explosive devices not used in construction or quarrying;
5. The discharge of firearms except when used as a signaling device in a sporting competition;
6. The operation of a combustion engine which is used in or intended for use in a toy or a model or replica of any device, which model or replica has no function other than amusement or which is not a conveyance;
7. The operation of a recreational vehicle or boat within 4 meters of a dwelling unit without the consent of an adult occupant of the dwelling unit;
8. The operation of an engine or motor in, or on, any motor vehicle or item of attached auxiliary equipment for a continuous period exceeding five minutes unless:
 - a. the original equipment manufacturer specifically recommends a longer idling period for normal and efficient operation of the motor vehicle in which case such recommended period shall not be exceeded;
 - b. operation of such engine or motor is essential to a basic function of the vehicle or equipment, including but not limited to, operation of ready-mixed concrete trucks, lift platforms and refuse compactors;
 - c. weather conditions justify the use of heating or refrigerating systems powered by the motor or engine for the safety and welfare of the operator, passengers or animals, or the preservation of perishable cargo, and where the vehicle is stationary for purposes of delivery or loading;
 - d. prevailing low temperatures make longer idling periods necessary immediately after starting the motor or engine;
 - e. the idling is for the purpose of cleaning and flushing the radiator and associated circulation system for seasonal change of antifreeze, cleaning of the fuel system, carburetor or the like, when such work is performed other than for profit.
9. The operation of any item of construction equipment in a residential area without effective muffling devices in good working order and in constant operation and in compliance with the Town's Idling Bylaw Chapter 77;

Part 2:

Activities proscribed on a Sunday, Monday, Tuesday, Wednesday, Thursday, before 7:00 a.m. or after 11:00 p.m.; on a Friday or Saturday before 7:00 a.m. and after midnight; and on a Statutory Holiday or Remembrance Day before 7:00 a.m. and after 11:00 p.m.:

10. The operation in the outdoors of any power tool for domestic purposes other than snow removal or gardening;
11. Yelling, shouting, hooting, whistling, singing or playing musical instruments.
12. The use or operation of any commercial vacuuming equipment such as rug cleaning equipment;
13. The operation of any public address system or any other device or apparatus, whether operated electronically, mechanically or in any other way whatsoever, whether moveable or stationary, whether located inside or outside a dwelling unit or motor vehicle, that reproduces, amplifies, emits or transmits sounds in a manner such that the sound from the equipment being operated is audible beyond the bounds of the property from which the noise is emitted;
14. The operation of any motorized conveyance other than on a street or other place intended for its operation;
15. The operation of snow or ice making equipment;
16. The use or operation of construction equipment, except where such equipment is used or operated on any highways;
17. Construction and the operation of any equipment in connection with construction;
18. The operation of any powered rail car including but not limited to refrigeration cars, locomotives, or self-propelled passenger cars, while stationery on property not owned or controlled by a railway governed by the Canada Railway Act.
19. Operation of any refrigeration unit which is attached to a refrigeration trailer unless the refrigeration trailer is in motion;
20. The operation of a garborator, solid waste bulk lift, refuse compacting equipment or hydraulic dumpster associated with a commercial enterprise;
21. The operation of a commercial car wash;
22. All selling or advertising by shouting or outcry or amplified sound;
23. The venting, release or pressure relief of air, steam or other gaseous material, product or compound from any autoclave, boiler pressure vessel, pipe, valve, machine, device or system;



TO: Council

SUBMITTED BY: Lindsay Young, Community & Economic Development Coordinator

DATE: June 23, 2020

SUBJECT: Downtown Space Allocation

ORIGIN

On May 25 2020 an RFD regarding the allocation of space downtown was submitted, and subsequently reviewed and supported by Town Council. Since that time, staff have investigated the potential for the re-allocation of space downtown in order to provide additional space in which visitors to town, and businesses can co-exist.

BACKGROUND

In February of 2020, the CEDC presented a plan for the “Centre Square Activation Project” to town council. That report is attached to this one as a supporting document.

DISCUSSION

During the course of the staff investigation that followed the May 25th meeting, it became evident that the implementation of the original plan for the Centre Square Activation Project would solve many of the desired outcomes expressed in the RFD. The Activation Project will allow for more pedestrian only space, social distanced seating, and common area for visitors to the downtown. As noted in the attached original report from February, KBC is in support of this proposal.

Form original report:

“KBC has endorsed the design concept and the Activation portion at the board level by unanimous motion and has agreed at the staff level to support programming in the space through their new events strategy. We envision live music, theatre performances, and even food demos taking place on Thursday and Friday nights. KBC has plans to purchase a portable stage to be used for this purpose, and that could also be rented or borrowed by other groups wanting to host smaller events in the space.”

In addition to the above info from KBC, discussions have occurred with various groups including KBC since the pandemic response began, about the use of Centre Square for businesses downtown who may benefit from additional space. One specific idea is to promote Centre Square as an area for additional restaurant seating. “Pub Hub” in Centre Square would allow for people or families who want to patronize restaurants but may not be comfortable in that environment yet for various reasons, to grab take out from any Kentville establishment and enjoy socially distanced seating outside in Centre Square. Programming options for the space are also under discussion and ideas include those listed in the original February report as well as stand up comedy and other live performances from groups like Valley Ghost Walks and others.

POLICY IMPLICATIONS

Much of the information in the original report was written without the application of a COVID-19 lens, but coincidentally and pleasantly fits into our collective revised strategies for accommodating people in our downtown core during the pandemic up to and including any potential future waves.



OTHER POINTS FOR CONSIDERATION

1. The portion of property in Centre Square being proposed for this project is Town owned
2. Permanent reduction of parking spaces = 0
3. Temporary reduction of parking spaces = 12
4. Supported by KBC Board and staff
5. Supported by data collected from the January “Looking Ahead 2020” survey to businesses and residents along with other data that has been reviewed recently
6. Funds are already in the budget for the tree portion of the Centre Square Activation Project, additional funding will be sought from Department of Municipal Affairs through the beautification and streetscaping grant to support the purchase of benches, planters, banners and lighting.

BUDGET IMPLICATION

Town Council allocated \$23, 300 in the 2020-2021 Capital Budget to cover the installation of the shade trees. Trees will be installed in the fall. Additional funds will be sought from the Beautification and Streetscaping Grant, and if awarded will be used for planters, benches, lighting, and signage.

ATTACHMENTS

Centre Square Activation Project recommendation report to Town Council, February 2020.

Respectfully Submitted.

Lindsay Young
Community & Economic Development

COUNCIL COMMITTEE AND ATTENDANCE REPORT

KENTVILLE TOWN COUNCIL

Name: John Andrew

Date: June 27

Date of Last Council Meeting Attended: May 25

Date of Last Council Advisory Meeting Attended: June 8

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
June 17, 23	Kings Transit Authority	BDO audit completed / Service has resumed / Application to UARB re. route changes
June 24	Accessibility Advisory Committee	
June 24	Joint Fire Service	/Matt Boates retirement from Kentville Fire Service

Conference and Trip Attendance and Synopsis

Date	Conference/Travel	Synopsis
		-

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis
May 29	Budget Review	
June 17	Stoneridge Rezoning Application	

Committee Meeting Synopsis – Completed by Committee Representative only

Detail	Synopsis		
Committee Name		Meeting Date:	
Meeting Highlights:			
Budget:			
New Projects:			

**COUNCIL COMMITTEE AND ATTENDANCE REPORT
KENTVILLE TOWN COUNCIL**

Policy Changes:	
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COUNCILOR REPORT

KENTVILLE TOWN COUNCIL

Name: Eric Bolland

Date: June 23,2020

Date of Last Council Meeting Attended: May 25, 2020

Date of Last Council Advisory Meeting Attended: June 8, 2020

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
June 17th, 2020	Valley Waste Resource Mgmt	See notes below

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis
June 17th	Public hearing for re-zoning application for Stone Ridge properties	Despite not having a traditional public meaning, there was lots of emails and call ins from residents expressing their current concerns that need to be addressed and those of the future if the application is approved and the project moves forward.

Misc Events

Date	Synopsis
June 6th	Attended the Black Lives Matter gathering and march in Kentville.

COMMITTEE MEETING SYNOPSIS – COMPLETED BY COMMITTEE REPRESENTATIVE ONLY

Detail	Synopsis		
Committee Name	Valley Waste Resource Mgt	Meeting Date:	June 17 ,2020
	General Manager's report:		

COUNCILOR REPORT

KENTVILLE TOWN COUNCIL

	<ul style="list-style-type: none">• Mgmt sites are re-opened with some days approx. 320 vehicles waiting to get in at the western and Eastern centres.• A transition is coming to change from bins to curbside pick-up for cottage owners in many locations.• Fuel savings up to end of March was approx. \$30,000 due to Covid• Extensive presentation of our consolidated financial statements• An update for CAO's regarding the re-worked management by-law is coming after further review from the County of Kings and the legal team.• All enviro depots are open to the public.• Valley Waste staff has attended to litter clean-ups this spring. Four truckloads of ocean debris were removed from Morden Beach and another 3 loads from litter that accumulated along Black Hole Road.
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COUNCILOR REPORT

KENTVILLE TOWN COUNCIL

Name: Craig Gerrard

Date: June 24, 2020

Date of Last Council Meeting Attended: May 25, 2020

Date of Last Council Advisory Meeting Attended: June 8, 2020

Date of Last Governance Session Attended:

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
June 17, 2020	Public hearing on re-zoning of Prospect land	

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis

Conference Attendance and Synopsis

Date	Conference	Synopsis



COUNCILOR REPORT

KENTVILLE TOWN COUNCIL

COMMITTEE MEETING SYNOPSIS – COMPLETED BY COMMITTEE REPRESENTATIVE ONLY

Detail	Synopsis		
Committee Name	Kentville Police Commission	Meeting Date:	June 19, 2020
Meeting Highlights:	Recommend the Collective agreement to council Short discussion about the body worn cameras. Speed signs and painting of crosswalks		
Budget:			
New Projects:			
Policy Changes:			

Misc Events

Date	Synopsis

Councilor Report

Kentville Town Council

Name: Cathy Maxwell

Date: June 22, 2020

Date of Last Council Meeting Attended: May 25, 2020

Date of Last Council Advisory Meeting Attended: June 8, 2020

Date of Last Governance Session Attended:

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
May 28, 2020	Scholarship and Bursary Committee	This committee which includes myself, Mrs Wendy Hood and Mrs Marina DeWolfe (all retired teachers) met and determined this year's recipients of the TOK awards. This year the Nola Folker Hill Award was shared (\$750 each) by Katherine Myers and William Watts. The other three awards for \$500 each went to, Crew Bailey, Kailey Bennett and Aiden Bradley
June 19, 2020	Police Commission Meeting	See Chair Gerrard's report

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis
May 26, 2020	CAO Evaluation (6mo)	
May 29, 2020	Budget Finalization	
June 6, 2020	Black Lives Matter Walk for Justice	A very well attended event despite the rain. I was very impressed with the organization and the fact that 95% at least had masks on!

Councilor Report

Kentville Town Council

June 17, 2020	Public Hearing for Stoneridge Development	This was a rezoning hearing
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COUNCIL COMMITTEE AND ATTENDANCE REPORT

KENTVILLE TOWN COUNCIL

Name: Cate Savage

Date: June 24h

Date of Last Council Meeting Attended: May 25th

Date of Last Council Advisory Meeting Attended: June 8th

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
May 26 th	Meeting with council (in camera)	Discuss CAO Evaluation
May 29 th	Budget meeting	Finalize capital budget discussions
June 2 nd	CAO Evaluation	Mayor Snow and myself delivered the CAO evaluation – the evaluation included discussions with staff (directors) and council who opted to partake in the evaluation as they saw fit. This was a 6 month evaluation only.
June 10 th	IAC	End of April 2020 – portfolio down -3.47%. Discussions continued around revamping our portfolio while respecting but slightly revamping our IAP. Portfolio balance north of 13 million.
June 17 th	Public Hearing – Stone Ridge R2-R3	Calls were responded to via Economic Development Officer Lindsay Young who hosted the meeting and for a first zoom interactive meeting managed to capture the spirit of the calls and requests for folks to speak. Democracy at it's best. Thanks Lindsey and thanks to all the resident who called in to express their concerns ...views and wishes for the project.
June 18 th	Regional Sewer Committee	Asset management plan is a work in progress. Operations update – Ponds in good shape – Cloration is good. The new aeration is a help in this regard. With regards to compliance – pepsi is offside and they are being dealt with. More discussions around the sludge project: Design project 2021 – construction 2022 -

Conference and Trip Attendance and Synopsis

Date	Conference/Travel	Synopsis

COUNCIL COMMITTEE AND ATTENDANCE REPORT

KENTVILLE TOWN COUNCIL

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis

Committee Meeting Synopsis – Completed by Committee Representative only

Detail	Synopsis		
Committee Name		Meeting Date:	
Meeting Highlights:			
Budget:			
New Projects:			
Policy Changes:			

Misc Events

Date	Synopsis



**COUNCIL COMMITTEE AND ATTENDANCE REPORT
KENTVILLE TOWN COUNCIL**

COUNCIL COMMITTEE AND ATTENDANCE REPORT

KENTVILLE TOWN COUNCIL

Name: Lynn Pulsifer

Date: June 27, 2020

Date of Last Council Meeting Attended: May 25, 2020

Date of Last Council Advisory Meeting Attended: May 11, 2020

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
May 26	CAO Evaluation (in camera)	Council met to conduct the 6-month Evaluation of our CAO
May 26	Kings Point to Point	Met via Teleconference. KPPT has been approved for the Community Links Emergency Funding. This grant is to assist seniors and vulnerable people with transportation for essential services. KPPT has also received the NS Small Business Impact Grant of \$5,000. The Accountant's Review of Financial Statement to be completed by the first part of June. KPTP continues to provide service during COVID.
May 28	Accessibility Advisory Meeting	Guest speaker was Gerry Post, Executive Director of NS Accessibility Directorate. He talked on accessibility planning for Municipalities. Many challenges to overcome as we move towards being Accessible NS by 2030. Major one is the retrofit of older building to a "Gold Standard".
May 29	Budget Review	Draft Budget Review
May 29	Annapolis Valley Regional Library Board	Finance Board Meeting
June 11	Mentoring Plus Meeting	Meeting with Mike Cameron, Coordinator for Kentville, and Lindsay Young. Review and discussion re moving the project ahead in the Town of Kentville.
June 17	Public Hearing	Public Hearing on Application for a rezoning of Stoneridge Properties on Prospect Avenue from R-2 to R-3.
June 18	Annapolis Valley Regional Library Board Meeting	Annual Meeting with review and approval of Audited Financial Statement presented by Grant Thornton. Implementation of Phase 3 approach to reopening the library Branches has begun. This will involve coordinating any modifications to the spaces, as required in a post COVID-19 world. Site visits to all eleven locations are being conducted by Library Management and a list of modifications to

COUNCIL COMMITTEE AND ATTENDANCE REPORT

KENTVILLE TOWN COUNCIL

		spaces will be compiled. There will be some expenses incurred to the towns and municipalities to ensure compliance with the NS Health Authority requirements for opening. Hopefully the libraries will be able to open by the early part of uly.
June 23	Mentoring Plus Meeting	Mentoring Plus/Municipality Monthly Meeting with all Provincial Members. Mike Cameron Mentorship Plus Program Coordinator in Kentville has been busy contacting mentors/agencies regarding the initiative. Seeing if they are interested in participating and being a part of this. Also Mike has been meeting with various Kentville Business groups.
June 23	Kings Point to Point	Bylaws are being reviewed. Grants still being received from different levels of government. Drives have increased in the past week, and vehicles continue to use plastic and Velcro as the safest way to separate drivers and passenger. A special recognition to the efforts of Faye, our Manager, and Dianna, who continued to staff the office throughout COVID to ensure all clients were served.

Conference and Trip Attendance and Synopsis

Date	Conference/Travel	Synopsis

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis

Committee Meeting Synopsis – Completed by Committee Representative only

Detail	Synopsis		
Committee Name			
Meeting Highlights:			

COUNCIL COMMITTEE AND ATTENDANCE REPORT

KENTVILLE TOWN COUNCIL

Budget:	
New Projects:	
Policy Changes:	

Misc Events

Date	Synopsis

Councilor Report

Kentville Town Council

Name: Sandra Snow

Date: 24 June 2020

Date of Last Council Meeting Attended: 8 June 2020

Date of Last Council Advisory Meeting Attended: 9 March 2020

Date of Last Governance Session Attended: N/A

Committee Meeting Attendance and Synopsis

Date	Committee	Synopsis
21 May 20	VREN Board Meeting	COVID 19 protocols, update of Regional Task Force
22 May 20	Engage NS Quality of Life	Conversation with Local Leadership Team and how we move forward with COVID-19 limitations
25 May 20	Valley Waste	IMSA Action – update by Mayor Muttart
26 May 20	Atlantic PACE	Discussion on the application to FCM and go forward business model
26 May 20	CAO Committee	Review input for 6 month evaluation
27 May 20	NSFM Mayors and CAO	<ol style="list-style-type: none"> 1. NSFM Update – Pam Mood <ol style="list-style-type: none"> a. Code of conduct b. Election c. broadband 2. Adjournment
28 May 20	Valley REN	Regional Recovery Taskforce Discussion
29 May 20	Budget – Capital	Capital Budget Update based on Council input from 19 May meeting – budget passed
2 Jun 20	CAO Committee	CAO 6-month eval
3 Jun 20	NSFM Mayors and CAO	<ol style="list-style-type: none"> 1. NSFM Update – Pam Mood – 2. Questions 3. Adjournment
8 Jun 20	Atlantic PACE	Discussion on the application to FCM and go forward business model

Councilor Report

Kentville Town Council

9 Jun 20	Contracted Fire Services	Discussion with 14 Wing Executive and Camp Aldershot CO
10 Jun 20	Atlantic PACE	Discussion with PACE Atlantic CIC on Kentville model and funding
10 Jun 20	Investment Advisory Committee	May 12 Fund Value: \$13,080,574 Jun 8 Fund Value: \$13,492,497
10 Jun 20	Kings Mayors	Economic recovery of the region Major issues facing each Municipality Changes to assessment based on income for some commercial properties (hotels/malls)
10 Jun 20	NSFM Mayors and CAO	1. NSFM Update – Pam Mood – 2. Deputy Minister Dean 3. Deputy Minister MacLellan 4. Update on Liberal caucus meeting 5. Adjournment
11 Jun 20	Valley REN	Regional Recovery Taskforce Discussion
15 Jun 20	VREN – Audit Committee	Review of audit documentation for FY19/20
15 Jun 20	MFC – Board Meeting	AGM and Spring Debenture approval
16 Jun 20	KVFD Chief	Fire Services
16 Jun 20	Engage NS Quality of Life	Conversation with Local Leadership Teams from across the province
17 Jun 20	Public Hearing	Rezoning for Stoneridge from R2 to R3
24 Jun 20	NSFM Mayors and CAO	1. NSFM Update – Pam Mood a. COVID lost revenue 2. MP Andy Fillmore 3. Deputy Minister MacLellan 4. Adjournment

Town of Kentville Event Attendance and Synopsis

Date	Event	Synopsis
22 May 20	Municipal Wellness Day	Walkabout to Town Departments to thank staff for work over the COVID-19 lock down



Councilor Report

Kentville Town Council

22 May 20	AVCC Business Development Business Meeting	Economic Recovery – with MP Kody Blois
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Conference Attendance and Synopsis

Date	Conference	Synopsis
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Misc Events

Date	Synopsis
22 May 20	Morning Show with Darrin Harvey – Krock
28 May 20	Telecon with MP Kody Blois
8 Jun 20	Drop off letters to KCA for Grade 8 Graduates
11 Jun 20	Meeting with Kathy Boutelier wrt NKEC Grade 12 graduation and support from Town of Kentville
17 Jun 20	Kings County Senior Safety AGM 2020
19 Jun 20	Certificate of retirement presentation to Thelma Gee at Headliner Studio for 50 years of work as a Hairdresser, Salon Owner, Chair Renter, and above all Friend to her many clients in Kentville
19 Jun 20	65 th Wedding Anniversary Certificate presented to Gord and Hazel Gould, long-time residents of Kentville
22 Jun 20	Meeting with Kathy Boutelier wrt NKEC Grade 12 graduation and support from Town of Kentville
23 Jun 20	Telecon Paul Pineo
23 Jun 20	Flowercart AGM

From: Jaimie Corbin <JaimieCorbin@hotmail.com>
Sent: Tuesday, June 16, 2020 12:22 PM
To: Kelly Rice <krice@kentville.ca>
Subject: Mural Proposal

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Kelly,

I have been talking to Sandra Snow for over a year about my desire to paint a mural on the side of the Rec Building facing New Minas. The mural concept was to honor the hard work and dedication that Bryan Gibson has offered to our community over the past 30 years. He has given selflessly to being a boxing coach and has helped many misguided youths find a way to channel their inner anger (myself included). He was an Olympian in the 1976 summer Olympics, and is one of the greatest men I have known. A few months ago, I was talking to him and he had stated that he is about to retire the club. This means the end of an era, and I would very much like to move forward on this if there is an opportunity to do so.

I talked to Cate Savage and she told me to reach out to you to start the ball moving in the right direction.

Jaimie L. Peerless

Co-Owner / Manager
Phantom Effects

www.phantomeffects.com

Phantom's FreakShow Haunted House

www.phantomsfreakshow.com

Web Developer, Educational Platform
creo™ (Comprehensive Research Education Online)

www.creohealtheducation.ca

IWK Research Services PR & Design

www.iwk.nshealth.ca/research/research-iwk

Web Developer, Educational Platform
MicroResearch International Online Education

www.microresearch-international.ca



June 16, 2020

TO ALL MUNICIPAL UNITS IN NOVA SCOTIA:

The Municipality of Barrington Fire Services would like to take this opportunity to express our thanks to the municipal units who drafted letters in support of our volunteer fire department level 1 training personal development credit application to the Department of Education and Early Childhood Development.

I am happy to announce that on May 25, 2020 I received an email accepting the Volunteer Firefighting Level 1 Program as a personal development credit starting in the fall of 2020.

More information on the personal development credit program can be found at:
<https://pdc.ednet.ns.ca/policy-guides-forms>

I would ask that you please pass this information on to your fire departments. This program will be another tool in the recruitment toolbox and will also acknowledge the students for their volunteer service.

