



Annual Financial Information Update

Municipality of Colchester

June 2015

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Mayor's Message

As your Mayor and on behalf of our Municipality, I am pleased to once again present to you, our residents and business owners, the Annual Financial Information Update. In this update we share the County's budget information for the upcoming fiscal year, demonstrate how your tax dollars are being invested, and assess the overall picture of the Municipality's financial health.

As in years past, Council and staff remain committed to keeping our tax rates in line while continuing to invest in our community. Municipalities are required under the Municipal Government Act to have a balanced budget each year, and in this year's budget, we will again be able to meet all of our obligations without any service cuts and we will continue to contribute to our capital reserves. In Colchester, we have consistently operated within budget and have ended each year with a surplus, a portion of which is transferred to our reserves. We are projecting another surplus for 2014/15, with which we will continue to build our reserves. The County's system of creating and maintaining reserves for the capital purchases ensures that there is funding available as each purchase is due. This also helps keep the annual budget on an even keel. With such strong stewardship in place, I am pleased to announce that we are able to hold the commercial tax rate at \$2.25 per \$100 of assessment, and our residential property tax rate at \$0.85 per \$100 of assessment, the same rates that we approved for 2014/15. Also, there will not be an increase in the urban service or sewer system rates in 2015/16.

Council is also committed to wisely investing tax dollars in the community, and it is important to understand the difference between spending and investing. Simply put, investing is spending which has long-term benefits. With this in mind, in 2014/15 we completed the following projects:

- ◆ Construction of a new compost facility in Kemptown, completing Phase 3 of our Master Waste Management Plan;
- ◆ Construction of the Onslow Sewer Project – Granville to Mingo's Corner;
- ◆ A joint project with the Town of Truro for flood mitigation work in the Salmon and North Rivers;
- ◆ Three street paving projects in Debert and Valley; and,
- ◆ Sidewalk projects along Highway 298 in Brookfield, Mingo's Corner (Onslow), East Prince St. (Salmon River), and a sidewalk design project for an overpass at the McClures Mills Connector.

Review our performance in the FCI since 2011

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For 2015/16, we are planning to continue our regular infrastructure investment while introducing some innovative projects as well. We will begin sidewalk construction in Hilden from Truro Road to Avalon Road. We will also begin building a one (1) kilometer long multi-use trail, including a pedestrian overpass, connecting Truro Heights Road to Abenaki Road. Additionally, the County recently purchased the Palliser Property. This fiscal year, there are plans to demolish all of the buildings, landscape the property and set up temporary quarters for visitor information and washrooms. Long term planning will also be done this year for the property. This is an exciting opportunity for the area and will involve neighboring municipalities and business interests. With regional cooperation, we will continue to be able to complete many projects in our community.



Sidewalk Project, Highway 289 (Brookfield)

Our ability to fund new planning and investments in infrastructure has been made possible, in part, to the federal Gas Tax program, which has been in place for approximately 10 years. In 2013, the federal government announced that the Gas Tax refund will not only continue to be in place annually, but it will be indexed at two per cent per year. We use this fund every year to invest in infrastructure projects. Colchester County receives approximately \$1.6 million a year from this fund, and from our perspective it is well-used and greatly appreciated. The Municipality of Colchester is proud to be in good shape with infrastructure that meets all federal and provincial regulations which will serve us well today and for many years into the future.

I would encourage you to visit our website at www.colchester.ca or contact the municipal office to learn more about the programs and activities of the Municipality. I hope you find the information provided in this update to be helpful. As always, if you have any questions or comments, please feel free to contact me, or your area Councillor, as we would be pleased to discuss any matter in further detail with you.

- Mayor Bob Taylor



Aerial view of the bank stabilization project in the Salmon River

Municipal Grants Program 2014/15

The Municipality has grant programs available for local groups. You can find the policies related to these programs on our website at www.colchester.ca. The following groups received money during the 2014/15 fiscal year.

Community Parks Program

Ecole Acadienne De Truro	\$ 40,000.00
Londonderry Community Council	\$ 23,588.00

Community Trails Program

Brule Community Centre Assoc.	\$ 324.00
Colchester-Five Islands ATV Club	\$ 11,654.00
Cumberland Snowmobile Club	\$ 2,365.00
Fundy Trail Snowmobile & Rec. Club	\$ 6,150.00
Kenomee Trail Society	\$ 10,000.00
North Shore Snowmobile Club	\$ 5,562.00
Tatamagouche Area Trails Assoc.	\$ 13,068.00

Non-Profit Grants

Alton Recreation Centre	\$ 1,000.00
Balfron Community Hall Assoc.	\$ 1,000.00
Brookfield Men's Club	\$ 1,815.00
Brule Community Centre Assoc.	\$ 1,000.00
Colchester Branch #26 Legion	\$ 500.00
Colchester Legion Pipes & Drums	\$ 5,000.00
Colchester Transportation Ltd.	\$ 8,000.00
Creamery Square Assoc.	\$ 500.00
Creamery Square Assoc.—Boat Shop	\$ 3,000.00
Earltown Community Centre	\$ 1,000.00
Economy Recreation Centre	\$ 5,000.00
Friendship Club—CMHA	\$ 2,000.00
Juno Beach Centre Assoc.	\$ 500.00
Lower Onslow Community Centre	\$ 10,000.00
Middle Stewiacke Recreation Assoc.	\$ 15,000.00
Middleton Community Hall Assoc.	\$ 1,000.00
Northumberland Arts Council	\$ 15,845.00
Stewiacke Valley Historical Society	\$ 2,000.00
Warwick Mountain Recreation Club	\$ 2,000.00
West St. Andrews Community Club	\$ 1,000.00

Economic Development Program

Bible Hill Fire Brigade	\$ 500.00
Eastern Region 4-H Provincial Show	\$ 1,000.00
Music Nova Scotia	\$ 20,000.00
Nova Scotia Blind Golf Assoc.	\$