Sincerely,


Dwayne Hunt

Fire Service/EMO Coordinator

APPENDIX B: REQUEST FOR DECISION FORM

Name:			
Date:		Date Submitted to CAO:	

Request for Decision – Initial – to be completed by Council Member

Detail	Synopsis				
Decision Requested:					
Background: What? Who? How? When?	Property <input type="checkbox"/>	Public Opinion <input type="checkbox"/>	Environment <input type="checkbox"/>	Social <input type="checkbox"/>	Economic <input type="checkbox"/>
Strategic Implication: with Dashboard	Current <input type="checkbox"/>	Short Term <input type="checkbox"/>	Long Term <input type="checkbox"/>		
Budget:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Policy:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Desired Outcome:					
Recommendation:	Report/Document: Attached <input type="checkbox"/> Available <input type="checkbox"/> Nil <input type="checkbox"/>				

Request for Decision – CAO Initial Review

Detail	Synopsis
Department: select all that apply	Governance/Legislative <input type="checkbox"/> Protective Services <input type="checkbox"/> Administration <input type="checkbox"/> Planning <input type="checkbox"/> Engineering Public Works <input type="checkbox"/> Parks and Recreation <input type="checkbox"/> Finance <input type="checkbox"/> Economic Development <input type="checkbox"/>
Decision Requested:	Operational Matter <input type="checkbox"/> Decision of Council Required <input type="checkbox"/> Policy Change <input type="checkbox"/> Other <input type="checkbox"/>
Background:	

Town of Kentville, Policy G69: Council Reports Policy

Budget:	
Staff Workload:	
Policy:	
Response Options:	
Preferred Strategy:	
CAO Comments:	

Background:

Around the province, the name Cornwallis is slowly being removed from public buildings or infrastructures due to its offensiveness to the First Nations people. Looking back on the town's history:

Former Kentville Town Council decided to drop the name The Cornwallis bridge in favour of a past Mayor.

Annapolis Valley First Nation submitted an application to GeoNova, the body that governs place names in NS in the spring of 2016 to change the name of the Cornwallis River. They were unsuccessful.

A petition with hundreds of signatures surfaced when the name Cornwallis was still on the construction site of the new bridge (Sept 2017)

Jan 2018: Halifax Council voted to remove the statue from Halifax park

Cornwallis Inn has been re-named The Main Street Inn recently.

Changing the name of this street in our town further demonstrates our respect for the residents in this town and all Nova Scotians, especially the First Nations people and the Acadians.



TO: COUNCIL

SUBMITTED BY: Dave Bell, Director of Engineering & PW

DATE: June 29, 2020

SUBJECT: Town Hall Renovations – Security improvements and COVID-19

ORIGIN

The reopening of Town Hall requires a medical barrier (COVID-19, etc.) and it is felt that a more permanent solution than hanging plexiglass be considered that also incorporates recommendations for a recent KPS security audit.

BACKGROUND

A security audit conducted by KPS recommended that public access to restricted areas of Town Hall such as Finance, IT, upstairs offices, council chambers, etc. be limited and granted by a staffed reception desk in Finance. These renovations would also provide a medical barrier (COVID-19, etc.) for staff that frequently interact with the public at both the Finance and Recreation reception areas.

DISCUSSION

Jost Architects were commissioned to design tender ready drawings and specifications for the proposed improvements to the Finance and Recreation reception areas. This also includes construction estimates.

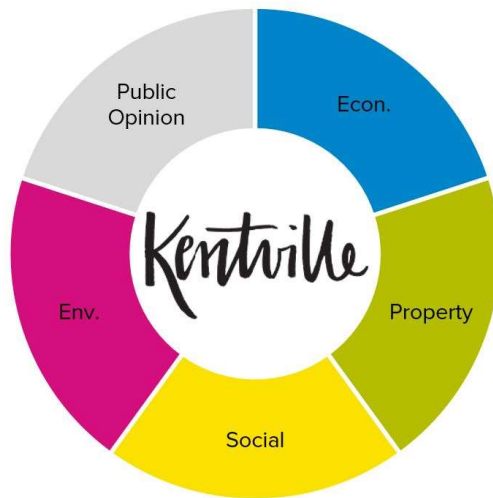
POLICY IMPLICATIONS N/A

BUDGET IMPLICATION Jost Architects construction estimate is expected on Friday June 26th which I will forward to Council and discuss in detail during Monday's Council meeting.

ATTACHMENTS Drawings and Estimates are expected by the end of the day on Friday which I will review and present to Council on Monday.

RECOMMENDATION That based on the submitted report, plans, and estimates that Council approve the tender of security and medical barrier renovations to the Finance and Recreation reception areas.

Town of Kentville Decision Wheel:



Town of Kentville
Management's Report
March 31, 2020

DRAFT

The accompanying consolidated financial statements, notes and schedules contained in the annual financial statement of the Town of Kentville are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA"). The preparation of the consolidated financial statements necessarily includes some amounts which are based on the best estimates and judgements of management.

To assist in its responsibility, management maintains accounting, budget and other internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that the financial records are reliable for the preparation of financial statements.

Town Council fulfils its responsibility through its budget committee and regular review of monthly financial reports. The budget committee consists of the Mayor, all Councillors, the Chief Administrative Officer and all Directors. This committee meets as necessary to deal with budgetary issues. Regular meetings of Town Council deal with all other financial matters including the receipt and approval of the annual audited financial statements.

The consolidated financial statements have been audited by the firm of Kent & Duffett. Their report to the Mayor and Town Council, stating the scope of their examination and opinion of the consolidated financial statements follows.

Kelly Rice
Chief Administrative Officer

Debra A. Crowell
Director of Finance

Town of Kentville

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**Annual Financial Report
Consolidated Financial Statements
Kentville Water Utility Non-consolidated
Financial Statements**

March 31, 2020

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Town of Kentville

Annual Financial Report

Consolidated Financial Statements

Kentville Water Utility Non-consolidated Financial Statements

Contents

	<u>Page</u>
Annual Financial Report	1-30
Management's Report	31
Town of Kentville Consolidated Financial Statements	Section A
Town of Kentville Water Utility Non-consolidated Financial Statements	Section B

Town of Kentville
Consolidated Financial Statements
March 31, 2020

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**Town of Kentville
Consolidated Financial Statements**

Contents

Section A

	<u>Page</u>
Index	
Independent Auditors' Report	1-2
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Cash Flow	5
Consolidated Statement of Change in Net Financial Assets	6
Notes to the Consolidated Financial Statements	7-24
Schedules to Consolidated Statement of Financial Activities	25-32
Schedule of General Operating Fund and Sanitary Sewer Area Service	33-34
Schedule of General Capital Fund	35
Schedule of General Capital Fund Investment in Capital Assets	36
Schedule of Water Operating Fund	37
Schedule of Water Capital Fund	38
Schedule of Water Capital Fund Investment in Capital Assets	39
Reserve Funds Statement of Financial Position	40
Schedule of Reserve Funds	41
Schedule of Segmented Information- 2020	42
Schedule of Segmented Information- 2019	43

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Town of Kentville
Consolidated Statement of Financial Position

March 31

2020

2019

Financial Assets

Cash (Note 3)	\$ 5,384,582	\$ 4,261,539
Receivables (Note 4)	1,909,312	2,041,054
Properties held for sale (Note 5 & Note 19)	67,836	145,082
	<u>7,361,730</u>	<u>6,447,675</u>
Investments (Note 6)		
Restricted	10,000,000	10,000,000
Unrestricted	3,265,260	3,121,662
	<u>13,265,260</u>	<u>13,121,662</u>
	<u>20,626,990</u>	<u>19,569,337</u>

Liabilities

Bank loan	620,803	1,007,367
Payables	2,040,662	2,110,596
Deferred revenue- obligatory reserve fund	99,525	24,624
Other	375,360	315,106
Long-term debt (Note 7)	6,362,870	6,884,020
Tax sale surplus	12,043	12,043
	<u>9,511,263</u>	<u>10,353,756</u>
NET FINANCIAL ASSETS	<u>11,115,727</u>	<u>9,215,581</u>

Non-Financial Assets

Tangible capital assets (Note 11)	42,225,208	42,454,176
Prepaid expenses	81,561	85,402
Other	6,162	9,933
	<u>42,312,931</u>	<u>42,549,511</u>

ACCUMULATED SURPLUS

\$ 53,428,658	\$ 51,765,092
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On behalf of the Town

Mayor

Chief Administrative Officer

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Town of Kentville
Consolidated Statement of Operations

Year Ended March 31

2020

2019

	<u>Page</u>	<u>Budget</u> <u>unaudited</u>	<u>Actual</u>	<u>Actual</u>
Revenues				
Taxation revenue	A-25	\$ 7,096,100	\$ 7,105,050	\$ 6,781,507
Grants in lieu	A-25	500,400	512,905	509,468
Services provided	A-26	211,500	247,888	211,317
Sales of services	A-26	633,800	603,520	657,396
Other revenue from own sources	A-26	503,200	512,804	475,479
Unconditional transfers	A-26	226,900	224,478	229,684
Conditional transfers	A-26	141,200	183,006	187,858
Transfer- Federal Gas Tax		478,200	837,953	946,868
Grants		87,500	17,536	54,160
Wastewater rates		1,279,000	1,391,179	1,273,820
Water rates		1,273,800	1,263,060	1,274,999
Public fire protection		603,700	721,264	603,731
Other revenue		6,400	14,772	6,706
Interest and dividends		554,300	690,406	662,815
Capital gains		100,000	163,007	108,475
Proceeds from sale of assets		29,500	34,180	76,029
		<u>13,725,500</u>	<u>14,523,008</u>	<u>14,060,312</u>
Expenses				
General government services	A-27	1,515,700	1,533,157	1,439,615
Protective services	A-28	2,955,700	2,886,150	2,897,676
Transportation services	A-29	1,727,700	1,763,123	1,658,734
Environmental health services	A-30	701,400	687,102	674,773
Public health services	A-30	9,500	9,500	4,000
Environmental development services	A-30	681,800	684,383	667,155
Recreation and cultural services	A-31	1,360,400	1,293,288	1,297,817
Water		1,033,300	956,615	953,338
Wastewater		1,068,400	983,594	1,239,290
Net book value of tangible assets disposed			19,581	92,469
Amortization		1,972,200	2,062,384	1,956,747
Other				3,227
		<u>13,026,100</u>	<u>12,878,877</u>	<u>12,884,841</u>
Annual surplus, before Other		699,400	1,644,131	1,175,471
Other				
Properties held for sale			19,435	(727,419)
Annual surplus		699,400	1,663,566	448,052
Accumulated surplus, beginning of year		51,765,100	51,765,092	51,317,040
Accumulated surplus, end of year		<u>\$ 52,464,500</u>	<u>\$ 53,428,658</u>	<u>\$ 51,765,092</u>

See accompanying notes to the consolidated financial statements

A-4

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Town of Kentville
Consolidated Statement of Cash Flow

March 31

	2020	2019
	<u>Actual</u>	<u>Actual</u>
Operations		
Annual surplus	\$ 1,663,566	\$ 448,052
Amortization	2,062,384	1,956,747
Changes in non-cash working capital		
Decrease in taxes receivable	17,759	37,247
Decrease in other receivables	113,983	149,772
Decrease in properties held for sale	77,246	905,354
(Decrease) increase in payables	(69,934)	732,527
Increase (decrease) in deferred revenue- obligatory reserve fund	74,901	(476,164)
Increase in other liabilities	60,254	29,740
Decrease (increase) in non-financial assets	7,612	(2,133)
Cash from operating activities	<u>4,007,771</u>	<u>3,781,142</u>
Capital transactions		
Acquisition of tangible capital assets	(1,852,997)	(2,392,433)
Proceeds from sale of capital assets	34,180	76,029
(Gain) loss on sale of capital assets	(14,599)	16,441
Cash for capital transactions	<u>(1,833,416)</u>	<u>(2,299,963)</u>
Investments		
(Increase) in investments	<u>(143,598)</u>	<u>(112,359)</u>
Financing		
(Decrease) in bank loan	(386,564)	(547,726)
Proceeds from debt issue	731,400	916,000
Long-term debt principal repayment	(1,252,550)	(1,388,620)
Cash from financing activities	<u>(907,714)</u>	<u>(1,020,346)</u>
Change in net cash	<u>1,123,043</u>	<u>348,474</u>
Opening, net cash	4,261,539	3,913,065
Closing, net cash	<u>\$ 5,384,582</u>	<u>\$ 4,261,539</u>

On behalf of the Town

Mayor

Chief Administrative Officer

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Town of Kentville
Consolidated Statement of Change in Net Financial Assets

March 31

2020

2019

	<u>Budget</u> <u>unaudited</u>	<u>Actual</u>	<u>Actual</u>
Excess revenue over expenses	<u>\$ 699,400</u>	<u>\$ 1,663,566</u>	<u>\$ 448,052</u>
Changes in tangible capital assets			
Acquisition of tangible capital assets	(3,031,300)	(1,852,997)	(2,392,433)
Proceeds on disposal		34,180	76,029
(Gain) loss on disposal of tangible capital assets		(14,599)	16,441
Amortization	<u>1,972,200</u>	<u>2,062,384</u>	<u>1,956,747</u>
Decrease (increase) in net book value of tangible capital assets	<u>(1,059,100)</u>	<u>228,968</u>	<u>(343,216)</u>
Changes in other non-financial assets			
Acquisition of prepaid and deferred charges (net of usage)		3,841	(4,974)
Other		<u>3,771</u>	<u>2,841</u>
Decrease (increase) in non-financial assets		<u>7,612</u>	<u>(2,133)</u>
Increase in net financial assets	<u>\$ (359,700)</u>	<u>1,900,146</u>	<u>102,703</u>
Opening, net financial assets		9,215,581	9,112,878
Closing, net financial assets		<u>\$ 11,115,727</u>	<u>\$ 9,215,581</u>

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Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

1. Status of the entity

The incorporated Town of Kentville (the "Town") is a municipal government that was incorporated in 1886 pursuant to the Municipal Government Act. The Town provides or funds municipal services such as police, public works, parks and recreation, tourism and other general government operations. The Town owns one utility, has several designated special-purpose reserves and provides funding support for other financial entities involved in fire fighting, economic development, solid waste management, public transit and library services.

2. Significant accounting policies

The consolidated financial statements of the Town of Kentville are prepared by management in accordance with Canadian Public Sector Accounting Standards for local governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Town and which are owned or controlled by the Town. Interdepartmental and organizational transactions and balances are eliminated.

The financial activities of certain entities associated with the Town of Kentville are not consolidated. The Town's contributions to these entities are recorded in the Consolidated Statement of Operations. The entities that are not consolidated, along with the Town's percentage contribution, are as follows:

- Kings Transit Authority (20%) (2019-20%)
- Housing Nova Scotia (25%) (2019-25%)
- Regional library – Annapolis Valley (5.82%) (2019-5.82%)
- Annapolis Valley Centre for Education (10.3%) (2019-10.52%)
- Regional sewer (40%) (2019-40%)
- Valley Waste Resource Management Authority (9.95%) (2019-9.95%)

b) Basis of accounting

Revenues and expenditures are reported using the accrual basis of accounting. This basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or a legal obligation to pay.

c) Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates can be made.

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

2. Significant accounting policies (continued)

d) Fund accounting

Funds within the consolidated financial statements consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, short-term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

f) Investments

The Town of Kentville uses the cost method of accounting for its portfolio investments.

g) Non-financial assets

Non-financial assets are not available to discharge the existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

h) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair market value upon acquisition and are recorded as revenue.

Interest paid on projects in progress is capitalized as part of the cost of the project. During the year, \$3,931 (2019-\$6,798) of interest costs were capitalized. The cost, less residual value, of the tangible capital asset is amortized on a straight-line basis over its useful life. Assets under construction are not amortized until the asset is put into use. Amortization is recorded as an expense commencing in the year following acquisition.

The estimated useful lives are as follows:

<u>Asset</u>	<u>Years</u>	<u>Rate</u>
Office equipment	5 years	20%
Motor vehicles	3-5 years	33%-20%
Fixed and moveable equipment	10 years	10%
Sidewalks	20 years	5%
Municipal buildings	40 years	2.5%
Other infrastructure	50 years	2.0%

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Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

2. Significant accounting policies (continued)

i) Revenue recognition

Revenues are recognized as they are earned and measurable. Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made. Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

j) Use of estimates

In preparing the Town's consolidated financial statements, management is required to make estimates and use assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

k) Valuation allowance

Uncollected receivables

The Town provides a valuation allowance for estimated losses that will be incurred in collecting receivables outstanding.

l) Interest on reserve funds

Interest on operating and capital reserve funds is recorded as income in the Town of Kentville General Operating fund with the exception of interest earned on the funds for the administration pension, which is being accumulated in that reserve, interest earned on KWC Depreciation bank, which is being accumulated in that reserve and interest earned on Federal Gas Tax funds, which is recognized by that capital reserve.

m) Financial instruments- fair values

The estimated fair value of cash and cash equivalents, receivables, inventories, bank indebtedness and payables approximate the carrying values due to the relatively short-term nature of the instruments and /or floating interest rates on the instruments. The estimated fair value of long-term debt also approximates carrying value due to interest rates that are based on the lender's rate.

n) Taxes collected for others- education

The Province created regional centres for education under provisions in the Education Act. By Provincial statute, every municipality is required to make a mandatory contribution to education. The Annapolis Valley Regional Centre for Education (AVRCE) encompasses the following regions: Kings County, Kentville, Wolfville, Berwick and Hantsport. The total mandatory contribution is set by the Province each year.

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

2. Significant accounting policies (continued)

o) Taxes collected for others- education (continued)

The AVRCE has a unique agreement and related formulae, which determines the yearly payment by each partner. Kentville's contribution in 2020 was \$1,556,256 (2019- \$1,502,640). Collection of this mandatory payment is by inclusion in the general tax levy; however, the net effect to the Town's financial results is nil, as amounts collected are forwarded to AVRCE.

p) Budget information

Budget information is presented on a basis consistent with that used for actual results.

q) Budget process

The budget amounts presented in the consolidated financial statements are based on the 2020 operating and capital budgets approved by Town Council on a cash basis. The following reconciles the approved budget to the budget amounts presented in the consolidated financial statements using the accrual basis of accounting, in accordance with Canadian public-sector standards.

	2020
Budget balance for the year (surplus)	\$7,700
Add back: amortization	(1,972,200)
proceeds new debt	(1,206,500)
transfers to/from own funds	(422,000)
Less: principal payments on debt	1,261,100
capital expenditures per budget	3,031,300
Adjusted annual surplus	<u>\$699,400</u>

r) Liability for contaminated site PS3260

In June 2010, the Public Sector Accounting Board issued *PS 3260 Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements. PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Town has determined that none of its properties meet the criteria to recognize a liability for contaminated sites, therefore it expects no impact from adoption of PS 3260.

s) Land held for sale

Land held for sale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing.

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

3. Cash

Cash at March 31, 2020 is as follows:

	2020	2019
General operating bank	\$810,314	\$538,590
General capital bank	61,991	
Water operating bank	330,624	19,811
Water capital bank	92,911	93,395
Reserve banks		
General operating	567,796	715,793
General capital	1,469,064	1,261,857
Sanitary Sewer operating	209,188	333,669
Sanitary Sewer capital	140,370	110,370
Sanitary Sewer depreciation	184,013	130,812
Water operating	170,620	113,620
Water capital	385,449	289,454
Water depreciation	962,242	654,168
	\$5,384,582	\$4,261,539

4. Receivables

	2020		2019	
	Current Year	Prior Years	Total	Total
General Operating:				
Taxes Receivable				
Balance taxes, beginning of year		\$110,207	\$110,207	\$147,454
Current year's levy	\$9,453,464		9,453,464	9,007,431
	9,453,464	110,207	9,563,671	9,154,885
Deduct				
Current year's collection	9,293,296	109,971	9,403,267	8,969,724
Reduced taxes	67,956		67,956	74,954
	9,361,252	109,971	9,471,223	9,044,678
Balance- taxes, end of year	\$92,212	\$236	92,448	110,207
Sanitary sewer rates receivable			194,513	197,008
Other receivables			1,239,128	1,053,125
Total receivables General Operating			1,526,089	1,360,340
General Capital			67,911	104,112
Water rates and other			225,362	470,348
Special Reserves			89,950	106,254
			\$1,909,312	\$2,041,054

DRAFT

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

5. Land held for sale

	Opening Balance	Additions	Disposals at Cost	Balance 2020	Balance 2019
Unsold land	\$145,082	\$21,069	\$(72,841)	\$93,310	\$872,501
Allowance for loss				(25,474)	(727,419)
				\$67,836	\$145,082

Comprised of:

	2020	2019
Kentville Business Park	\$67,836	\$52,882
FW Robinson land	Nil	92,200
	\$67,836	\$145,082

FW Robinson- The FW Robinson land was sold on October 31, 2019 for \$67,000 (net of fees) and will be developed over the next two years. The Town incurred a loss on this land sale of \$25,474.

Kentville Business Park- As at March 31, 2020, it is not known if the Town will incur any losses on the sale of business park lands. Construction of new infrastructure to expand the Town-owned portion of the park was undertaken in 2018. New lots are being carved out as requests for lands occur.

6. Investments

Pursuant to revised Policy G-26, ratified by Council May 28, 2018 and the Minister for DMA on June 21, 2018 and under the guidance of the Town's Investment Committee, TD Wealth acts as custodian and fund advisor for the perpetual reserve investment fund. Investments include common shares, short-term financial instruments and long-term federal, provincial and corporate fixed-income securities.

Investments are recorded at cost. Investments in publicly-traded shares are recorded at the acquisition cost plus brokerage fees. Investments in long-term bonds are recorded at cost, net of any premium or discount. Declines in market value of investments below amortized cost are considered to be temporary in nature. Management fees are paid directly to TD Wealth out of current-period investment earnings. Capital gains can remain within the fund. Realized capital gains for the year ended March 31, 2020 are \$163,007 (2019- \$108,475).

Investment instruments include:

	2020		2019
	Cost	Market	Cost
Short-term			
Cash and equivalents	\$867,266	\$861,871	\$1,005,913
Long-term			
Equity stock	3,919,010	3,723,040	3,870,916
Fixed income securities	8,478,984	7,914,583	8,244,833
	\$13,265,260	\$12,499,494	\$13,121,662

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

7. Long term debt

	2020	2019
Municipal Finance Corporation debenture, bearing interest from 4.83%, repayable in annual instalments of \$60,000 plus interest, maturing in 2020	\$360,000	\$420,000
Municipal Finance Corporation debenture, bearing interest from 4.889%, repayable in annual instalments of \$19,650 plus interest, maturing in 2020		19,650
Municipal Finance Corporation debenture, bearing interest from 4.329%, repayable in annual instalments of \$95,830 plus interest, maturing in 2020		95,830
Municipal Finance Corporation debenture, bearing interest from 4.36%-4.5%, repayable in annual instalments of \$88,400 plus interest, maturing in 2020	88,400	176,800
Municipal Finance Corporation debenture, bearing interest from 3.69%-3.87%, repayable in annual instalments of \$22,420 plus interest, maturing in 2020	22,420	44,840
Municipal Finance Corporation debenture, bearing interest from 3.874%-4.221%, repayable in annual instalments of \$256,100 plus interest, maturing in 2021	512,200	768,300
Municipal Finance Corporation debenture, bearing interest from 2.992%-3.856%, repayable in annual instalments of \$118,560 plus interest, maturing in 2027	805,680	924,240
Municipal Finance Corporation debenture, bearing interest from 2.454%-2.979%, repayable in annual instalments of \$62,020 plus interest, maturing in 2023	248,080	310,100
Municipal Finance Corporation debenture, bearing interest from 2.516%-3.347%, repayable in annual instalments of \$92,500 plus interest, maturing in 2024	462,500	555,000
Municipal Finance Corporation debenture, bearing interest from 1.833%-2.786%, repayable in annual instalments of \$104,400 plus interest, maturing in 2025	626,400	730,800
Municipal Finance Corporation debenture, bearing interest from 1.809%-2.925%, repayable in annual instalments of \$109,920 plus interest, maturing in 2026	769,440	879,360
Municipal Finance Corporation debenture, bearing interest from 1.475%-2.653%, repayable in annual instalments of \$115,900 plus interest, maturing in 2027	927,200	1,043,100
Municipal Finance Corporation debenture, bearing interest from 2.367%-3.2995%, repayable in annual instalments of \$106,850 plus interest, maturing in 2028	809,150	916,000
Municipal Finance Corporation debenture, bearing interest from 1.982%-2.712%, repayable in annual instalments of \$73,140 plus interest, maturing in 2029	731,400	
	\$6,362,870	\$6,884,020

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

7. Long term debt (continued)

Principal repayments during the next five years are due as follows:

	General Capital	Water Capital
2020	\$1,283,010	\$227,200
2021	\$812,190	\$227,200
2022	\$676,790	\$106,500
2023	\$649,230	\$60,500
2024	\$587,210	\$30,000

All long-term debt outstanding at year-end has been properly authorized by the Nova Scotia Department of Municipal Affairs.

Total interest charges for debenture debt reported on the Consolidated Statement of Operations are \$193,680 (2019-\$213,721).

Of the total charges shown above, \$163,322 (2019-\$173,509) relates to general revenues of the Town of Kentville, \$23,460 (2019-\$31,694) was recovered from the water supply operation and \$6,898 (2019-\$8,518) was recovered from the sanitary sewer operation. The amounts are included on the Consolidated Statement of Operations, classified under the appropriate functional expenditure headings.

8. Deferred revenue- obligatory reserve fund

	2020	2019
Federal Gasoline tax revenue	\$99,525	\$24,624

9. Tax sale surplus

Pursuant to the Municipal Government Act, the Town of Kentville is required to record tax sale surplus funds on the Town of Kentville Operating Fund's Statement of Financial Position for a period of 20 years.

After the expiry date, the cash will be transferred to the Town Capital Reserve fund. Of the total amount, the following will be transferred as follows:

2037- \$12,043

10. Sick pay accrual

The Town of Kentville has a sick leave policy, which entitles employees with five or more years of service to a cash payment of a percentage of their accumulated sick days, on their termination of employment. The total liability at March 31, 2020 is \$606,488 (2019-\$636,417). Of this total liability, \$573,020 (2019-\$603,633) is recorded in the Town of Kentville Operating Fund and \$33,468 (2019-\$32,784) is recorded in the Kentville Water Commission Operating Fund.

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

11. Tangible capital assets

	Cost Beginning of Year	Additions	Disposals	Cost End of year	Amortization 2019/20	Accumulated Amortization on Disposals	Accumulated Amortization End of Year	Net Book Value End of Year
General Capital								
Land	\$3,130,346			\$3,130,346				\$3,130,346
Land improvements	1,352,579	\$10,011		1,362,590	\$53,720		\$430,549	932,041
Buildings	6,264,761	105,023		6,369,784	202,745		3,088,848	3,280,936
Engineered structures	35,782,552	1,218,805		37,001,357	886,933		16,016,914	20,984,443
Plant & equipment	5,632,151	565,295	\$465,532	5,731,914	477,885	\$445,951	3,418,959	2,312,955
	52,162,389	1,899,134	465,532	53,595,991	1,621,283	445,951	22,955,270	30,640,721
Water Capital								
Land	144,661			144,661				144,661
Engineered structures	15,917,667	4,216		15,921,883	229,090		4,754,108	11,167,775
Plant & equipment	2,488,867	22,687		2,511,554	212,011		2,298,977	212,577
	18,551,195	26,903		18,578,098	441,101		7,053,085	11,525,013
	\$70,713,584	\$1,926,037	\$465,532	\$72,174,089	\$2,062,384	\$445,951	\$30,008,355	42,165,734
							Work in progress	59,474
								<u>\$42,225,208</u>

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Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

12. Investment in capital assets

	2020	2019
Balance, beginning of year	\$35,740,600	\$34,971,573
Capital acquisitions	1,852,996	2,392,433
Debt proceeds	(1,254,754)	(1,573,488)
Repayment of debt	1,992,138	2,085,489
Properties held for sale and propane tank debt repayment	(93,088)	(86,190)
Assets disposed	(465,532)	(344,041)
Accumulated depreciation on disposal	445,951	251,571
Amortization and depreciation	(2,062,384)	(1,956,747)
	415,327	769,027
Balance, end of year	\$36,155,927	\$35,740,600

13. Commitments- leases

The Town of Kentville has entered into a number of long-term operating leases with varied expiry dates. The following is a compilation of leases as at March 31, 2020 and payments committed for these leases over the next five years.

	2021	2022	2023	2024	2025
	\$	\$	\$	\$	\$
Caterpillar- backhoe	19,249	9,624			
John Deere- tractor 4066	3,858	1,608			
John Deere- mower 997Z	1,825				
John Deere- mower 1570V	2,268				
Neopost- folder	3,525	2,644			
Xerox-photocopier- TH downstairs	3,022				
Ricoh-photocopier- TH upstairs	2,428	2,428	607		
Kyocera photocopier- Police	1,988	1,988	497		
Sharp photocopier- Library	1,013	1,013	760		
Library building lease*	76,428	76,428	76,428	76,428	76,428
	115,604	95,733	78,292	76,428	76,428

*The Municipality of the County of Kings and the Town of Kentville signed a funding agreement on August 19, 2016 in which the Municipality agrees to provide funding for an amount equal to half the lease cost for the Kentville Library. This agreement is in effect as long as the Kentville Library is housed in its current location.

DRAFT

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

14. Pension plans

Two pension plans are set up for membership of all permanent employees of the Town. Contributions are shared by the Town and the members as follows: employee 7.1% and employer 7.1% of employee's pensionable earnings.

A **defined contribution pension plan** has been set up to conform to the Pension Benefits Act. All permanent employees belong to this plan. Sharing of contributions is as noted above for all employees other than CUPE Local 4403 members. CUPE Local 4403 members contribute 2.1% and the Town contributes 1.6% to this plan on behalf of CUPE Local 4403 members.

A **multi-sector pension plan** has been set up for the members of CUPE Local 4403. This Multi-Sector Pension Plan (MSPP) is offered through the Canadian Union of Public Employees (CUPE) and conforms to the Pension Benefits Act. CUPE employees shall contribute 5% to the MSPP and the employer shall contribute 5.5%. The Union acknowledges and agrees that under the current pension legislation, and/or regulations, the employer has no requirement to fund any deficit in the Plan but is required to contribute only that amount as required by the collective agreement in force between the parties.

During the year, on behalf of its employees, contributions were made as follows:

	Defined Contribution	MSPP
Town of Kentville	\$196,514 (2019-\$208,099)	\$48,576 (2019-\$48,716)
Kentville Water Utility	\$2,222 (2019-\$2,094)	\$7,819 (2019-\$7,679)

15. Rate of return on rate base

For the year ended March 31, 2020, the Town of Kentville Water Utility had a rate of return on rate base of 5.52% (2019- 4.53%). The rate of return is calculated using the amortization approved by the Nova Scotia Utility and Review Board.

16. Contingencies

a) Meadowview Landowners' Association

The Town of Kentville has received Notice of Intended Action by members of the Meadowview Community and the Meadowview Landowners' Association. To date, no action has commenced. The likelihood and the amount of any loss are not determinable at this time.

b) Kentville Volunteer Fire Department Inc.

Inter-municipal Fire Services Agreement

On January 23, 2017, a ten-year agreement between the Town of Kentville, the Municipality of the County of Kings and the Kentville Volunteer Fire Department, Inc. was ratified detailing the obligations of the partners. This agreement is for a 10-year period encompassing March 31, 2015 to March 31, 2025.

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

16. Contingencies (continued)

c) Collective agreements

The collective agreement between the Town of Kentville and Atlantic Police Association (APA) Local 107 expired on March 31, 2019. Negotiations with the union will take place in 2020. The collective agreement between the Town of Kentville and CUPE Local 4403 was ratified on July 29, 2019. This contract expires March 31, 2023.

d) Valley Waste-Resource Management Authority loan guarantees

Kentville Town Council guaranteed its share of several loans taken by Valley Waste-Resource Management Authority (VWRMA). They are as follows:

Date	TBR #	Principal	Share	Amount
February 27, 2012	12/13-1	\$528,000	7.93%	\$41,870
February 25, 2013	13/14-1	\$230,000	7.94%	\$18,262
May 25, 2015	15/16-1	\$860,000	7.74%	\$66,564
July 25, 2016	16/17-1	\$399,000	9.95%	\$39,701
July 24, 2017	17/18-1	\$1,348,265	7.84%	\$105,637
January 29, 2018	17/18-2	\$514,000	9.95%	\$51,143
February 20, 2018	33-A-1	\$187,335	9.95%	\$18,640

The Town of Kentville is required to make payments on these loans only if Valley Waste-Resource Management Authority defaults. The Minister for the Nova Scotia Department of Municipal Affairs has authorized all loan guarantees.

17. Subsequent events

On July 7, 2020, the Town of Kentville received debenture funds in the amount of \$626,100 from Nova Scotia Municipal Finance Corporation for general purposes.

18. Other matters

The total remuneration in 2020, including benefits along with expenses, paid to each member of the council and the Chief Administrative Officer is as follows:

	Remuneration	Expenses
Mayor Snow	\$45,500	\$7,772
Andrew	24,688	6,759
Bolland	24,688	2,726
Gerrard	25,658	3,756
Maxwell	24,688	1,658
Pulsifer	24,688	2,635
Savage	26,054	3,250
CAO Rice	54,536	2,676
CAO Phillips	154,268	6,595
	<u>\$404,768</u>	<u>\$37,827</u>

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

19. Properties held for sale

Former Kings County Academy lands

In 2012, the Town assumed title of the land occupied by the former Kings County Academy school and demolished the buildings over a two-year period. In 2016, the Town assumed title of 2.6 acres on Elizabeth Avenue formerly owned by the Annapolis Valley Regional Centre for Education. These properties were combined, deemed surplus and placed for sale. On June 1, 2018, the aforementioned lands were sold to Enqore Developments Ltd. for \$190,000. The total expenditure incurred by the Town on this property equated to \$563,425. The Town incurred a loss of \$373,425 on the sale of these parcels.

Business Park lands

On December 28, 2015, the Town of Kentville purchased two lots (42.1 acres) of industrial land contained in the Kentville Business Park. The land was appraised at \$67,000 in 2014. The combined assessment at purchase was \$1,007,800. The cost of the land was \$67,000. This land is to be sold for economic development purposes.

On October 14, 2016, 3.85 acres of Business Park land were sold. The sale price was \$73,250. The net proceeds were deposited to the Town Capital Reserve for future development purposes. In December 2016, Lot TOK 3 (4.01 acres) of Business Park land was sold. The sale price was \$100,000. The net proceeds were deposited to the Town Capital Reserve for future development purposes.

In September 2017, Lot TOK 1 C [2016-2] (7.4 acres) of Business Park land was sold. The sale price was \$135,000. The payment schedule is as follows: Due on title transfer- \$90,000, fiscal 18/19- \$30,000 and fiscal 19/20- \$15,000.

On March 14, 2018, Lot 2L, Donald E. Hiltz Connector (.55 acres) of Business Park land was sold. The sale price was \$13,750. The net proceeds were deposited to the Town Capital Reserve for future development purposes.

On June 14, 2019 (Lot 2H) and September 25, 2019 (Lots 2A & 2B), three lots in the business park were sold. The sale prices were \$15,750 and \$47,000, respectively. The net proceeds were deposited to the Town Capital Reserve for future development purposes.

FW Robinson land

On August 15, 2016, the Town of Kentville purchased the FW Robinson building & land at 374 Main Street. This property had been vacant and for sale for several years. The owner did not reside in Kentville and the property's condition conflicted with the new brand messaging the Town adopted in early 2016. The property was purchased for \$170,000. The 2018 assessed value of this property was \$164,200 (AAN 04777972). The Town studied the viability of keeping the building intact through environmental and structural assessments. The costs to remediate were excessive and the building was demolished in February 2018. Demolition costs were \$255,627. The 2020 assessment of this land was \$92,200. This land was sold on October 31, 2019 for \$71,000 and the loss incurred by the Town is \$25,474.

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

20. Segmented information

The Town of Kentville is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Town services are provided by departments and their activities are reported in those segments. The following departments have been separately disclosed in the segmented information along with the services they provide:

General Government services

Legislative- The Council serves as elected representatives of the Town of Kentville and collectively determines policies to be administered by Town employees, Boards and Commissions; provides the decision-making for the policy formulation and analysis process in the Town of Kentville; interprets the most important needs and aspirations of the citizens of the Town of Kentville; enhances communications between citizens and their local government in the Town of Kentville; establishes the direction and approves appropriate matters in conducting Town affairs.

General Administration provides the formulation, evaluation and implementation of Council policies, procedures and directives; recommends the establishment of policy, including the addition, deletion and modification to policy; provides continuing advice, guidance and assistance to Council and related committees and boards; ensures proper management and utilization of financial resources in a legally correct, responsible way following all guidelines as they pertain to municipal finance; provides mandatory transfer for assessment services.

Protective services

Police Protection- The Kentville Police Service is committed to building a safe community for the citizens through community partnerships, education and crime prevention, social development, excellence in service delivery, and professionalism practices by a commitment to community-based policing. **Law Enforcement** provides Provincial mandatory transfers for correctional services and prosecutorial services, along with by-law enforcement. **Fire Protection** provides services in an emergency capacity for the Town of Kentville; responds to emergency calls - fire, accident; supplies hydrants for firefighting purposes. **Emergency measures** provides central contact for Emergency Measures Organization; provides protection to its citizens in emergency situations; provides control of pests and animals; ensures the safety of citizens; ensures buildings are safe structurally and comply with building code legislation and fire code legislation.

Transportation services

Common Services provides the administration and provision of engineering and works; provides services to maintain the roadway systems, the waste water systems and street lighting; preserves and safeguards the investment made in infrastructure and equipment. **Environmental Health services** provide collection of solid waste and recyclables in an efficient and environmentally-friendly manner. To provide for the disposal of sewage in an environmentally acceptable manner by building and maintaining appropriate infrastructure. To ensure proper treatment of effluents as a partner in the regional sewage treatment plant.

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

20. Segmented Information (continued)

Public Health and Welfare services

Public Health and Welfare provides a mandatory transfer to the Regional Housing Authority; provides support for local social programs.

Environmental Development services

Environmental Planning and Zoning administers policy and enforces codes, bylaws and regulations pertaining to use of land within the Town; administers Municipal Planning Strategy and Land Use Bylaw; provides natural resource development. **Community development** provides funding to the Regional Economic Network (REN 3), Kentville Business Community (KBC) and provides a capacity for promotion of the Town.

Recreation services

Recreation provides and facilitates quality leisure services for citizens of all ages in the Town (and County); provides the widest possible variety of constructive leisure pursuits including a pool, a splash pad, an arena, parks, walking and biking trails, passive recreation facilities; provides for cultural facilities such as a library and museum along with a mandatory transfer to the Regional Library.

Education services

Education provides the mandatory appropriations to Regional School Board for its provision of education services within the Annapolis Valley Regional Centre for Education.

Water services

The Kentville Water Utility provides the delivery of drinking water through the supply, pumping, treatment and distribution of potable water to its users.

Methodologies

Certain allocation methodologies are employed in the preparation of the segmented financial information. The General Operating Fund reports on municipal services that are funded primarily by property taxation and rates. The Kentville Water Operating Fund reports on municipal services that are funded primarily by rates.

The accounting policies used in these separate segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information, see the Schedules to the Consolidated Statement of Financial Activities (pp. A-25 to A-32).

Town of Kentville

Notes to the Consolidated Financial Statements

March 31, 2020

21. Accumulated surplus

	2020	2019
Surpluses (deficits)		
General operating fund	\$Nil	\$Nil
General capital fund	(954,628)	(1,094,791)
Water operating fund	270,023	263,522
Water capital fund	82,102	78,102
Reserve funds	17,875,234	16,777,659
	<u>17,272,731</u>	<u>16,024,492</u>
Invested in tangible capital assets (net)	<u>36,155,927</u>	<u>35,740,600</u>
Total accumulated surplus	<u>\$53,428,658</u>	<u>\$51,765,092</u>

22. Kentville Water Utility- depreciation

On April 1, 2010, the Kentville Water Commission adopted *Section 3042* of the Nova Scotia Utility and Review Board Accounting Manual for Water Utilities- *Capital Asset Useful Life Guidelines*, which cites the recommended depreciation guidelines for a water utility. Kentville Water Commission applies these new depreciation rates on its newly-constructed tangible capital assets.

The rates are prescribed as follows:

Classification		Useful life	Annual Depreciation Rate
Structures	Wells	40 years	2.5%
	Pumping	50 years	2.0%
	Distribution reservoirs	75 years	1.3%
	Treatment plant	50 years	2.0%
Equipment	Pumping	10 years	10%
	Equipment	5 years	20%
Mains	Transmission/Distribution	75 years	1.3%
Meters		25 years	4.0%
Hydrants		75 years	1.3%
Services		50 years	2.0%

Town of Kentville
Notes to the Consolidated Financial Statements

March 31, 2020

DRAFT

23. Consolidated expenses by object

	2020	2019
Remuneration	\$4,897,806	\$4,773,037
Contracted services	840,345	809,913
Purchased goods & services from the public sector	844,652	822,078
Materials, goods, supplies and utilities	3,377,119	3,555,148
Grants and transfers to organizations	442,587	452,658
Transfers to Province	139,710	136,047
Allowance for doubtful accounts	33,618	41,747
Other expenses	825	1,252
Interest on long-term debt	193,677	213,722
Bank charges and short-term interest	26,573	26,796
Amortization, write-downs, net gains/losses	2,081,965	2,052,443
Total consolidated expenses by object	\$12,878,877	\$12,884,841

24. Amounts contributed for provincially-mandated services:

	Budget	2020	2019
Assessment services	\$90,400	\$90,416	\$88,899
Correctional & prosecutorial services	95,500	97,663	95,529
Housing	90,000	49,433	58,041
Regional library	37,000	36,948	36,948
Education	1,556,300	1,556,256	1,502,640
	\$1,869,200	\$1,830,716	\$1,782,057

Education

Provincial statute requires that every municipality make a mandatory contribution to its centre for education. The Annapolis Valley Regional Centre for Education (AVRCE) encompasses the following locales: Kings County, Kentville, Wolfville, Berwick and Hantsport. The total mandatory contribution is set by the Province each year.

Assessment services

The Town is required to pay a share of the cost of operating the Property Valuation Services Corporation based on the total municipal assessment times the average of the Town's share of the Uniform Assessment and the Town's share of assessment accounts. This expense is included in general government services.

Correctional & prosecution services

Municipalities in Nova Scotia are required to make a mandatory contribution to fund the cost of correctional and prosecutorial services. The contributions are set by provincial formula and are included in protective services.

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24. Amounts contributed for provincially-mandated services (continued)

Housing

The Town is required to pay a share of the costs of the operations of social housing located in Kentville provided by Housing Nova Scotia. This expense is included in public health services.

Regional library

The Town is required to pay a share of the costs of operations of the Annapolis Valley Regional library. This expense is included in recreation services.

25. Dispute- Town of Kentville Sanitary Sewer Area Service and the Municipality of County of Kings

The Town of Kentville and the Municipality of County of Kings continue to disagree over the cost-sharing formula related to county residents connected to the Town's sanitary sewer area service. The disagreement encompasses the years 2014/15 to 2017/18. In 2019, Town Council gave direction to the CAO to proceed to arbitration. The change in Chief Administrative Officer in Fall 2019 created a pause in this process. The Town met with its solicitors in January 2020 to bring the new CAO up-to-speed on the matter and to map out a plan going forward. The Town reached out on two occasions to resolve the issue between staff but to no avail. The Town has instructed its legal counsel to proceed to the arbitration. The outcome cannot be determined and therefore no contingency has been accrued.

26. Comparative figures

In some instances, comparative figures have been reclassified to conform to current year's financial statement presentation.

Town of Kentville

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2020

2019

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	<u>Budget</u> unaudited	<u>Actual</u>	<u>Actual</u>
TAXATION REVENUE			
Assessable property			
Residential	\$ 5,950,000	\$ 5,938,325	\$ 5,696,925
Commercial			
Commercial property	1,989,400	1,953,793	1,891,538
Resource			
Taxable assessments	41,800	40,579	41,527
Forest (less than 50,000 acres)	100	85	85
Other assessable property taxes			
Farm property acreage	500	553	542
	<u>7,981,800</u>	<u>7,933,335</u>	<u>7,630,617</u>
Special tax agreements			
Bell Aliant-based on revenue	38,700	38,655	42,144
Business Park- based on Special Tax Legislation	686,900	705,713	636,163
	<u>725,600</u>	<u>744,368</u>	<u>678,307</u>
Subtotal assessable property	8,707,400	8,677,703	8,308,924
Other rates, charges and assessments			
Economic development	111,800	111,528	109,816
Special assessments- betterments	8,500	6,825	8,777
Fire area rate	161,900	161,178	165,151
Fire protection rate	414,700	496,230	414,763
Transfer to volunteer fire department-Fire area rate	(161,900)	(161,178)	(165,151)
Transfer to Kentville water utility-Fire protection rate	(414,700)	(496,230)	(414,763)
	<u>120,300</u>	<u>118,353</u>	<u>118,593</u>
Total taxation revenue levied	8,827,700	8,796,056	8,427,517
Expenditures as a reduction of tax revenue			
Appropriation for education	(1,556,300)	(1,556,256)	(1,502,640)
Transfer to Province, Corrections	(85,300)	(85,317)	(85,329)
Deficit of Housing Nova Scotia	(90,000)	(49,433)	(58,041)
	<u>(1,731,600)</u>	<u>(1,691,006)</u>	<u>(1,646,010)</u>
	<u>\$ 7,096,100</u>	<u>\$ 7,105,050</u>	<u>\$ 6,781,507</u>
GRANTS IN LIEU OF TAXES			
Federal government	\$ 392,600	\$ 399,652	\$ 391,644
Provincial government			
Provincial property	107,800	113,253	117,824
	<u>\$ 500,400</u>	<u>\$ 512,905</u>	<u>\$ 509,468</u>

See accompanying notes to the consolidated financial statements

A-25

DRAFT

Town of Kentville
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

	2020	2019
	<u>Budget</u> unaudited	<u>Actual</u>
		<u>Actual</u>
SERVICES PROVIDED TO OTHER GOVERNMENTS		
Provincial government	\$ 113,600	\$ 113,649
Other local government	97,900	97,668
	<u>\$ 211,500</u>	<u>\$ 211,317</u>
SALES OF SERVICES		
Administration	\$ 37,900	\$ 36,445
Protective services	590,000	615,326
Transportation services	1,500	1,277
Recreation services	4,400	4,348
	<u>\$ 633,800</u>	<u>\$ 657,396</u>
OTHER REVENUE FROM OWN SOURCES		
Licenses and permits	\$ 10,300	\$ 9,430
Fines	32,000	32,965
Rentals	419,000	385,420
Miscellaneous	41,900	47,664
	<u>\$ 503,200</u>	<u>\$ 475,479</u>
UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS		
Provincial government		
Municipal Grants Act- Equalization	\$ 167,800	\$ 167,850
NSPI- Grant in lieu of taxes	8,100	8,051
NSPI- HST offset	51,000	53,783
	<u>\$ 226,900</u>	<u>\$ 229,684</u>
CONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS		
Federal government		
Canada summer jobs	\$ 9,400	\$ 17,808
Senior mentoring program		22,800
	<u>9,400</u>	<u>40,608</u>
Provincial government		
Law enforcement	100,000	104,714
Transportation		1,163
Recreation	25,000	37,885
	<u>125,000</u>	<u>142,599</u>
Other	6,800	4,651
	<u>\$ 141,200</u>	<u>\$ 187,858</u>

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Town of Kentville
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31	2020	2019	
	<u>Budget</u> <u>unaudited</u>	<u>Actual</u>	<u>Actual</u>
General government services			
Legislative			
Mayor's remuneration	\$ 46,000	\$ 45,800	\$ 40,070
Mayor's expenses	10,000	7,772	6,899
Legislative benefits	11,500	11,597	8,617
Council remuneration	152,200	151,664	136,600
Council expense	26,300	23,132	29,849
	<u>246,000</u>	<u>239,965</u>	<u>222,035</u>
General administration			
Administrative and financial management	793,100	823,142	742,645
Taxation			
Reduced taxes (MGA, Section 69)	13,000	16,155	22,076
Reduced taxes (MGA, Section 71)	52,400	51,801	52,878
Property Valuation Services Corporation	90,400	90,416	88,899
Common services	125,600	141,489	132,521
Other general administrative services	20,000	20,685	20,380
	<u>1,094,500</u>	<u>1,143,688</u>	<u>1,059,399</u>
Debt charges			
Interest on long-term debt	5,100	4,990	5,568
Term loan interest		17	
Debenture discount	5,700	5,688	5,325
	<u>10,800</u>	<u>10,695</u>	<u>10,893</u>
Valuation allowances			
Uncollectible receivables	2,200	6,516	2,921
Accrued liability	65,000	27,102	38,826
	<u>67,200</u>	<u>33,618</u>	<u>41,747</u>
Other general government services			
Conventions and travel	20,000	17,358	20,428
Liability insurance	14,500	16,312	13,010
Grants	1,500	1,500	
Legal and audit	22,200	33,031	25,451
Management fees, perpetual investment fund	37,000	35,796	36,318
Other	2,000	1,194	10,334
	<u>97,200</u>	<u>105,191</u>	<u>105,541</u>
	<u>\$ 1,515,700</u>	<u>\$ 1,533,157</u>	<u>\$ 1,439,615</u>

Town of Kentville
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2020

2019

DRAFT

	<u>Budget</u> unaudited	<u>Actual</u>	<u>Actual</u>
Protective services			
Police protection			
Administration	\$ 590,200	\$ 603,055	\$ 588,288
Crime investigation, prevention and protective services	1,756,900	1,666,441	1,775,170
Training	20,000	35,980	19,806
Police station and buildings	64,800	53,094	62,232
Police automotive equipment	53,800	51,529	53,388
Other	4,100	3,289	3,827
	<u>2,489,800</u>	<u>2,413,388</u>	<u>2,502,711</u>
Law enforcement			
Transfer to Province- Prosecuting attorney	10,200	12,346	10,200
Legal	50,000	22,055	13,673
Other	84,000	62,311	62,369
	<u>144,200</u>	<u>96,712</u>	<u>86,242</u>
Fire protection			
Transfer- Kentville Volunteer Fire Department- Operating	183,600	183,474	174,612
Emergency measures			
Emergency measures	32,000	91,960	27,809
Animal control	12,000	761	3,358
Building inspection	32,900	34,440	32,052
Fire inspection	30,000	41,750	41,864
Other	10,000	2,539	5,520
	<u>116,900</u>	<u>171,450</u>	<u>110,603</u>
Debt charges			
Term loan interest		97	
Interest on long-term debt	21,200	21,029	23,508
	<u>21,200</u>	<u>21,126</u>	<u>23,508</u>
	<u>\$ 2,955,700</u>	<u>\$ 2,886,150</u>	<u>\$ 2,897,676</u>

Town of Kentville**Schedules to Consolidated Statement of Financial Activities**

Year Ended March 31

2020**2019****DRAFT**

	<u>Budget</u> unaudited	<u>Actual</u>	<u>Actual</u>
Transportation services			
Common services			
Administration	\$ 218,800	\$ 157,617	\$ 136,523
Professional services	5,000	50,880	5,407
General equipment	298,000	316,368	286,870
Small tools and equipment	8,000	6,852	11,875
Workshops, yards, buildings	39,200	40,509	40,337
	<u>569,000</u>	<u>572,226</u>	<u>481,012</u>
Road transport			
Roads and streets	518,000	499,904	493,453
Street lighting	155,000	177,065	153,523
Traffic services	58,800	65,042	64,454
Parking	46,100	42,312	40,644
Other road transport	4,400	7,171	3,935
Other transportation			
Private work - other	25,000	18,658	20,339
Private work - water	71,800	74,284	74,008
	<u>879,100</u>	<u>884,436</u>	<u>850,356</u>
Public transit operating contribution	190,400	218,423	228,357
Public transit special contribution	14,900	14,900	14,600
	<u>205,300</u>	<u>233,323</u>	<u>242,957</u>
Debt charges			
Term loan interest	1,400	1,678	661
Interest on long-term debt	72,900	71,460	83,748
	<u>74,300</u>	<u>73,138</u>	<u>84,409</u>
	<u>\$ 1,727,700</u>	<u>\$ 1,763,123</u>	<u>\$ 1,658,734</u>

See accompanying notes to the consolidated financial statements

A-29

DRAFT

Town of Kentville

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2020

2019

	<u>Budget</u> unaudited	<u>Actual</u>	<u>Actual</u>
Environmental health services			
Garbage and waste collection and disposal			
Garbage and waste collection	\$ 39,000	\$ 24,171	\$ 31,471
Municipal dumps	8,000	6,060	8,000
Valley Waste Resource Management Authority	652,900	656,871	635,302
Other	1,500		
	<u>\$ 701,400</u>	<u>\$ 687,102</u>	<u>\$ 674,773</u>
Public health services			
Other	\$ 9,500	\$ 9,500	\$ 4,000
Environmental development services			
Environmental planning and zoning			
Administration	\$ 223,500	\$ 220,370	\$ 211,114
Research and planning	5,000	3,791	3,486
Legal	10,000	14,212	27,775
Other planning and zoning	1,000		650
	<u>239,500</u>	<u>238,373</u>	<u>243,025</u>
Community development			
Transfers to Regional Economic Network	26,600	25,103	26,024
Transfer for economic development	86,700	86,700	84,600
Other community development	21,000	15,829	21,724
	<u>134,300</u>	<u>127,632</u>	<u>132,348</u>
Natural resource development	<u>6,500</u>	<u>8,953</u>	<u>2,483</u>
Debt charges			
Term loan interest	5,500	4,417	6,000
Interest on long-term debt	37,700	36,363	34,083
	<u>43,200</u>	<u>40,780</u>	<u>40,083</u>
Other environmental development services			
Tourism and other development services	<u>258,300</u>	<u>268,645</u>	<u>249,216</u>
	<u>\$ 681,800</u>	<u>\$ 684,383</u>	<u>\$ 667,155</u>

See accompanying notes to the consolidated financial statements

Town of Kentville
Schedules to Consolidated Statement of Financial Activities

DRAFT

Year Ended March 31

2020

2019

	<u>Budget</u> unaudited	<u>Actual</u>	<u>Actual</u>
Recreation and cultural services			
Recreation facilities			
Administration	\$ 480,700	\$ 471,728	\$ 447,749
Swimming pool	19,800	16,707	20,920
Arena	344,200	324,154	329,803
Parks and playgrounds	163,600	170,083	164,963
Recreation centre	40,400	39,336	38,535
Other recreation facilities	21,700	18,033	19,935
	<u>1,070,400</u>	<u>1,040,041</u>	<u>1,021,905</u>
Cultural buildings and facilities			
Library, museum and cultural	91,900	93,788	88,107
Transfer to Province- Regional Library	37,000	36,948	36,948
	<u>128,900</u>	<u>130,736</u>	<u>125,055</u>
Debt charges			
Term loan interest	1,100	708	2,392
Debenture interest	30,700	29,480	26,603
	<u>31,800</u>	<u>30,188</u>	<u>28,995</u>
Other recreational and cultural services			
Recreation grants and programs	58,300	43,182	53,684
Tree maintenance	71,000	49,141	68,178
	<u>129,300</u>	<u>92,323</u>	<u>121,862</u>
	<u>\$ 1,360,400</u>	<u>\$ 1,293,288</u>	<u>\$ 1,297,817</u>
Administration and general			
Supervision	\$ 14,600	\$ 14,610	\$ 14,250
Meter reading	38,800	35,816	34,904
Consumer billing and accounting	24,400	24,350	23,750
Officers' and executives' salaries	19,200	19,200	18,400
Other general office salaries	23,400	23,333	22,850
General office expense	13,900	13,024	13,784
Legal	500		
Audit	7,200	7,014	7,039
Rent	12,000	12,000	12,000
Regulatory expense	3,800	3,557	3,592
Insurance	11,700	11,742	9,934
Employee welfare	35,200	34,336	33,048
Training	5,000	4,183	4,436
Transportation	8,900	9,835	11,270
Professional studies	3,000	2,297	2,820
Miscellaneous, general expenses	13,800	12,052	11,939
	<u>\$ 235,400</u>	<u>\$ 227,349</u>	<u>\$ 224,016</u>

DRAFT

Town of Kentville

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2020

2019

	<u>Budget</u> unaudited	<u>Actual</u>	<u>Actual</u>
Supply			
Supervision and engineering	\$ 10,200	\$ 7,223	\$ 6,239
Labor	7,700	7,163	6,981
Supplies and expense	1,300	410	3,155
	<u>\$ 19,200</u>	<u>\$ 14,796</u>	<u>\$ 16,375</u>
Pumping			
Supervision and engineering	\$ 10,300	\$ 7,223	\$ 6,239
Labor	7,700	7,163	6,981
Supplies and expense	165,000	187,026	168,752
	<u>\$ 183,000</u>	<u>\$ 201,412</u>	<u>\$ 181,972</u>
Purification			
Supervision and engineering	\$ 13,700	\$ 9,631	\$ 8,319
Labor	62,000	57,306	55,847
Supplies and expense	214,800	189,366	217,142
	<u>\$ 290,500</u>	<u>\$ 256,303</u>	<u>\$ 281,308</u>
Transmission and distribution			
Supervision and engineering	\$ 34,200	\$ 24,078	\$ 20,798
Operation and meters	24,500	22,690	20,942
Maintenance of mains	90,000	79,847	37,384
Maintenance of services	65,000	60,479	78,432
Maintenance of meters	12,100	2,478	17,045
Maintenance of hydrants	26,000	25,535	33,542
Maintenance of other distribution plant	20,000	5,877	6,833
	<u>\$ 271,800</u>	<u>\$ 220,984</u>	<u>\$ 214,976</u>
Other			
Other	\$ 500	\$ 71	\$ 373
Debt charges			
Interest on long-term debt	23,400	23,460	31,695
Other debt charges	3,700	3,771	3,771
	<u>27,100</u>	<u>27,231</u>	<u>35,466</u>
Valuation allowances			
Allowance for uncollectibles	5,000	7,784	(1,952)
Accrued liability	800	684	804
	<u>5,800</u>	<u>8,468</u>	<u>(1,148)</u>
	<u>\$ 33,400</u>	<u>\$ 35,770</u>	<u>\$ 34,691</u>

See accompanying notes to the consolidated financial statements

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Town of Kentville
Schedule of General Operating Fund and Sanitary Sewer Area Service
Year Ended March 31

		2020	2019
		<u>Budget unaudited</u>	<u>Actual</u>
Revenue			<u>Actual</u>
Taxation revenue	A-25	\$ 7,096,100	\$ 6,781,507
Grants in lieu	A-25	500,400	509,468
Services provided	A-26	211,500	211,317
Sales of services	A-26	633,800	657,396
Other revenue from own sources	A-26	503,200	475,479
Interest		119,300	143,742
Unconditional transfers	A-26	226,900	229,684
Conditional transfers	A-26	141,200	187,858
Rates		1,279,000	1,273,820
Other		1,300	1,725
		<u>10,712,700</u>	<u>10,471,996</u>
Expenditures			
General government services		1,478,700	1,403,297
Protective services	A-28	2,955,700	2,897,676
Transportation services	A-29	1,727,700	1,658,734
Environmental health services	A-30	701,400	674,773
Public health services	A-30	9,500	4,000
Environmental development services	A-30	681,800	667,155
Recreation and cultural services	A-31	1,360,400	1,297,817
Wastewater			
Administration		171,500	348,517
Wastewater maintenance		72,400	50,022
Pumping stations		56,300	92,072
Treatment		761,300	740,162
Other		6,900	8,518
		<u>9,983,600</u>	<u>9,842,743</u>
Net revenues		729,100	629,253
Net transfers		<u>(727,900)</u>	<u>(604,448)</u>
Change in operating surplus		<u>\$ 1,200</u>	24,805
Opening fund balance			Nil
Current year surplus transferred to reserve funds			<u>(24,805)</u>
Ending surplus			<u>\$ Nil</u>

Town of Kentville
Schedule of General Operating Fund and Sanitary Sewer Area Service
Year Ended March 31

DRAFT

	2020	2019
	<u>Actual</u>	<u>Actual</u>
Change in operating surplus (page A-33)	<u>\$ 348,792</u>	<u>\$ 24,805</u>
Ending surplus, General Operating	\$ 149,734	\$ 24,805
Ending surplus, Sanitary Sewer Area Service (restricted)	<u>199,058</u>	<u>Nil</u>
Combined ending surplus, before transfers	<u>\$ 348,792</u>	<u>\$ 24,805</u>

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Town of Kentville
Schedule of General Capital Fund
Year Ended March 31

	2020	2019	
	<u>Budget unaudited</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Grants - contribution	\$ 87,500	\$ 13,536	\$ 48,525
Capital contribution		1,000	5,635
Proceeds on sale	29,500	34,180	76,029
Proceeds on sale- properties held for sale		44,909	
	<u>117,000</u>	<u>93,625</u>	<u>130,189</u>
Expenditures			
General government service	88,500	66,109	58,315
Protective services	108,500	107,861	102,016
Transportation services	1,396,400	1,236,697	1,249,933
Environmental health services	210,000	72,099	130,664
Environmental development services	82,000	40,632	36,696
Recreation and cultural services	763,100	302,696	385,998
Write down- properties held for sale		25,474	727,419
	<u>2,648,500</u>	<u>1,851,568</u>	<u>2,691,041</u>
Net (expenditure)	(2,531,500)	(1,757,943)	(2,560,852)
Issue of debt	1,206,500	1,254,754	1,420,988
Repayment of debt	(1,033,900)	(1,764,938)	(1,705,789)
Recoveries		93,088	86,190
Net transfers	<u>2,358,900</u>	<u>2,315,202</u>	<u>2,201,179</u>
Change in fund balance	<u>\$ Nil</u>	140,163	(558,284)
Opening fund balance		<u>(1,094,791)</u>	<u>(536,507)</u>
Closing fund balance		<u>\$ (954,628)</u>	<u>\$ (1,094,791)</u>

Town of Kentville**Schedule of General Capital Fund Investment in Capital Assets**

Year Ended March 31

2020

2019

ActualActual

Tangible capital assets	<u>\$ 53,655,467</u>	<u>\$ 52,294,905</u>
Accumulated amortization	(22,955,268)	(21,779,936)
Outstanding debt and loans	(6,331,177)	(6,908,360)
Properties held for sale debt and loans	391,502	511,452
Propane tank debenture	<u>521,794</u>	<u>561,932</u>
	<u>(28,373,149)</u>	<u>(27,614,912)</u>
Investment in capital assets	25,282,318	24,679,993
Fund balance	<u>(954,628)</u>	<u>(1,094,791)</u>
	<u>\$ 24,327,690</u>	<u>\$ 23,585,202</u>

Town of Kentville
Schedule of Water Operating Fund
Year Ended March 31

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	2020	2019	
	<u>Budget unaudited</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Metered	\$ 1,264,500	\$ 1,253,093	\$ 1,265,281
Flat rate	9,300	9,967	9,718
Public fire protection	603,700	721,264	603,731
Other	<u>10,100</u>	<u>7,799</u>	<u>10,071</u>
	<u>1,887,600</u>	<u>1,992,123</u>	<u>1,888,801</u>
Expenditures			
Source of supply	19,200	14,796	16,375
Power and pumping	183,000	201,412	181,972
Water treatment	290,500	256,303	281,308
Transmission and distribution	271,800	220,984	214,976
Administration and general	235,400	227,349	224,016
Fiscal	23,400	23,460	31,695
Other	<u>10,000</u>	<u>12,310</u>	<u>2,996</u>
	<u>1,033,300</u>	<u>956,614</u>	<u>953,338</u>
Net revenues	854,300	1,035,509	935,463
Net transfers and depreciation	<u>(847,800)</u>	<u>(1,029,008)</u>	<u>(925,263)</u>
Change in fund balance	<u>\$ 6,500</u>	<u>6,501</u>	<u>10,200</u>
Opening fund balance		<u>263,522</u>	<u>253,322</u>
Closing fund balance		<u>\$ 270,023</u>	<u>\$ 263,522</u>
<hr/>			
Change in fund balance		\$ 6,501	\$ 10,200
Add: transfer, accumulated surplus		<u>100,000</u>	<u>100,000</u>
Excess revenue		<u>\$ 106,501</u>	<u>\$ 110,200</u>

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Town of Kentville
Schedule of Water Capital Fund
Year Ended March 31

		2020	2019
	<u>Budget unaudited</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Other		<u>\$ 4,000</u>	
Expenditures			
Capital expenditures	<u>\$ 382,800</u>	<u>26,903</u>	<u>\$ 428,811</u>
Net (expenditure)	(382,800)	(22,903)	(428,811)
Issue of debt			152,500
Repayment of debt	(227,200)	(227,200)	(379,700)
Net transfers	<u>610,000</u>	<u>254,103</u>	<u>659,880</u>
Change in fund balance	<u>\$ Nil</u>	4,000	3,869
Opening fund balance		<u>78,102</u>	<u>74,233</u>
Closing fund balance		<u>\$ 82,102</u>	<u>\$ 78,102</u>

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Town of Kentville

Schedule of Water Capital Fund Investment in Capital Assets

Year Ended March 31

	2020	2019
	<u>Actual</u>	<u>Actual</u>
Tangible capital assets	<u>\$ 18,578,097</u>	<u>\$ 18,551,195</u>
Accumulated amortization and depreciation	(7,053,088)	(6,611,987)
Outstanding debt	<u>(651,400)</u>	<u>(878,601)</u>
	<u>(7,704,488)</u>	<u>(7,490,588)</u>
Investment in capital assets	10,873,609	11,060,607
Fund balance	<u>82,102</u>	<u>78,102</u>
	<u>\$ 10,955,711</u>	<u>\$ 11,138,709</u>

	Town of Kentville										Actual			
	2020					2019								
	General		Sanitary Sewer		Water		General		Sanitary Sewer			Water		
Operating	Capital	Perpetual	Operating	Capital	Depreciation	Operating	Capital	Depreciation	Operating	Capital	Depreciation	Total	Actual	
Financial Assets														
Cash	\$ 567,796	\$ 1,469,064		\$ 209,188	\$ 140,370	\$ 184,013	\$ 170,620	\$ 385,449	\$ 962,242	\$ 4,088,742	\$ 4,615,655		\$ 4,615,655	
Receivables	149,819	327	\$ 88,907	199,058			195,261	1,226	634,598		254,054		254,054	
	<u>717,615</u>	<u>1,469,391</u>	<u>88,907</u>	<u>408,246</u>	<u>140,370</u>	<u>184,013</u>	<u>170,620</u>	<u>580,710</u>	<u>963,468</u>	<u>4,723,340</u>	<u>4,869,709</u>		<u>4,869,709</u>	
Investments (Note 6)	717,615	1,469,391	13,265,260	408,246	140,370	184,013	170,620	580,710	963,468	13,265,260	12,115,750		16,985,459	
			13,354,167							17,988,600				
Liabilities														
Payables									13,841	13,841	183,176		183,176	
Deferred revenue		99,525								99,525	24,624		24,624	
		<u>99,525</u>							<u>13,841</u>	<u>113,366</u>	<u>207,800</u>		<u>207,800</u>	
NET FINANCIAL ASSETS	<u>717,615</u>	<u>1,369,866</u>	<u>13,354,167</u>	<u>408,246</u>	<u>140,370</u>	<u>184,013</u>	<u>170,620</u>	<u>580,710</u>	<u>949,627</u>	<u>17,875,234</u>	<u>16,777,659</u>		<u>16,777,659</u>	
FUND BALANCES	<u>\$ 717,615</u>	<u>\$ 1,369,866</u>	<u>\$ 13,354,167</u>	<u>\$ 408,246</u>	<u>\$ 140,370</u>	<u>\$ 184,013</u>	<u>\$ 170,620</u>	<u>\$ 580,710</u>	<u>\$ 949,627</u>	<u>\$ 17,875,234</u>	<u>\$ 16,777,659</u>		<u>\$ 16,777,659</u>	

See accompanying notes to the consolidated financial statements

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Town of Kentville
Schedule of Reserve Funds

Year Ended March 31

	Budget unaudited	2020			2019							
		Operating	General Capital	Perpetual	Operating	Sanitary Sewer Capital	Depreciation	Operating	Water Capital	Depreciation	Total	Actual
Revenue												
Transfer- Federal Gas Tax	\$ 478,200		\$ 837,953								\$ 837,953	\$ 946,868
Grants- donation			3,000								3,000	513,983
Interest/dividends	430,000	\$ 1,419	5,152	\$ 488,124						\$ 17,571	163,007	108,475
Capital gains	100,000			163,007							6,589	
Other		6,589										
	<u>1,008,200</u>	<u>8,008</u>	<u>846,105</u>	<u>651,131</u>						<u>17,571</u>	<u>1,522,815</u>	<u>1,569,326</u>
Expenditures												
Administration	37,000			35,796							35,796	36,318
Other												3,227
				<u>35,796</u>							<u>35,796</u>	<u>39,545</u>
Net revenues	971,200	8,008	846,105	615,335						17,571	1,487,019	1,529,781
Net transfers	(971,200)	(31,114)	(688,710)	(460,000)	\$ 199,058	\$ 30,000	\$ 53,201		\$ 225,261	282,860	(389,444)	(1,306,541)
Change in fund balance	\$ Nil	(23,106)	157,395	155,335	199,058	30,000	53,201		225,261	300,431	1,097,575	223,240
Opening fund balance		740,721	1,212,471	13,198,832	209,188	110,370	130,812		\$ 170,620	355,449	649,196	16,554,419
Closing fund balance		\$ 717,615	\$ 1,369,866	\$ 13,354,167	\$ 408,246	\$ 140,370	\$ 184,013		\$ 170,620	\$ 580,710	\$ 949,627	\$ 17,875,234

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See accompanying notes to the consolidated financial statements

Town of Kentville
Schedule to the Consolidated Financial Statements- Segmented Information

For the year ended March 31, 2020

	General Government	Protective services	Transportation services	Environmental health services	Public health services	Planning & development	Recreation & culture	Water services	Wastewater services	Total
Revenues										
Taxation revenue	\$ 7,105,050									\$ 7,105,050
Grants in lieu	512,905									512,905
Services provided	\$	118,775	\$ 24,718				\$ 104,395			247,888
Sales of services	37,195	561,977				\$ 24,737	4,348			603,520
Other revenue from own sources	87,339	47,791	6,000				346,937			512,804
Unconditional transfers	224,478									224,478
Conditional transfers		125,027	3,171				54,808			183,006
Transfer - Federal Gas Tax	837,953									837,953
Grants	17,536									17,536
Wastewater rates								\$ 1,391,179		1,391,179
Water rates							\$ 1,263,060			1,263,060
Public fire protection							721,264			721,264
Other revenue			6,589				6,683	1,500		14,772
Interest and dividends	680,278						5,118	5,010		690,406
Capital gains	163,007									163,007
Proceeds from sale of assets		10,180	15,000				9,000			34,180
	9,665,741	863,750	55,478			24,737	519,488	1,996,125	1,397,689	14,523,008
Expenses										
Salaries, wages and benefits	885,914	2,092,848	432,387	\$ 18,401		321,313	745,039	294,123	107,781	4,897,806
Contracted services		183,474		656,871						840,345
Purchase of services from public sector		76,190		6,060						84,652
Materials, goods supplies and utilities	432,860	500,167	1,024,275	5,770		205,487	467,609	634,435	106,516	3,377,119
Grants and transfers to organizations	69,456		233,323		\$	116,803	13,505			442,587
Transfers to Province	90,416	12,346					36,948			139,710
Allowances for uncollectibles	33,618									33,618
Other expenses								825		825
Interest on long-term debt	4,990	21,029	71,460			36,363	29,480	23,459	6,896	193,677
Bank charges and short term interest	15,902	97	1,678			4,417	708	3,771		26,573
Amortization, depreciation, write downs, net gains (losses)	98,543	97,941	883,651			32,893	385,258	441,101	142,578	2,081,965
	1,631,699	2,984,092	2,646,774	687,102	9,500	717,276	1,678,547	1,397,714	1,126,173	12,878,877
Excess (deficiency) of revenue over expenses, before Other	8,034,042	(2,120,342)	(2,591,296)	(687,102)	(9,500)	(692,539)	(1,159,059)	598,411	271,516	1,644,131
Other										
Properties held for sale						19,435				19,435
Excess (deficiency) of revenue over expenses	\$ 8,034,042	\$ (2,120,342)	\$ (2,591,296)	\$ (687,102)	\$ (9,500)	\$ (673,104)	\$ (1,159,059)	\$ 598,411	\$ 271,516	\$ 1,663,566

See accompanying notes to the consolidated financial statements

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Town of Kentville
Schedule to the Consolidated Financial Statements- Segmented Information
 For the year ended March 31, 2019

	General Government	Protective services	Transportation services	Environmental health services	Public health services	Planning & development	Recreation & culture	Water services	Wastewater services	Total
Revenues										
Taxation revenue	\$ 6,781,507									\$ 6,781,507
Grants in lieu	509,468									509,468
Services provided	\$	113,649	\$ 20,575				\$ 77,093			211,317
Sales of services	36,444	615,327	1,277				4,348			657,396
Other revenue from own sources	76,862	40,598	6,000			\$ 17,729	334,290			475,479
Unconditional transfers	229,684									229,684
Conditional transfers		129,716					58,142			187,858
Transfer - Federal Gas Tax	946,868									946,868
Grants	54,160							\$ 1,273,820		54,160
Wastewater rates										1,273,820
Water rates						\$ 1,274,999				1,274,999
Public fire protection						603,731				603,731
Other revenue	653,971					4,981		1,725		670,677
Interest and dividends	108,475					5,090		3,754		117,219
Capital gains										
Proceeds from sale of assets		21,700	54,329							76,029
	9,397,439	920,990	82,181			17,729	473,873	1,888,801	1,279,299	14,060,312
Expenses										
Salaries, wages and benefits	795,612	2,090,930	407,307	\$ 24,360		325,053	733,534	279,549	116,692	4,773,037
Contracted services		174,612		635,301						809,913
Purchase of services from public sector		73,916		8,000						82,916
Materials, goods supplies and utilities	418,862	524,510	924,061	7,112		186,398	483,216	637,071	740,162	3,555,148
Grants and transfers to organizations	74,954		242,957		\$ 4,000	115,624	15,123			452,658
Transfers to Province	88,899	10,200					36,948			136,047
Allowances for uncollectibles	41,747									41,747
Other expenses								1,252		1,252
Interest on long-term debt	5,568	23,508	83,748			34,083	26,603	31,694	8,518	213,722
Bank charges and short term interest	13,972		661			6,000	2,392	3,771		26,796
Amortization, depreciation, write downs, net gains (losses)	112,963	86,734	886,640			31,477	324,500	472,625	137,504	2,052,443
	1,552,577	2,984,410	2,545,374	674,773	4,000	698,635	1,622,316	1,425,962	1,376,794	12,884,841
Excess (deficiency) of revenue over expenses, before Other	7,844,862	(2,063,420)	(2,463,193)	(674,773)	(4,000)	(680,906)	(1,148,443)	462,839	(97,495)	1,175,471
Other										
Properties held for sale						(727,419)				(727,419)
Excess (deficiency) of revenue over expenses	\$ 7,844,862	\$ (2,063,420)	\$ (2,463,193)	\$ (674,773)	\$ (4,000)	\$ (1,408,325)	\$ (1,148,443)	\$ 462,839	\$ (97,495)	\$ 448,052

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See accompanying notes to the consolidated financial statements

Town of Kentville Water Utility
Non-consolidated Financial Statements
March 31, 2020

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Town of Kentville Water Utility Non-consolidated Financial Statements

Contents

Section B

Page

Index	
Independent Auditors' Report	1
Operating Fund	
Statement of Financial Position	2
Statement of Financial Activities	3
Capital Fund	
Statement of Financial Position	4
Statement of Financial Activities	5
Statement of Investment in Capital Assets	6
Schedule of Utility Plant and Equipment	7
Reserve Funds	8
Notes to the Non-consolidated Financial Statements	9-12
Schedules of Non-consolidated Financial Statements	
Schedules to Statement of Financial Activities of the Water Operating Fund	13-14
Schedule of Capital Debt Charges	15
Schedule of Capital Projects Funding	16
Statement of Capital Financing	17

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**Town of Kentville
Water Utility Operating Fund
Statement of Financial Position**

March 31	2020	2019
Assets		
Cash and cash equivalents	\$ 330,624	\$ 19,811
Receivables		
Rates (less: allowance for doubtful accounts \$10,950; 2019- \$4,215)	224,762	228,775
Other (less: allowance for doubtful accounts \$12,000; 2019- \$12,000)	600	241,573
Due from own funds and agencies (Note 1)		
Depreciation reserve	13,841	6,177
Prepaid expense	6,966	10,719
	<u>\$ 576,793</u>	<u>\$ 507,055</u>
Liabilities		
Payables and accruals		
Trade	\$ 33,229	\$ 39,862
Due to own funds and agencies (Note 1)		
Water operating reserve		57,000
Water capital reserve	195,261	65,995
General operating fund, Town of Kentville	32,415	35,875
Customers' deposits	12,397	12,017
Accrued liability (Note 6)	33,468	32,784
	<u>306,770</u>	<u>243,533</u>
Surplus		
Surplus	270,023	263,522
	<u>\$ 576,793</u>	<u>\$ 507,055</u>

ON BEHALF OF THE TOWN

_____ MAYOR

_____ TOWN CLERK

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Town of Kentville
Water Utility Operating Fund
Statement of Financial Activities

March 31

	<u>Budget</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
Operating revenue			
Metered	\$ 1,264,500	\$ 1,253,093	\$ 1,265,281
Public fire protection	603,700	721,264	603,731
Sprinkler service	9,300	9,967	9,718
Other operating revenue	5,000	5,118	5,090
	<u>1,882,500</u>	<u>1,989,442</u>	<u>1,883,820</u>
Operating expenditure			
Source of supply (B-13)	19,200	14,796	16,375
Power and pumping (B-13)	183,000	201,413	181,972
Water treatment (B-13)	290,500	256,302	281,309
Transmission and distribution (B-14)	271,800	220,984	214,976
Transportation	8,900	9,835	11,270
Administration and general (B-14)	232,300	225,913	211,521
Depreciation	323,600	309,762	308,123
Taxes	167,000	166,786	166,945
	<u>1,496,300</u>	<u>1,405,791</u>	<u>1,392,491</u>
Net operating profit	<u>386,200</u>	<u>583,651</u>	<u>491,329</u>
Non-operating revenue			
Other	<u>5,100</u>	<u>2,682</u>	<u>4,981</u>
Non-operating expenditure			
Debt charges			
Principal	227,200	227,200	227,200
Interest	23,400	23,459	31,694
Debenture discount	3,700	3,771	3,771
Private work	500	71	374
Interest on customers' deposits		70	76
Transfer to Water operating reserve			57,000
Transfer to Water capital reserve	30,000	225,261	65,995
Dividend to owner	100,000	100,000	100,000
	<u>384,800</u>	<u>579,832</u>	<u>486,110</u>
Excess revenue	<u>\$ 6,500</u>	<u>6,501</u>	<u>10,200</u>
Surplus, beginning of year		<u>263,522</u>	<u>253,322</u>
Surplus, end of year		<u>\$ 270,023</u>	<u>\$ 263,522</u>

Town of Kentville
Water Utility Capital Fund
Statement of Financial Position

DRAFT

March 31

2020

2019

Assets

Cash and cash equivalents

Cash \$ 92,911 \$ 93,395

Depreciation funds 962,242 654,168

Receivables

Other 1,226 1,205

Due from own funds and agencies (Note 1)

General operating fund, Town of Kentville 1,111

Utility plant in service (B- 7)

18,578,098 18,551,195

\$ 19,635,588 \$ 19,299,963

Liabilities

Payables and accruals

Trade \$ 11,920 \$ 15,294

Due to other funds and agencies (Note 1)

Water Utility operating fund 13,841 6,177

Term debt (Note 3)

Debentures issued (B-15)

Debentures issued to Provincial government or its agencies

Municipal Finance Corporation 651,400 878,600

Accumulated depreciation (Note 5)

5,739,707 5,429,943

6,416,868 6,330,014

Equity

Investment in capital assets

12,186,991 12,242,651

Fund balance-Water general capital

82,102 78,102

12,269,093 12,320,753

Fund balance- Water depreciation

949,627 649,196

13,218,720 12,969,949

\$ 19,635,588 \$ 19,299,963

ON BEHALF OF THE TOWN

_____ MAYOR

_____ TOWN CLERK

Town of Kentville
Water Utility Capital Fund
Statement of Financial Activities

DRAFT

March 31

	<u>Budget</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
Revenue			
Other		\$ 4,000	
Expenditure			
Capital expenditures	\$ 382,800	26,903	\$ 432,680
Construction work in progress			(3,869)
	<u>382,800</u>	<u>26,903</u>	<u>428,811</u>
Net (expenditure)	<u>(382,800)</u>	<u>(22,903)</u>	<u>(428,811)</u>
Financing and transfers			
Issue of debt			152,500
Repayment of debt	(227,200)	(227,200)	(379,700)
Transfers from own funds and agencies	610,000	254,103	659,880
	<u>382,800</u>	<u>26,903</u>	<u>432,680</u>
Change in fund balance	<u>\$ Nil</u>	4,000	3,869
Beginning fund balance		<u>78,102</u>	<u>74,233</u>
Ending fund balance		<u>\$ 82,102</u>	<u>\$ 78,102</u>

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Town of Kentville
Water Utility Capital Fund
Statement of Investment in Capital Assets

March 31

2020

2019

Balance, beginning of period	\$ 12,320,752	\$ 12,002,160
Add:		
Term debt retired - debenture principal	227,200	227,200
Depreciation funds	26,903	109,697
Capital reserve funds		108,500
Gas Tax reserve		214,483
Other	4,000	
	<u>258,103</u>	<u>659,880</u>
Less:		
Net book value of pump disposal		33,165
Depreciation of tangible capital assets	309,762	308,123
	<u>309,762</u>	<u>341,288</u>
Balance, end of period	\$ 12,269,093	\$ 12,320,752

Town of Kentville
Water Utility Capital Fund
Schedule of Utility Plant and Equipment

March 31

2020

2019

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Tangible plant

Land and land rights

Source of supply land

Transmission land

Transmission land- right-of-way

\$	51,019	\$	51,019
	74,391		74,391
	19,251		19,251
	<u>144,661</u>		<u>144,661</u>

Structure and improvements

Source of supply

Collecting and impounding reservoirs- dam

Wells

Other water source structure

Power and pumping

Water treatment

Distribution reservoirs and standpipes

Water tank- Prospect Avenue

Water tank- Belcher Street - 2

Water tank- Chester Ave

Water tank- Industrial park

53,275	53,275
1,195,834	1,195,834
5,500	5,500
260,947	260,947
394,186	394,186
122,335	122,335
951,989	951,989
859,338	859,338
697,784	697,784
343,781	343,781
<u>4,884,969</u>	<u>4,884,969</u>

Equipment

Electric pumping

Motor operated tools and equipment

Small tools and work equipment

Digital mapping

Control and monitoring equipment

Vehicles

Generator

190,185	190,185
29,747	29,747
57,030	57,030
12,105	12,105
376,159	376,159
142,017	142,017
46,668	46,668
<u>853,911</u>	<u>853,911</u>
<u>236,116</u>	<u>236,116</u>

Water treatment

Mains

Transmission

Distribution

1,851,270	1,851,270
8,795,529	8,795,529
<u>10,646,799</u>	<u>10,646,799</u>

Services

Meters

Software/computers

Meter conversion

Hydrants

Pumps

Other

390,114	385,898
470,812	470,812
48,422	48,422
327,294	315,417
391,654	391,654
171,056	160,246
12,290	12,290

\$	18,578,098	\$	18,551,195
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See accompanying notes to the non-consolidated financial statements

B-7

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Town of Kentville
Water Utility Reserve Funds
Statement of Financial Position

March 31			2020	2019
	<u>KWC Operating</u>	<u>KWC Capital</u>	<u>Total</u>	<u>Total</u>
Assets				
Cash	\$ 170,620	\$ 385,449	\$ 556,069	\$ 403,072
Due from Water operating		195,261	195,261	122,995
	<u>170,620</u>	<u>580,710</u>	<u>751,330</u>	<u>526,067</u>
Reserves	<u>\$ 170,620</u>	<u>\$ 580,710</u>	<u>\$ 751,330</u>	<u>\$ 526,067</u>

Town of Kentville
Water Utility Reserve Funds
Statement of Financial Activities

March 31			2020	2019
	<u>KWC Operating</u>	<u>KWC Capital</u>	<u>Total</u>	<u>Total</u>
Opening Balance	<u>\$ 170,620</u>	<u>\$ 355,447</u>	<u>\$ 526,067</u>	<u>\$ 511,572</u>
Additions				
Water operating		225,263	225,263	122,995
Deductions				
Water capital				108,500
Closing Balance	<u>\$ 170,620</u>	<u>\$ 580,710</u>	<u>\$ 751,330</u>	<u>\$ 526,067</u>

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Town of Kentville Water Utility

Notes to the Non-Consolidated Financial Statements

March 31, 2020

1. Significant accounting policies

These financial statements have been prepared to conform in all material respects to the accounting principles for Nova Scotia water utilities by the Nova Scotia Utility and Review Board.

a) Non consolidation

Non-consolidated financial statements of the Town of Kentville Water Utility are prepared by management in accordance with Canadian generally accepted accounting principles for local governments and the Water Utility Accounting and Reporting handbook of the Nova Scotia Utility and Review Board, as required under Section 4000. Significant aspects of the accounting policies adopted by the Town of Kentville Water Utility are as follows:

b) Reporting entity

The non-consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and financial position of the reporting entity.

c) Basis of accounting

Revenues and expenditures are reported using the accrual basis of accounting. This basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

d) Due to/from own funds and agencies

The Water Utility carries inter-fund balances of costs incurred on behalf of the Water Utility. The Water Utility intends to repay all due to/from balances by the date of its next year-end, March 31, 2021.

e) Valuation allowance

Uncollected rates

The Town of Kentville Water Utility provides a valuation allowance for estimated losses that will be incurred in collecting receivables outstanding.

f) Capital assets

Capital assets are reported as expenditures in the period they are acquired. Capital assets and projects in progress are recorded at the utility's cost except for donated assets which are recorded at fair market value when obtained. Interest incurred during construction on significant water capital projects is capitalized. Interest is not calculated for projects temporarily funded from operations. Capital assets are depreciated at rates prescribed by the Nova Scotia Utility and Review Board.

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Town of Kentville Water Utility

Notes to the Non-Consolidated Financial Statements

March 31, 2020

1. Significant accounting policies (continued)

g) Interest on reserve funds

Interest on operating and capital reserve funds is recorded as income in the Town of Kentville General Operating fund. Interest earned on depreciation funds is recorded in that fund, as required by the Nova Scotia Utility and Review Board.

h) Allocation of municipal costs to Water Utility funds

Where identifiable, costs incurred by the Town of Kentville General Operating fund on behalf of the Water Utility are charged to the utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the Water Utility. Interest is not calculated and recorded on monthly balances due between Water Utility funds and other funds.

i) Debenture discount

Significant debenture discounts are amortized over the term of the associated debt. To March 31, 2020, four debenture discounts have been treated in this fashion. Issue May 29, 2011 has two years remaining, issue May 15, 2012 has three years remaining, issue June 5, 2014 has five years remaining and issue May 30, 2018 has three years remaining.

j) Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, short-term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

k) Use of estimates

In preparing the Town of Kentville Water Utility's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

l) Financial instruments

Fair values

The estimated fair value of cash and cash equivalents, receivables, inventories, bank indebtedness and payables approximate carrying values due to the relatively short-term nature of the instruments and /or floating interest rates on the instruments. The estimated fair value of long-term debt also approximates carrying value due to interest rates that are based on the lender's rate.

Town of Kentville Water Utility
Notes to the Non-Consolidated Financial Statements

March 31, 2020

DRAFT

2. Asset valuation allowances

Rates	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$4,215	\$8,581
Add: provision for the year	7,783	
Less: write-offs	1,048	2,414
provision for the year		<u>1,952</u>
Balance, end of year	<u>\$10,950</u>	<u>\$4,215</u>
 Other	 <u>2020</u>	 <u>2019</u>
Balance, beginning of year	<u>\$12,000</u>	<u>\$12,000</u>
 Balance, end of year	 <u>\$12,000</u>	 <u>\$12,000</u>

3. Long term debt

Principal repayments during the next five years are due as follows:

	<u>Water Capital</u>
2020	\$227,200
2021	\$227,200
2022	\$106,500
2023	\$60,500
2024	\$30,000

All long-term debt outstanding at year-end has been properly authorized by Nova Scotia Department of Municipal Affairs and Housing.

4. Depreciation reserve bank account

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$654,168	\$462,523
Add: depreciation transfer	317,428	309,761
interest	17,549	11,144
Less: funds used current & prior year's projects	<u>26,903</u>	<u>129,260</u>
Balance, end of year	<u>\$962,242</u>	<u>\$654,168</u>

5. Accumulated allowance for depreciation

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$5,429,943	\$5,165,736
Add: current year's depreciation	309,764	308,123
Less: accumulated depreciation on disposals	<u> </u>	<u>43,916</u>
Balance, end of year	<u>\$5,739,707</u>	<u>\$5,429,943</u>

Town of Kentville Water Utility

Notes to the Non-Consolidated Financial Statements

March 31, 2020

DRAFT

6. Sick pay accrual

The Town of Kentville Water Utility has a sick leave policy, which entitles employees with five or more years of service to a cash payment of a percentage of their accumulated sick days, on their termination of employment. The total liability at March 31, 2020 is \$33,468 (2019-\$32,784). This amount is accrued in the Kentville Water Commission Operating Fund.

7. Pension plans

Two pension plans are set up for membership of all permanent employees of the Town of Kentville Water Utility. Contributions are shared by the Town of Kentville Water Utility and the members as follows: employee 7.1% and employer 7.1% of employee's pensionable earnings.

A **defined contribution pension plan** has been set up to conform to the Pension Benefits Act. All permanent employees belong to this plan. Sharing of contributions is as noted above for all employees other than CUPE Local 4403 members. CUPE Local 4403 members contribute 2.1% and the Town of Kentville Water Utility contributes 1.6% to this plan on behalf of CUPE Local 4403 members.

A **multi-sector pension plan** has been set up for the members of CUPE Local 4403. This Multi-Sector Pension Plan (MSPP) is offered through the Canadian Union of Public Employees (CUPE) and conforms to the Pension Benefits Act. CUPE employees shall contribute 5% to the MSPP and the employer shall contribute 5.5%. The Union acknowledges and agrees that under the current pension legislation, and/or regulations, the employer has no requirement to fund any deficit in the Plan but is required to contribute only that amount as required by the collective agreement in force between the parties.

During the year, the Town of Kentville Water Utility made contributions in the amount of \$2,222 (2019 -\$2,094) on behalf of its employees to the defined contribution plan and \$7,819 (2019-\$7,679) to the multi-sector pension plan.

8. Rate of return on rate base

For the year ended March 31, 2020, the Kentville Water Utility had a rate of return on rate base of 5.52% (2019-4.53%).

9. Collective agreement

A new collective agreement with CUPE Local 4403 was ratified on July 29, 2019. This agreement is for a four-year term expiring on March 31, 2023.

10. Comparative figures

In some instances, comparative figures have been restated to conform to current year's presentation.

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Town of Kentville
Water Utility Operating Fund
Schedules to Statement of Financial Activities

March 31

		2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Source of supply			
Supervision and engineering	\$ 10,200	\$ 7,223	\$ 6,239
Operation labour	7,700	7,163	6,981
Maintenance of plant	1,300	410	3,155
	<u>\$ 19,200</u>	<u>\$ 14,796</u>	<u>\$ 16,375</u>
Power and pumping			
Supervision and engineering	\$ 10,300	\$ 7,223	\$ 6,239
Operation labour	7,700	7,163	6,981
Power	142,000	157,022	141,955
Supplies and expenses	1,100	1,735	1,051
Maintenance of plant	21,900	28,270	25,746
	<u>\$ 183,000</u>	<u>\$ 201,413</u>	<u>\$ 181,972</u>
Water treatment			
Supervision and engineering	\$ 13,700	\$ 9,631	\$ 8,319
Operation labour	62,000	57,306	55,847
Supplies and expenses	130,800	140,912	128,300
Maintenance of structures and improvements	21,000	13,646	17,183
Maintenance of equipment	18,000	14,191	22,595
Water testing costs	35,000	12,066	38,986
Heat, light, power and telephone	10,000	8,550	10,079
	<u>\$ 290,500</u>	<u>\$ 256,302</u>	<u>\$ 281,309</u>

Town of Kentville
Water Utility Operating Fund
Schedules to Statement of Financial Activities

March 31

DRAFT

	<u>Budget</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
Transmission and distribution			
Supervision and engineering	\$ 34,200	\$ 24,078	\$ 20,798
Operation and meters	24,500	22,690	20,942
Maintenance of distribution reservoirs - standpipes	18,000	5,877	6,804
Maintenance of structures and improvements	2,000		29
Maintenance of transmission mains	5,000	7,764	106
Maintenance of distribution mains	85,000	72,083	37,278
Maintenance of services	65,000	60,479	78,432
Maintenance of meters	12,100	2,478	17,045
Maintenance of hydrants	26,000	25,535	33,542
	<u>\$ 271,800</u>	<u>\$ 220,984</u>	<u>\$ 214,976</u>
Collection , administration and general			
Supervision	\$ 14,600	\$ 14,610	\$ 14,250
Meter reading	38,800	35,816	34,904
Consumer billing and accounting	24,400	24,350	23,750
Uncollectible accounts	14,700	17,524	7,548
Other accounting and collection expenses	100		86
Officers' and executives' salaries	19,200	19,200	18,400
Other general office salaries	23,400	23,333	22,850
General office expenses and supplies	14,900	12,856	11,695
Legal	500		
Audit	7,200	7,014	7,039
Rent - office	12,000	12,000	12,000
Regulatory expense	3,800	3,557	3,592
Insurance	11,700	11,742	9,934
Employee welfare and pensions	35,200	34,336	33,048
General	3,000	2,411	4,365
Training	5,000	4,183	4,436
Professional studies	3,000	2,297	2,820
Provision for sick leave	800	684	804
	<u>\$ 232,300</u>	<u>\$ 225,913</u>	<u>\$ 211,521</u>

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Town of Kentville
Water Utility Capital Fund
Schedule of Capital Debt Charges
Year Ended March 31

<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance 2019</u>	<u>Issued 2020</u>	<u>Redeemed 2020</u>	<u>Balance 2020</u>	<u>Interest & Accrued</u>	<u>Interest Rates 2020</u>
2011	2021	\$ 362,100		\$ 120,700	\$ 241,400	\$ 10,779	3.874%
2012	2027	184,000		46,000	138,000	4,772	2.792%
2014	2024	180,000		30,000	150,000	4,571	1.923%
2018	2028	152,500		30,500	122,000	3,337	2.060%
TOTAL DEBENTURE		<u>\$ 878,600</u>		<u>\$ 227,200</u>	<u>\$ 651,400</u>	<u>\$ 23,459</u>	

Town of Kentville
Water Utility Capital Fund
Schedule of Water Utility Capital Projects Funding

March 31

2020

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	Total Capital <u>Cost</u>	Depreciation <u>Funds</u>
Meters & meter conversion	\$ 11,877	\$ 11,877
Services	4,216	4,216
Pumps	10,810	10,810
	<hr/>	<hr/>
Total Water Utility	\$ 26,903	\$ 26,903
	<hr/>	<hr/>

Town of Kentville
Water Utility Capital Fund
Statement of Capital Financing

March 31

2020

2019

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Source

Funds available from prior year		
Cash	\$ 93,395	\$ 40,628
Depreciation bank account	654,168	462,523
Due from other funds		67,411
Other receivables	1,205	638
Transfer from depreciation reserve	26,903	109,697
Transfer from water capital reserve		108,500
Transfer from operating funds- Water Utility- depreciation	309,762	308,123
Transfer from Gas Tax reserve		214,483
Interest on depreciation funds	17,573	11,711
Other	4,000	
Decrease in construction work in progress		3,868
Balance temporarily financed at end of period		
Payables- trade	11,920	15,294
Due to operating fund- Water Utility	13,841	6,177
	<u>\$ 1,132,767</u>	<u>\$ 1,349,053</u>

Application

Balance temporarily financed at end of previous period		
Payables- trade	\$ 15,294	\$ 32,242
Due to operating fund- Water Utility	6,177	4,539
Due to other funds		21,127
Capital asset acquisitions	26,903	432,680
Transfer to capital fund- Water Utility	26,903	109,697
Funds available for application		
Cash	92,911	93,395
Depreciation bank account	962,242	654,168
Due from other funds	1,111	
Other receivables	1,226	1,205
	<u>\$ 1,132,767</u>	<u>\$ 1,349,053</u>



Kentville

A BREATH OF FRESH AIR

Town of Kentville
Annual Report
March 31, 2020

354 Main Street
Kentville NS B4N 1K6
www.kentville.ca

Kentville

at a glance

6,271

Population (2016)

17.35 km²

Geographic Area

0.5° C

Average
Temperature Winter



23.5° C

Average Temperature
Summer

\$232,894

Average Value of
Owned Dwelling

45.4

Median Age

\$56,909

Median Household
Income
(2016)

10.3%

Unemployment Rate
(Q 1 2020)

3,051

Dwelling Units
(2019)



Town of Kentville Annual Report

This report provides a variety of information about the Town of Kentville and its operations. It is followed by the audited consolidated financial statements of the Town for the year ended March 31, 2020.

Town of Kentville Government

The Town of Kentville was incorporated on May 1, 1886. Kentville, nestled in the centre of the Annapolis Valley in Nova Scotia, has a population of 6,271 (2016 census). As the largest town in the Annapolis Valley, it serves as the professional centre for legal, financial and medical services. A large array of businesses, unique shops and eateries offer a variety of services to its ever-growing population. Blessed with an incredible quality of life, residents enjoy the benefits of living in a smaller-sized community- yet on the doorstep of such amenities as an internationally-recognized university and the capital city of Nova Scotia. Kentville residents enjoy a safe, vibrant and friendly town, a safe drinking water system, exemplary protective services, a multitude of recreational facilities, a walking trail system and a state-of-the-art elementary school complex, among other features.

The Town is governed by a council consisting of a mayor and six councillors, elected “at large” every four years. Council is the policy-forming and decision-making body representing the interests of its residential and corporate citizens. The Town draws its authority from the ***Municipal Government Act*** which mandates the Town to provide municipal services within its boundaries. The next municipal election will occur in October 2020.

Kentville offers programs that serve the interests of the public– such as:

- ⇒ Legislative services
- ⇒ Administrative, Corporate and Financial services
- ⇒ Protective services
- ⇒ Transportation services
- ⇒ Environmental services
- ⇒ Planning services
- ⇒ Recreation, parks and cultural services

With our government and community partners Kentville also provides:

- ⇒ Assessment services*
- ⇒ Education services*
- ⇒ Correction services*
- ⇒ Library services*
- ⇒ Social housing services*
- ⇒ Community economic development services
- ⇒ Public transit services
- ⇒ Fire fighting services
- ⇒ Fire and building inspection services
- ⇒ Solid waste management services

*Provincial mandatory expenditures

Vision Statement

"Kentville is a healthy, vibrant, integrated and complete community where citizens can live, work and play in an environment that supports a high quality of life".

(Endorsed by Town Council July 15, 2009)



Notes of Interest

- The Town welcomed a new Chief Administrative Officer in November 2019. Kelly Rice comes to the Town with over 20 years of experience in municipal government.
- The Town welcomed a new engineer in October 2019. David Bell, P. Eng. came to us from the private sector with extensive experience in civil engineering.
- Weatherwise, 2019 saw more than its fair share of heavy rain storms beginning June 21, continuing into August with post tropical storm Erin and Hurricane Dorian in early September. Some roads & parks were damaged, which have been reinstated. A Provincial disaster recovery program is available. The Town will be quantifying its repairs for possible claim.
- The last quarter of 19/20 was disrupted with the onset of the COVID-19 pandemic. Nova Scotia issued a State of Emergency on March 22, 2020 to prevent the spread of COVID-19 within the Province. The State of Emergency is extended to June 28, 2020; however the Province is slowing re-opening for business, per Provincial guidelines.

Economic Snapshot– Provincial/Regional

For 2019, Nova Scotia saw the strongest economic growth since 2010 thanks to strong gains in construction, manufacturing, real estate and healthcare. However, the outlook for Nova Scotia's economy changed significantly since the end of 2019. Beginning early 2020, the Province has been dealt a one-two punch from the COVID-19 pandemic and plummeting oil prices. The hit from the virus has been widespread with the greatest impact expected to occur in the first half of the year. However, the oil-producing economies will face a more sustained pressure in 2020 due to price wars between producers. Canada's provinces were already under pressure from the decline in global trade activity as the US/China trade spat intensified and China's ban on some Canadian agricultural products, along with US tariffs on softwood lumber affected exports. Therefore, the Atlantic Provinces are forecast to gear down in 2020. There will be weak capital investment in the Atlantic region with only Nova Scotia seeing a rise, driven by private sector companies. Nova Scotia is also likely to contend with lower exports to China. Still, public spending will provide some support albeit at a slower pace of 0.5%.

Economic indicators¹:

Forecast Detail*– Nova Scotia	2019	2020F	2021F
Real GDP	2.1	-5.5	3.8
Employment	2.2	-5.2	4.9
Unemployment rate (%)	7.2	10.1	8.4
Housing starts (units)	4.7	3.8	3.4
Retail sales	2.7	-5.5	4.0
CPI	1.6	0.4	1.6

¹Source: RBC Economics Research, June 2020 (* - % change unless otherwise indicated)

Economic Snapshot– Provincial/Regional

Stats Canada reported in January that the labour force in the Annapolis Valley improved over the past year, though to a more moderate extent than other regions.

However, due to COVID-19, social distancing orders were in place everywhere and directly disrupted big chunks of the Province's economy. Highly impacted industries like retail trade, transportation services, education, arts and recreation and food and accommodation services generally account for roughly one-third of the jobs and between 20-25 % of provincial GDP. Business closures, massive layoffs and reduced working hours for those still employed generated additional knock-on effects for other sectors– leading to further job losses and deepening the economic contraction. 2020 will mark the steepest one-year decline in all provinces. The eventual easing of social distancing orders will set the stage for a broad based recovery. Nova Scotia is one of only three provinces not to impose a full lockdown on non-essential businesses. This has limited the economic damage of COVID-19. A gradual recovery is expected to take hold with softness in tourism, manufacturing and construction slowing the pace. The Nova Scotia government began to partially lift restrictions on May 1, 2020.

Economic Snapshot– Local

For Kentville, 114 permits were issued in 2019/20 and totalled **\$18,175,282** (18/19–124 permits issued; value \$5,936,995). **Property sales** in assessment dollars (over \$1) **for Kentville** are as follows²:

Year	Value in Assessment Dollars
2019	\$41,530,019
2018	\$30,162,594
2017	\$38,318,020
2016	\$22,042,137
2015	\$16,437,126

²Source: PVSC, March 2020

Financial Management and Control Programs

The major components of the Town's financial management and control programs include the budget process, accounting procedures, independent external audit, capital financing practices, financial and investment policies, some of which are described below.

The Budget Process

Council has the authority under the *Municipal Government Act (MGA)* to allocate funds through the budget process. It is a challenge to balance the competing needs for service delivery, our high standard of service delivery, fluctuating property assessments and revenue streams, while maintaining stability in the tax rates.

Yearly, Town Council considers a current operating budget along with a 5-year capital investment plan. Town Council formally adopts the operating budget and capital program for the immediate year. The budgets are divided into the various programs which provide service delivery to residential and corporate citizens. The budget process involves elected officials, the Chief Administrative Officer, Department Heads, Town personnel and the public.

Council's goal is to provide exemplary services at a reasonable cost to the residential and corporate citizen and, therefore, it sets the standards and guidelines for the budget process after considering Provincial legislation, servicing needs, policy changes and public expectations. Staff make recommendations to revise service levels or to change revenues in order to meet Council's targets on the tax levies. Prior to Council's final ratification, public input is sought and considered in the decision-making process.

Revenue is derived from property taxation, user fees, conditional and unconditional grants from upper levels of government and capital contributions from outside parties. Sufficient revenues must be raised to provide the service delivery as determined by Town Council.

Municipalities, by law, are not permitted to budget for operating surpluses or deficits, and, should a deficit occur through the course of business, it is recovered through the next year's operating budget.

Once the budget is finalized, service is provided and revenue is collected. Expenditures are controlled against the budget by formal financial, purchasing and human-resource policies and financial systems designed to prevent budget overruns. Each senior manager directs the department's service delivery and ensures that the Town's policy statements (as noted above) are followed. Once the budget is ratified, internal financial reporting to Town Council is tabled at the monthly Council Advisory Committee meeting. The reports include an income statement and, for the last six months of the fiscal year, a projection report for the Town's Operating fund. Reports on the Town's water utility and sanitary sewer area service are tabled quarterly and coincide with each quarterly billing.

Financial Management

The Town's accounting system and internal controls are maintained by management and designed to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorized use or disposition. To that end, Finance personnel are properly trained in their respective job functions and a well-defined separation of duties, responsibilities and accountability exists. The Town of Kentville follows Canadian public sector accounting standards for local governments when recording its financial information, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada (CPA). The outcome furnishes financial records that are reliable for the preparation of financial statements. Kentville continues its tradition of operating a well-managed organization. Management's ability to achieve its

financial outcomes is a result of consistent, dependable budgetary performance and timely financial reporting.

External Independent Audit

On an annual basis, the Town of Kentville is required by the *Municipal Government Act* to engage an external independent municipal audit firm to express an opinion as to whether the consolidated financial statements are free of material misstatement and that the consolidated financial statements present fairly, in all material respects, the operating results and financial position of the Town of Kentville at the end of each fiscal year. The external independent audit firm has free access to all records of the Town and, as required, they meet with Town personnel to discuss any matters that arise during the course of the audit engagement. Annually, the external independent auditor also provides the Town with an *internal control findings letter*, which speaks to the adequacy of the Town's internal controls. As a minimum, the external independent auditor meets with the Town's Audit Committee yearly when the draft financial statements are presented to the Audit Committee. The Audit Committee is comprised of the Mayor and two councillors, along with two citizen appointees. The Chief Administrative Officer and Director of Finance are ex officio and attend as resource.

While an external opinion is sought, the Town's management is responsible for the preparation of the financial statements and the integrity and objectivity of the financial information and the representations contained in the financial statements.

Capital Financing

Every year, Kentville completes many capital projects which meet not only its growth needs but also its need to renew aging infrastructure. Financing for these initiatives includes a

combination of “pay-as-you-go” via cash reserve funds, contributions from outside interested parties and debt issuances. The Town has adopted a strategy to maintain its annual debt issuances to one million dollars (or less) and it has increased funding from its cash reserves to finance capital acquisitions.

The long-term debt-servicing practice of Town Council has been to maintain the 5-year average debt service ratio at between 10-12% of own-source revenue. This self-imposed cap could affect future capital investment plans and the number of projects undertaken each year, but, in the long run, it will ensure that debt servicing (via the tax rates) is kept at manageable levels while ensuring that infrastructure is acquired or renewed.

Perpetual Investment Fund

The Town is in a “*net financial asset*” position created by funds invested according to the Town’s ***Special Perpetual Reserve Fund Investment Policy***. These funds were derived from the sale of the Kentville Electric Commission to Nova Scotia Power Inc. in 1997. Ten million dollars of the proceeds were sheltered from day-to-day spending by the Nova Scotia Legislature via local Bill. No 20 – *The Town of Kentville and Kentville Electric Commission Sale of Assets Act*, assented to June 29, 1998. The ***Special Perpetual Reserve*** is unique in that it invests in equity stock, fixed income securities and other money-market vehicles. The objectives of the investment fund are preservation of capital, conformance with Federal, Provincial and other legal requirements, diversification to avoid unreasonable risks and attainment of a market rate of return that reflects the risk profile of the portfolio and investment plan. The Town’s ***Special Perpetual Reserve Fund Investment Policy*** received full approval of the Minister for Department of Municipal Affairs, as per MGA 100 (b) (obtained March 25, 2004). This ***fund*** is managed by an Investment Advisory Committee consisting of two knowledgeable citizen appointees and a member of Town Council (a second Council

member is appointed as an alternate). The Chief Administrative Officer and the Director of Finance sit ex officio. The Fund is administered by an external financial advisor, whose term is for a four-year period. A *Request for Proposals for Investment Advisory Services* is released every four years on the Provincial Procurement web portal. In 2018, the Investment Advisory Committee revised its **Investment Policy**, which was ratified by Town Council on May 28, 2018. Provincial endorsement from the Minister for Municipal Affairs was received on June 21, 2018.

Since 1999, \$10.8 million has been transferred to the Town's operating fund, while \$1.9 million retired long-term debt related to the Electric Commission and \$ 819 thousand was transferred to the Town's capital reserve fund. As at March 31, 2020, the **market value** of the Special Perpetual Reserve Fund was \$12,499,494 (2019- \$12,955,710).

The Assessment Process

Property Valuation Services Corporation (PVSC) determines the assessment value of properties, as legislated by the Province of Nova Scotia Assessment Act. This organization is owned by the municipalities of the Province of Nova Scotia and municipalities are mandated to provide its funding. In general, the assessment service and its relationship to property taxation is not understood by the taxpayers. The Town of Kentville must use the assessment records (as provided by PVSC) in its calculation of tax levies. In Nova Scotia, since 2005, residential and resource assessment increases are CAPped each year at the CPI for Nova Scotia for the month of October, as posted by Statistics Canada. The CAP system was imposed to protect property owners from "sudden and dramatic increases" in the market value of their property. For 2019/20, the CAP was 2.9%. The CAP eligibility criteria can be found on the PVSC website at www.pvsc.ca.

Results of the Year Ended March 31, 2020

The Town of Kentville provided services to residential and corporate citizens through its operating departments and also continued to renew and remediate the Town's infrastructure by investing in capital building, some of which included continuation of the sidewalk in the west end of Town, renewals of several storm sewers, renewal of several heavily-travelled streets, the purchases of equipment for several departments and the completion of two Recreation studies.

Some key highlights were:

- ⇒ In 2019/20 the total **Residential tax rate** was increased nearly **2 cents (1.3%)**.
- ⇒ In 2019/20 the total **Commercial tax rate** remained **stable**.
- ⇒ Total **taxable assessment growth** April 1, 2019 (net of cap and adjustments) was **2.5%**.
- ⇒ **CAP** on Residential and Resource assessments (set by the Province) was **2.9%**.
- ⇒ **Water rate charges** remained **stable** for all users of the utility, as authorized by the Nova Scotia Utility and Review Board.
- ⇒ **Sanitary sewer charges** remained stable for all users of the service, as authorized by Town Council.
- ⇒ As at **March 31, 2020**, the Town of Kentville General Operating Fund recorded a **non-consolidated surplus** of **\$149,734** (2019-\$24,805). The entire surplus was transferred to the Town's operating reserve fund, as per DMA guidelines.
- ⇒ The Sanitary Sewer Area Service reported a **non-consolidated surplus of \$199,058** (2019-\$NIL), before the entire surplus was transferred to its operating reserve, as per DMA guidelines, and
- ⇒ The Kentville Water Utility Operating Fund recorded a **non-consolidated surplus of \$6,501** (2019-\$10,200).
- ⇒ **At March 31, 2020**, the consolidated **PSAS-compliant annual surplus** is **\$1,663,566** (2019- \$448,052).

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Financial Reporting Model

The objectives of financial statements are to describe to the reader the organization's financial position, the results of its operations and how the sources for its various activities have been derived and consumed. Our statements provide information about the economic resources, obligations and accumulated surplus of the Town. While similar to financial statements of private sector organizations, the Town's financial statements are different, accounting for its unique aspects. The following are the primary statements prepared by all governments:

Consolidated Statement of Financial Position	Provides information to describe a government's financial position in terms of its assets and liabilities as at the end of the reporting period. Net financial position and accumulated surplus are important factors in determining the government's financial well-being.
Consolidated Statement of Operations and Accumulated Surplus	Provides accountability information for a government's current-period operations and the related government objectives for the reporting period. It also denotes the change in accumulated surplus.
Consolidated Statement of Change in Net Financial Assets (Debt)	Provides accountability information regarding the extent to which expenditures made in the period are met by the revenues recognized in the current period.
Consolidated Statement of Cash Flows	Provides information about the impact of a government's activities on its cash resources for the current period.

As noted in the table above, the Statements are "consolidated", which means, in the Town of Kentville's case, that all resources and operations under the control of the Town are reflected in the data. This includes all departments of the Town, the Sanitary Sewer Area Service, the Kentville Water Utility and Special Reserve Funds. A description of the funds is as follows:

Funds

A fund is a grouping of self-balancing accounts used to report on resources that have been segregated for a specific purpose. These funds are created and managed to ensure that the Town is compliant with legislation and financial requirements.

The **General Operating Fund** reports on taxation and rate-supported operations– the day-to-day operations of the Town. This includes policing services, fire services, transportation services, planning services, recreational services, sanitary sewer services and legislative and administrative services.

The **General Capital Fund** reports on the acquisition of capital assets such as the building of streets, sidewalks, storm sewers, for example. It also quantifies related short and long-term borrowing as well as amortization of capital assets.

The **Kentville Water Commission Operating Fund** reports on the daily operations of the water utility, as funded by water rates approved by Nova Scotia Utility and Review Board.

The **Kentville Water Commission Capital Fund** cites acquisition of its capital assets (wells, transmission and distribution lines). This fund also accounts for related short and long-term borrowing as well as depreciation of capital assets.

The **Reserve Funds** are separated into Operating Reserves and Capital Reserves. These funds accumulate past operating surpluses of the Town, Sanitary Sewer Area Service and Water Utility.

The **Operating Reserves** (Town, Sanitary Sewer and Water) are akin to “savings” accounts and house the past surpluses of the aforementioned operating entities. These reserves provide stability in property tax rates and utility rates by offsetting unexpected operating expenditures, a current deficit position or to pay for an unexpected opportunity.

The **Capital Reserves** (Town, Sanitary Sewer and Water) are also savings accounts but used for capital acquisition purposes. They can be used to finance current and/or future years’ capital procurements for the Town, Sanitary Sewer Area Service and the Water Utility, thereby reducing reliance on long-term borrowing. Capital reserve funds are also utilized to fund unexpected capital infrastructure needs– such as a substantial water break. Also, contributions from outside sources for capital acquisitions may be contained in the reserve banks until the asset is acquired.



FINANCIAL STATEMENT DISCUSSION AND ANALYSIS**Consolidated Statement of Financial Position (A-3)**

This statement provides details on the Town's financial position at the end of the fiscal year. This information can be used to evaluate the Town's ability to finance its activities and meet its obligations. The statement also identifies the Town's ability to provide future services. The Town separates the statement into "net financial resources" and "non-financial assets". The financial resources include cash, receivables, land held for sale and investments. The Town has obligations to meet (liabilities), that use up the financial resources. The difference between financial assets and liabilities is the measure of the Town's "net financial asset" position and describes the Town's ability to meet its obligations at March 31. (A "net debt" position would indicate the future revenues are required to pay the liabilities at end of March.)

Non-financial assets include tangible capital assets and prepaid expenses of the Town. Capital assets are acquired to provide service delivery over the course of many years. They do not provide revenue for operations (hence are "non-financial" in nature). The accumulated surplus is the sum total of all surpluses and deficits of the Town since its inception. The accumulated surplus position signifies the Town's total economic resources—financial and physical— the amount by which all assets exceed all liabilities. The accumulated surplus also indicates the Town has resources (financial and non-financial) that can be used to provide services for years to come.

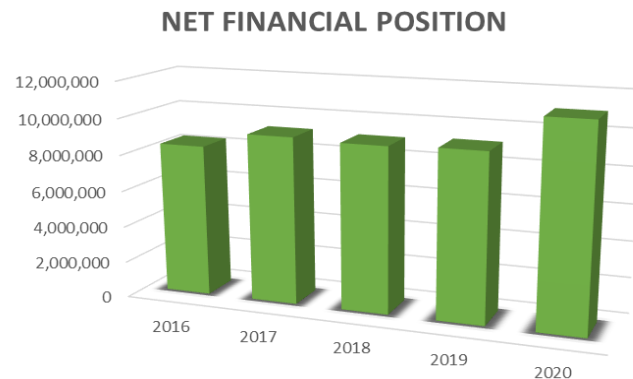
As at **March 31, 2020**, the Town statements report:

	2020	2019	Variance
	\$	\$	\$
Cash and cash equivalents	7,361,730	6,447,675	914,055
Investments	<u>13,265,260</u>	<u>13,121,662</u>	<u>143,598</u>
Financial assets	20,626,990	19,569,337	1,057,653
Liabilities	<u>9,511,263</u>	<u>10,353,756</u>	<u>(842,493)</u>
Net (financial) assets	11,115,727	9,215,581	1,900,146
Non-financial assets	42,312,931	42,549,511	(236,580)
Accumulated surplus	53,428,658	51,765,092	1,663,566

Fund	Net revenues (expenses)
	\$
General Operating (before Δ pre-pays)	1,154,710
General Capital	(1,757,943)
Water Operating (before Δ pre-pays)	1,039,263
Water Capital	(22,903)
Reserves	1,487,019
Net consolidated expenditure (agrees to increase in Net (financial) assets)	1,900,146

Net Financial Asset Position

The net financial asset position is the difference between financial assets and liabilities and provides an indication of the affordability of future spending. As at **March 31, 2020**, the Town was in a net financial asset position of **\$11.1 million** (2019-\$9.2million). The change of during the year is the result of an increase in cash and decreases in receivables and properties for resale offset by decreased bank loan and long-term debt.



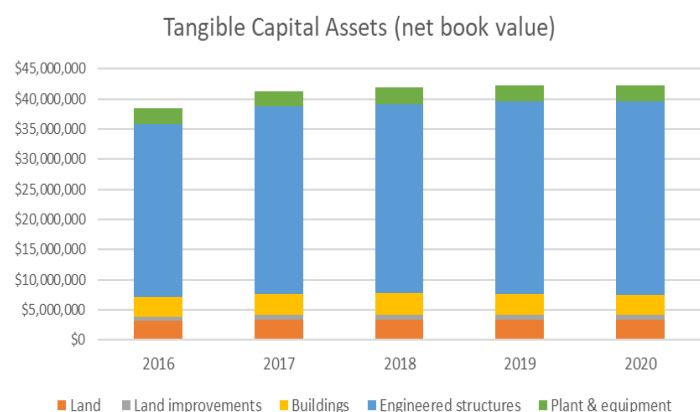
Non-Financial Assets

Non-financial assets are physical resources used to provide delivery of services to the public. They include purchased, constructed, contributed or developed tangible capital assets and prepaid expenses. Tangible capital assets comprise the majority of the non-financial asset figure.

As shown in the accompanying chart, the Town is committed to investment in its infrastructure. Acquisitions of capital assets are the end results of the Town’s and the Water Utility’s capital budgets. As with most levels of government, competing infrastructure needs and scarce financial resources create a struggle in managing legislated environmental requirements with fiscal responsibility.

Town Council and the Kentville Water Commission ratified their respective annual capital budgets. The Town forecasted budgets for the years 2021-2024, which were approved in principle. Kentville Water Commission tabled a three-year capital investment plan, as required by Nova Scotia Utility and Review Board.

For 2020, on a consolidated basis, including amortization and disposals, the Town’s tangible capital assets decreased by \$(228,968) (2019-\$343,216).

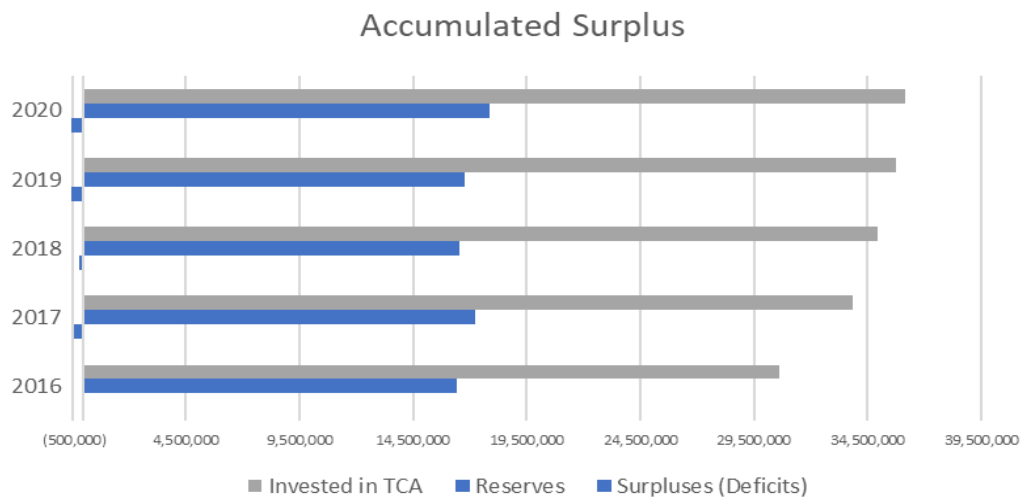


Accumulated Surplus

The Accumulated Surplus Position is an important financial indicator. This gauge is comprised of all the surpluses and deficits of the various funds and reserves that are included in the statements, along with the tangible capital assets.

The yearly change (increase or decrease) in the accumulated surplus is equal to the annual surplus for the year.

The Town's accumulated surplus, through its investment in tangible capital assets, has grown over the period, indicating a strong foundation upon which future services will be delivered.



In 2020 the **accumulated surplus is increased by \$1.7 million to \$53.4 million**, due to the increase in net financial assets of \$1,900,146, the net decrease in tangible capital assets \$(228,968) plus the net decrease of other non-financial assets \$(7,612)(detailed on page 16).

Approximately **79%** of the accumulated surplus reflects the Town's investment in its tangible capital assets (2019– 82%). Tangible capital assets cannot be used to pay for the Town's ongoing operations.



Breakdown of Consolidated Accumulated Surplus

The ***Schedule of Accumulated Surplus*** on the following page details the makeup of the accumulated surplus.

It is split into segments:

Reserve funds, which are surpluses that have been accumulated in advance of a future need or requirement (similar to a savings account);

Net ownership in tangible capital assets, including amortization and other write downs (2020 details are):

	Town	Water	Total
Tangible capital assets /CWIP*	\$53,655,465	\$ 18,578,098	72,233,563
Less: Amortization/Depreciation (Water)	(22,955,270)	(5,739,702)	(28,694,972)
Less: Deprecation (not rated) (Water)	<u>0</u>	<u>(1,313,383)</u>	<u>(1,313,383)</u>
	30,700,195	11,525,013	42,225,208
Less: Short term debt	(620,803)		(620,803)
Less: Long term debt	(5,711,470)	(651,400)	(6,362,870)
Add back: Debt to be recovered (other transactions)	914,392		914,392
TOTAL	25,282,314	\$10,873,613	\$36,155,927

* CWIP = Construction work in progress

Surpluses (Deficits) of operating and capital funds, which are similar to profits or losses, in that financing has exceeded liabilities and leaves a balance (or vice versa if deficits are reported).



Schedule of Accumulated Surplus	2020	2019
Reserve funds		
Town operating	\$717,615	\$740,721
Town capital	1,369,866	1,212,471
Sanitary sewer operating	408,246	209,188
Sanitary sewer capital	140,370	110,370
Sanitary sewer depreciation	184,013	130,812
Kentville Water utility operating	170,620	170,620
Kentville Water utility capital	580,710	355,449
Kentville Water utility depreciation	949,627	649,196
Town perpetual capital	<u>13,354,167</u>	<u>13,198,832</u>
Total reserve funds (A-40)	<u>17,875,234</u>	<u>16,777,659</u>
Invested in tangible capital assets (net) (page 19 & A-16)	<u>36,155,927</u>	<u>35,740,600</u>
Accumulated surplus (deficit) (fund balance)		
Town operating (includes Sanitary Sewer Area Service) (A-33)	0	0
Town capital (A-35)	(954,628)	(1,094,791)
Kentville Water operating (A-37)	270,023	263,522
Kentville Water capital (A-38)	<u>82,102</u>	<u>78,102</u>
Total (deficit)	<u>(602,503)</u>	<u>(753,167)</u>
ACCUMULATED SURPLUS	<u>\$53,428,658</u>	<u>\$51,765,092</u>



Consolidated Statement of Operations (A-4)

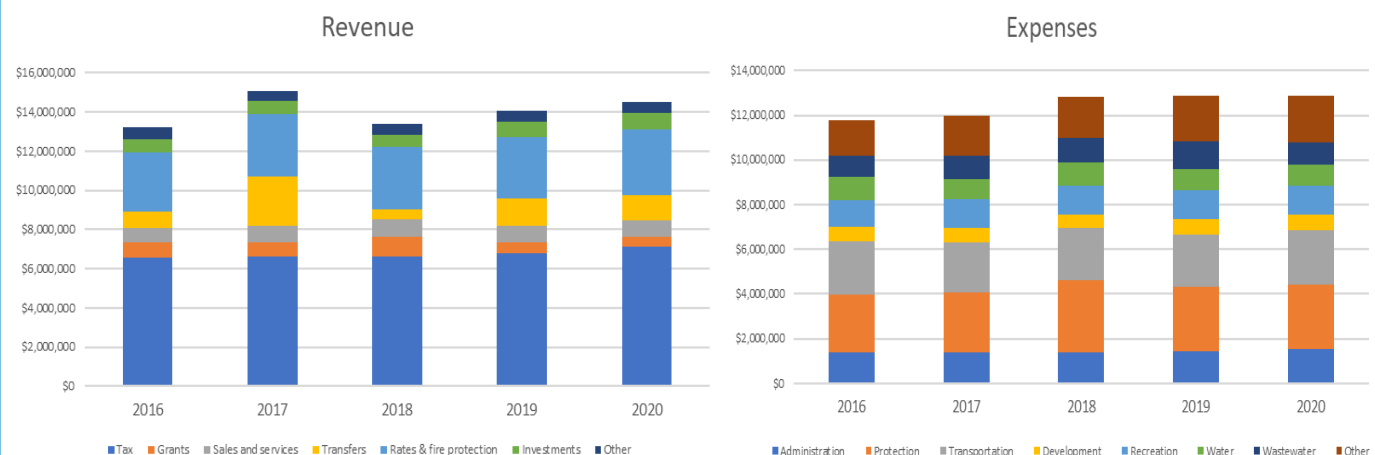
The Consolidated Statement of Operations is a compilation of the schedules of all the Town’s entities including all operating, all capital and all reserve funds (pages A-33 to A-41). This statement lists all major sources of revenue, such as taxation, grants, user fees, rates and upper-level government transfer payments. The expenses for the fiscal year are presented by functional activity.

Beyond government transfers, the Town has a good balance of revenue sources with the majority coming from taxation, sales of services, rates and perpetual investment fund income. Indicators of a government’s vulnerability include revenue streams over which it has no control. One such indicator is “*Reliance on government transfers*”. The Provincial threshold is 15% of total revenue. The Town’s percentage as cited in the **2019** Financial Condition Index (FCI) is **3.0% (low risk)**.

Revenue is over budget \$797,508, primarily due to excess tax revenue re: savings in Mandatory contributions for Housing. Increased revenue is also found in Gas Tax Transfer, Sales, Interest & Capital gains. On the expense side of the ledger, before “Other”, **Expenses** are under budget \$147,223 due to Protective services (staff complement changes), Environmental Health (solid waste management), Recreation, Water & Wastewater services. The Town sold some of its “Properties held for sale”, for a net gain of \$19,435.

The difference between the revenue and expense sections is shown as the annual surplus for the reporting period. **For 2020**, the Statement of Operations discloses an **annual surplus of \$1,663,566** (2019-\$448,052). The annual surplus is combined with the accumulated surplus position (beginning of the year) to find the end-of-year accumulated surplus. The accumulated surplus indicates the Town has resources (financial and physical) to provide future services. At **March 31, 2020**, the accumulated surplus is **\$53.4 million** (2019-\$51.8 million).

The Consolidated Statement of Operations in chart form is below.

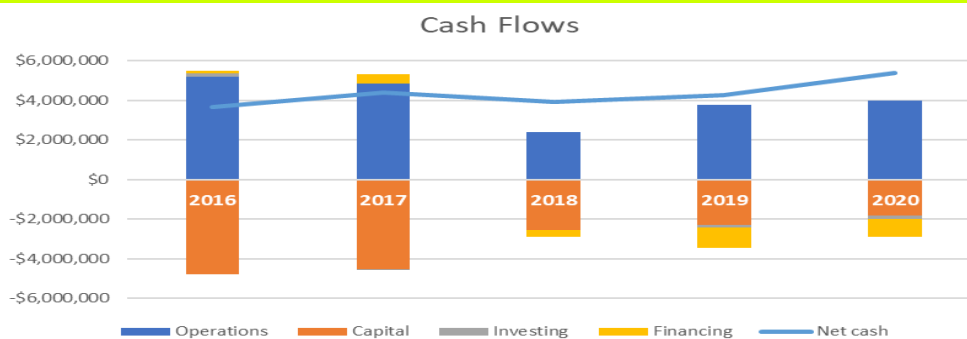


Consolidated Statement of Cash Flow (A-5)

This statement reports the change in cash and equivalents during the year and shows how the Town financed its activities and met its cash requirements for the same period. The Town generates cash by raising revenue, converting other financial assets to cash and by external borrowing. This statement helps evaluate the Town's liquidity and provides accountability for its use of cash resources. The Town's **liquidity ratio** for **2019** was **2.0**, assessed as "**low risk**" in the FCI. (The Provincial Financial Condition Index "low risk" threshold is above 1.5)

Cash resources are generated and consumed through operating, capital, investing and financing activities. Cash flows from *operating* indicate the Town's ability to maintain its programs and service delivery and repay loans without external sources of financing. There are no future cash flows from the investing in *capital* assets because they are used to provide programs and deliver services. Cash flows from *investing* would include investments made and realized during the year (interest and dividends), while cash flows from *financing* would include debt issued and paid during the year. The net cash position **for 2020 is \$5,384,582** (2019-\$4,261,539)– **a increase of \$1,123,043**. Cash held by fund is as follows:

Fund	2020	2019
General operating bank	\$810,314	\$538,590
General capital bank	61,991	
Water operating bank	330,624	19,811
Water capital bank	92,911	93,395
Reserve banks		
General operating	567,796	715,793
General capital	1,469,064	1,261,857
Sanitary sewer operating	209,188	333,669
Sanitary sewer capital	140,370	110,370
Sanitary sewer depreciation	184,013	130,812
Water operating	170,620	113,620
Water capital	385,449	289,454
Water depreciation	962,242	654,168
	\$5,384,582	\$4,261,539



Consolidated Statement of Change in Net Financial Assets (A-6)

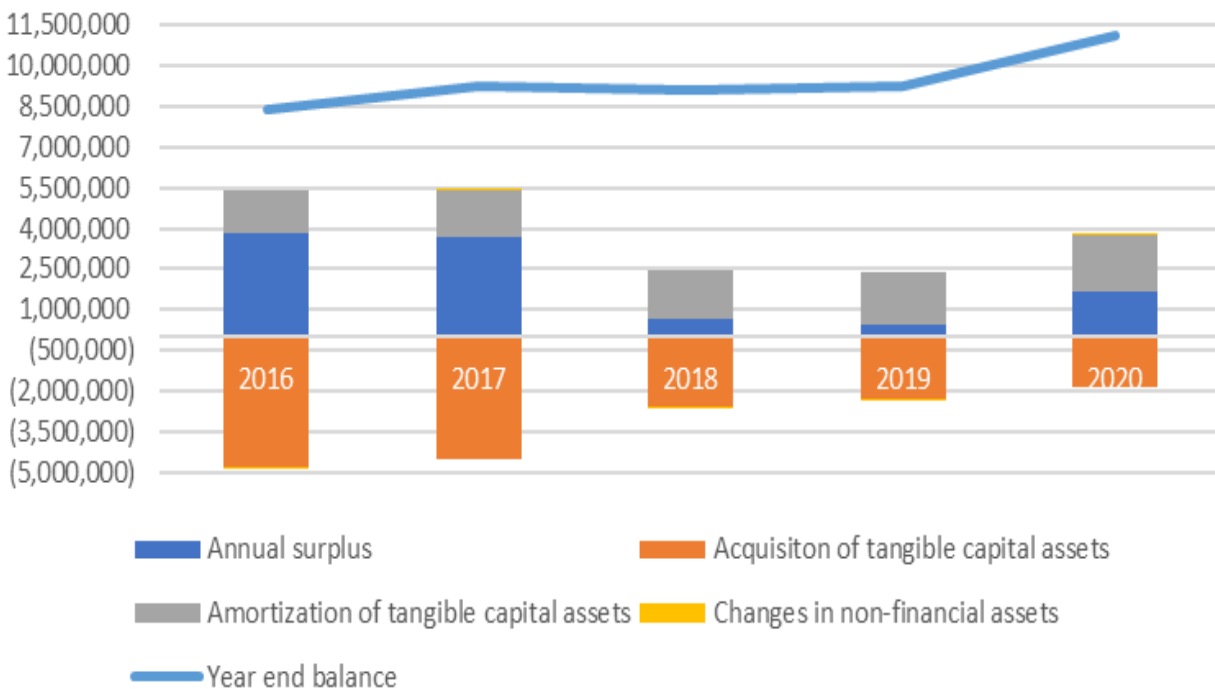
This page explains the difference between the Town’s annual surplus reported on the Statement of Operations- \$1,663,566 and the increase in Net Financial Assets -\$1,900,146. The Net Financial Asset position is a key indicator of the Town’s financial position and our ability to provide future services to residential and corporate citizens.

One important factor in this statement is the difference in the reporting of the acquisition of capital assets during the year. When calculating the annual surplus (on A-4), the Town recognizes the cost of using it assets over their useful lives (known as amortization). When calculating the change in net financial assets (on A-6), the Town recognizes the whole cost of purchasing the assets at the time the assets were acquired.

Budget figures are included on this page, and, when compared to actual figures, they show whether the Town is spending more (or less) on capital purchases than it had planned. Simply put, in the long run, overspending on capital acquisition can affect future service delivery (in debt servicing from operations) while underspending may find the Town’s capital assets deteriorating.

The **2020** surplus of **\$1,663,566** is comprised of (1) a decrease in tangible capital assets (net of amortization & disposals) of \$ 228,968, (2) a decrease in prepaid and other expenses \$7,612 and (3) the increase in net financial assets \$1,900,146.

Consolidated Change in Net Financial Assets



Schedule of General Operating Fund & Sanitary Sewer Area Service (A 33-34)

This report represents the Town of Kentville Operating Fund and the Sanitary Sewer Area Service. It summarizes the net revenue from operations. Transfers to-and-from our own funds are not included in revenue or expenditures but are identified as "Net transfers". The schedule reveals a combined **operating surplus** of **\$348,792** (2019-\$24,805).

Revenue is over budget \$242,654 due to interest revenue, conditional transfers & wastewater rates. **Expenditures** are under budget \$179,099 due to staffing changes in Protective services-police, savings in solid waste management and recreation services along with decreased wastewater expenditures.

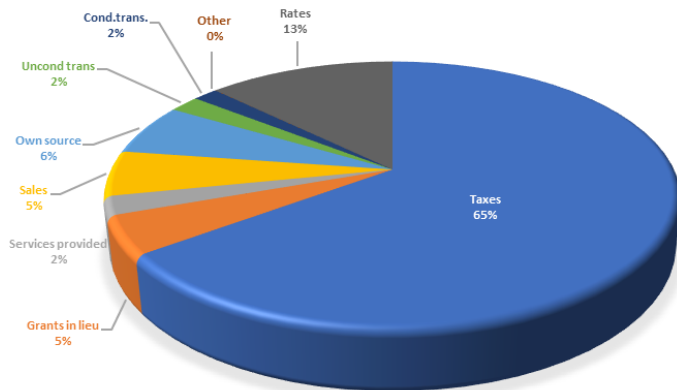
After accounting for transfers between our own funds which includes long-term debt recovery, the **annual surplus** is **\$348,792** (2019-\$24,805).

Separating the two above-noted entities combined on this statement, the **2020** surplus for the **Town General Operating Fund** (shown on page A-34) is **\$149,734** (2019-\$24,805), while the **2020** surplus for the **Sanitary Sewer Area Service** is **\$198,058** (2019- \$NIL). The entire 2020 surplus will be transferred to the Town's operating reserve fund, as per Provincial direction as follows: \$149,734 to the Town Operating reserve fund and \$198,058 to the Sanitary Sewer Area Fund Operating reserve.

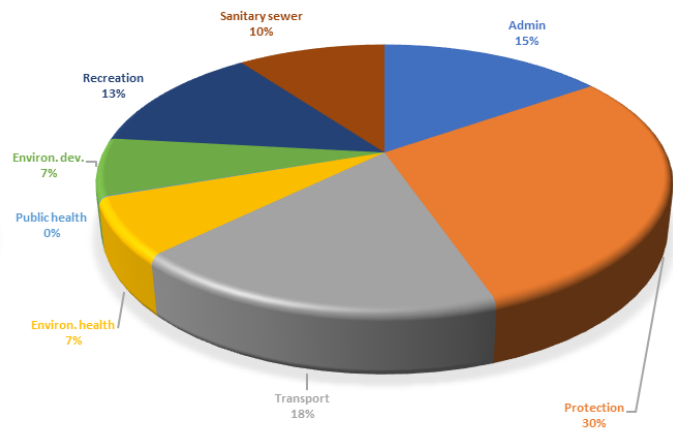
The following graphs indicate the funding sources and how the funds were spent in the Town Operating fund.

OPERATING FUND- 19/20

Revenue



Expenditures



Schedule of Town of Kentville General Capital Fund (A 35-36)

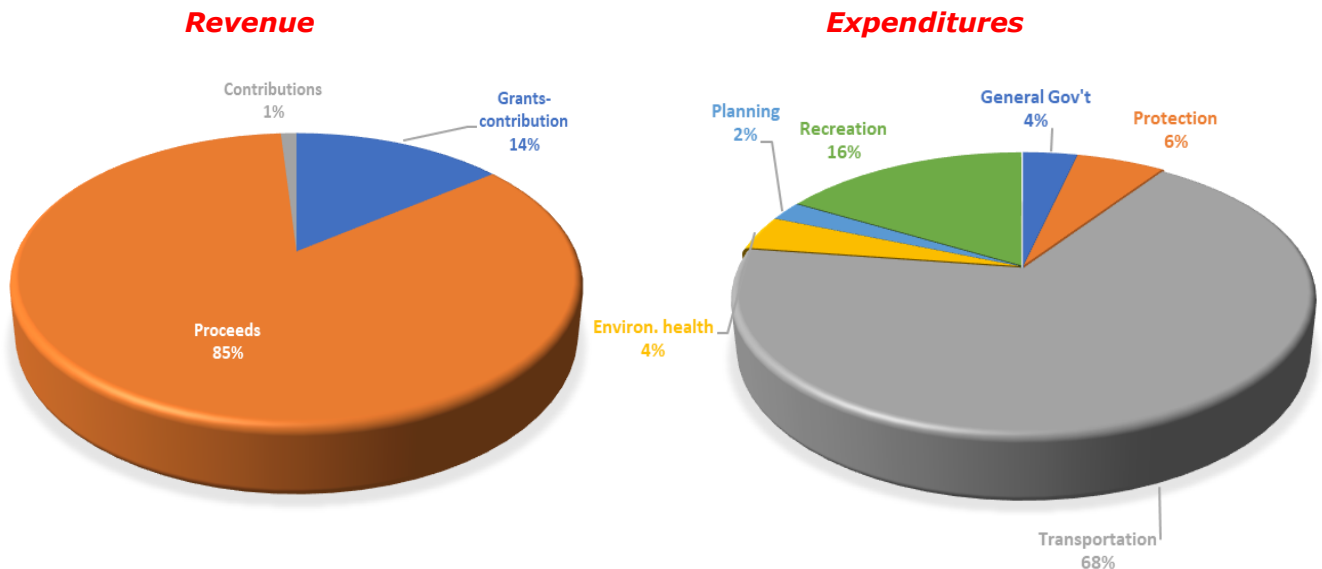
This fund accrues the Town’s tangible capital assets and related amortization along with the short and long-term borrowing obtained to partially finance these acquisitions. **Revenue** is comprised of contributions from outside sources, proceeds on sale of assets and grants from Federal & Provincial governments. **Expenditures** reflect the current investment in the Town’s infrastructure - the capital assets acquired in 2019/2020. New assets totaled **\$1,899,134**, including Work-in-Progress assets. Capital projects were financed by Operations (\$79,676), various Capital Reserves (\$404,792), Contributions (\$34,180), Federal National Disaster Mitigation Fund (\$2,636) Province NS (\$10,900); Federal Gas Tax Reserve (\$843,106); Authorized Temporary Borrowing (\$523,354) and Cash (\$490). “Properties held for sale” was written down due to loss on sale.

Total expenditures in the capital fund decreased from \$2.7 million in 2019 to **\$1.9 million in 2020**. The closing *Fund Balance* for **2020** is **\$ (954,628)** compared to \$(1,094,791) in 2019.

The Town’s total ownership in its capital assets is itemized on page 19 of this report and on page A-36 of the financial statements and makes up part of the Town of Kentville Capital Fund. The Town’s ownership in capital assets (\$25,282,318) plus the Fund Balance make up the Town Capital fund’s accumulated surplus of **\$24,327,690** (2019-\$23,585,202).

2020 construction projects included renewal of Canaan Avenue sidewalk & street, Condon Avenue storm water renewal, continuation of the Park Street West sidewalk funded by **Federal Gas Tax**. Other projects included the purchases of Police and Transportation equipment, renewal of sections of Campbell Road and Chester Avenue, creation of a public garden & new brand-messaging signage. Under Recreation, a new Zamboni was purchased, the pool and its change room were renewed, a new bike trail was created, playgrounds received new elements and two recreation studies were carried out.

CAPITAL FUND- 19/20



Schedule of Water Operating Fund (A-37)

This page represents the Kentville Water Utility Operating Fund and summarizes the revenue and expenditures from operations along with transfers and depreciation. Transfers to-and-from our own funds are not included in revenue or expenditure but they do make up a portion of "Net transfers".

Revenue is comprised primarily of metered rates along with the public fire protection charge to the Town of Kentville and the County of Kings, which is mandated by the Nova Scotia Utility and Review Board. **Expenditures** account for the operations and maintenance of the utility and the treatment, transmission and distribution of potable water to Kentville and surrounding areas.

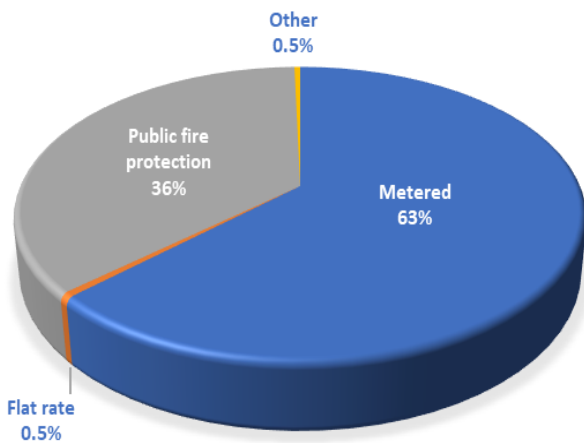
Net revenues are **\$1,035,509** (2019- \$935,463). After including transfers between our own funds and depreciation adjustments, the increase in fund balance is **\$6,501** (2019-\$10,200). Kentville Water Commission pays a dividend to the Town of Kentville Operating Fund (as the owner of the utility). The amount transferred in **2020** was **\$100,000** (2019- \$100,000). Before this transfer, the Utility's surplus was **\$ 106,501** (2019-\$110,200).

The "**Closing fund balance**", which is equivalent to its "accumulated surplus", is **\$270,023** (2019-\$263,522).

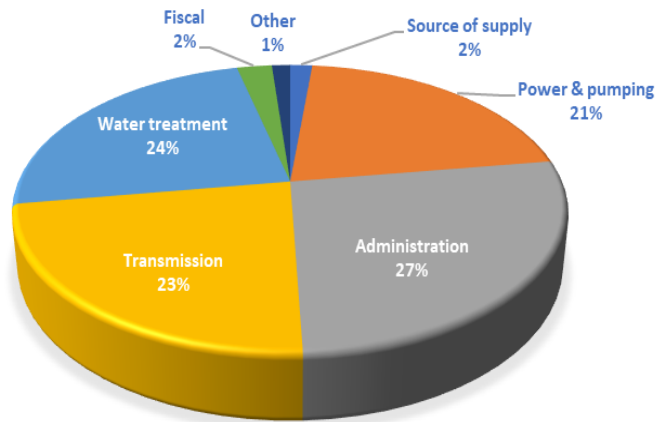
The following graphs indicate the revenue sources and how the funds were spent in the Water Utility Operating fund.

WATER OPERATING FUND-19/20

Revenue



Expenditures



Schedule of Water Capital Fund (A 38-39)

The Water Utility Capital Fund records the capital acquisitions, depreciation and long-term borrowing for the Kentville Water Utility.

Revenue– reflects payment of a water connection by a county customer to the Kentville Water utility and increases the fund balance.

Expenditures reflect the current investment in the Utility’s infrastructure - the capital assets acquired in 2019/2020. Acquisitions in **2020** totaled **\$26,903**. Capital projects were financed by the Depreciation Reserve (\$26,903)

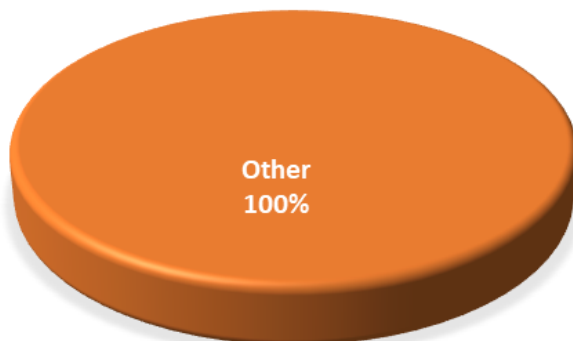
Net expenditure in the Water Utility Capital Fund decreased from \$428,811 in 2019 to **\$26,903** in **2020**. For **2020**, the Water Utility’s Capital Fund Balance is **\$ 82,102** (2019-\$78,102).

The Utility’s ownership in its tangible capital assets (TCA) is itemized on page 19 of this report and on page A-39 of the financial statements and makes up part of the Water Capital Fund. The Utility’s ownership in its assets is comprised of: total asset acquisitions less total depreciation, amortization and outstanding debt. The sum of the TCA and Fund Balance equates to the total accumulated surplus for the Water Capital Fund of **\$10,955,711** (2019-\$11,138,709).

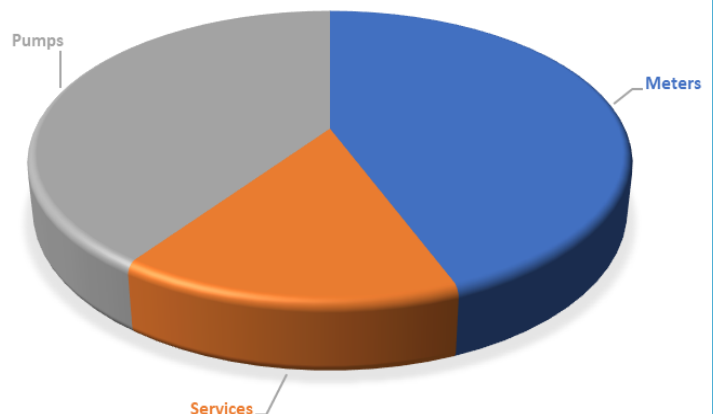
2020 construction projects included yearly projects such as acquisition of meters and pumps, along with the connection of a new service.

WATER CAPITAL FUND 19/20

Revenue

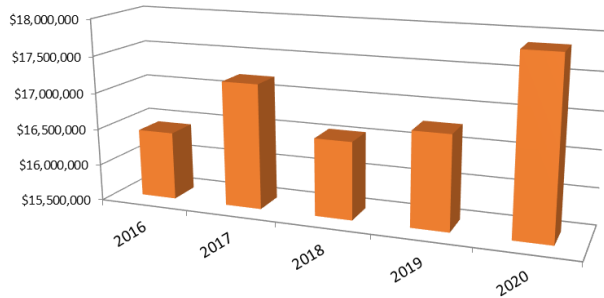


Expenditures



Reserve Funds (A 40-41)

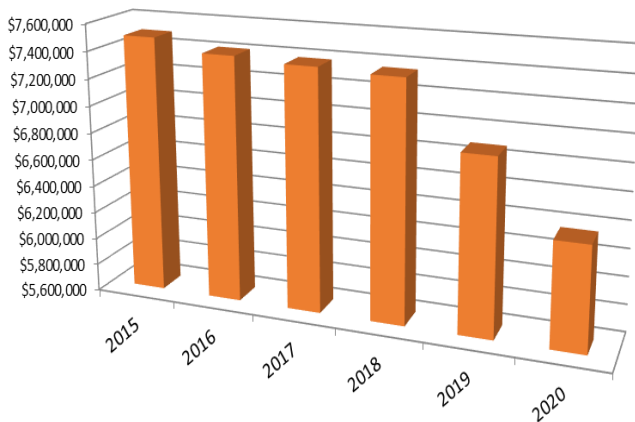
Reserve funds increased in **2020** by \$1,097,575 to **\$17.9 million**. The increase is due to increase in investments in Town’s Perpetual Reserve fund, offset by an increase in deferred revenue and a decrease in other liabilities. Town is committed to maintaining healthy reserve funds but, of note, the Perpetual Reserve fund follows its own set of guidelines. Some reserve funds are identified for future capital funding or for future operating purposes.



**RESERVE BALANCES
as at March 31, 2020**
 Operating: \$717,615
 Capital: \$1,369,866
 Perpetual: \$13,354,167
 Sanitary Sewer: \$732,629
 Water: \$1,700,957
TOTAL: \$17,875,234

Long-Term Debt Outstanding (Principal)

Long-Term principal debt levels decreased in **2020** by \$521,150 (see page A-13 Note 7). Below is a chart of outstanding long-term debt issues over the last six (6) years. Town Council prefers to keep its long-term borrowing in the \$ 1 million range and its average debt service ratio (DSR) between 10-12% of own-source revenue over the 5-year capital investment plan.



2020
New Debt Issued: \$731,400
Principal Repaid: \$(1,252,550)

**PRINCIPAL OUTSTANDING
March 31, 2020**
 Town \$5,450,430
 Water \$ 651,400
 Sewer \$ 261,040
TOTAL: \$6,362,870

Operating Budget 2020/2021

The Town's Operating Budget reflects the vision and goal statement developed by Council and its residents. Its creation and adoption is one of the most important tasks completed by Council each year. The ratified Operating Budget becomes the guiding document for the Town's various departments to provide service delivery to the Town's residential and corporate citizens. The Town's budget team faced many challenges during the 2020/21 budget process. The biggest challenge was unexpected– the COVID-19 pandemic, which swept the world. Nova Scotia and Kentville were not immune. The Province declared a state of emergency in mid-March, which closed businesses and our facilities. Until COVID-19 is eradicated, we must learn new ways to live safely with this virus. The "new normal" is evolving every day. Phrases such as "social distancing" and "self isolation" are commonplace terms these days. The end result for Kentville is the cancellation of our 20/21 festivals and events, along with many Recreation programs. So, the Operating Budget looks quite different from past years. As of today, the state of emergency has not been lifted; however, businesses are permitted to open following certain protocols developed in concert with the Province.

Some details on the 20/21 Operating Budget include: the Provincial assessment **CAP** equated to **1.0%** (last year 2.9%) and provided some new revenue for 20/21 operations. The Town's assessment base increased overall by 4.2%, mainly due to extensive new residential developments. Many of the Recreation programs and other Town-related social gatherings were removed from the budget due to COVID-19. The Town's Operating Budget objectives were to maintain the tax rates and preserve our high standards for service delivery.

Senior managers presented the Operating Fund budget book to Council on May 20, 2020. This meeting culminated in property tax rates, which were forwarded to Town Council for ratification on May 25, 2020. Despite the afore-mentioned situation, for the year 2020/2021, Council was able to hold the **total Residential tax rate at the 19/20 level**. The **total Commercial rate was reduced by 1 cent/\$100**.

Capital Investment Plan 2021 to 2025

The Town's Capital Investment Plan encompasses 5 years. It was presented to Council of May 19 and again on May 29, 2020, where Council ratified the current year and approved the remaining 4 years in principle. The Capital Program for **2020/21** totals **\$2.1** million. Projects include infrastructure work on several roads, sidewalks and storm sewers, continuation of the sidewalk to the Town boundary in the west end, the purchase of various equipment for Policing, Transportation and Recreation, renewal of the Arena parking lot with light standards, the creation of new green spaces, addition of new playgrounds and the start of a dog park.

Kentville continues to be on fire with development!

Calkin Building– There are several tenants currently renting spaces in the Calkin building. The building remains for sale with a local realtor. There is much interest in the building with many showings over the past year.

Miner's Landing development is progressing in the east end of town. Two of the four buildings will be completed in 2020, with a third under construction and a fourth building planned thereafter. A trail addition will be built this year connecting the complex with the Town's trail system.

Kentville Bridge– Replacement of the bridge over the Cornwallis River continued over the past year, with pilings and girders put in place in 2019. The new deck was recently poured. The approaches to the bridge will be completed in 2020.

Kentville Business Park– In 2015, the Town purchased 42.1 acres of vacant land in the Kentville Business Park to actively pursue selling the land to industry and business. Since our purchase, many lots have been sold. The Town expanded the infrastructure creating new lots and continued interest in the park.

FW Robinson land– The Robinson land was sold in the fall of 2019. Initial plans for a building include a commercial space on the lower level and residential spaces on the upper level. Construction should begin sometime this year.

Former KCA lands- Enqore Developments submitted plans for a mixed-use residential community on the old KCA lands on School Street. Construction should begin this fiscal year.

Chrysalis House intends to break ground in 2020 for its new facility on River Street.

To conclude this report, I wish to thank Town Council for its support and direction over the past year. My gratitude goes also to the CAO, the senior management team and the Town's staff for their contributions in pushing our visions forward throughout the year. I especially want to thank my co-workers in the Finance Department for their commitment to the Town of Kentville and their pride in providing excellent service delivery to our residential and corporate citizens.

Respectfully submitted,



Debra Crowell CMM CLGA

Director of Finance

June 29, 2020



29 June 2020

Mayor
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RE: Town of Kentville Audit Committee Members

The Town of Kentville audit was conducted by the firm of Kent and Duffett Chartered Professional Accountants during the months of May and June 2020.

The Town of Kentville council has committed to an Audit Committee composed of three members of council and two members of the public as recommended by the JMAT report:

Three members of council were re-appointed in February 2020 for 2020-2021:

Mayor Sandra Snow (Chair - voting);
Councillor Eric Bolland (voting); and
Deputy Mayor Cate Savage (voting).

One member of the public was appointed in June 2018:

Ms Susan MacDougall. (voting).

One member of the public was appointed in June 2019:

Mr Peter Rainforth. (voting).

Two members of Staff:

Ms Deb Crowell, Director of Finance; and
Ms Kelly Rice, Chief Administrative Officer.

The Audit Committee met on 29 June 2020, to discuss the results and conduct of the audit with Mr Andy Forse. Additionally, he delivered the audit statements and management letters.

The Audit Committee recommendations are as follows: **it is recommended that the council accept the audit report and documentation as presented.**

The firm of Kent and Duffett Chartered Professional Accountants competed and were awarded a five-year auditing services contract with the Town of Kentville last year.

The Audit Committee **recommends that the Town of Kentville reappoint the firm of Kent and Duffett Chartered Professional Accountants to provide audit services for the year 2020/2021. The firm was previously selected and approved for a five-year contract with the Town of Kentville. Re-appointment occurs annually as a matter of form.**

As per G57 Committees of Council Policy: **It is also recommended that the council appoint the following citizen committee voting members to the 2020/2021 Audit Committee:**

**Ms Susan MacDougall; and
Mr Peter Rainforth.**



Sandra Snow
Mayor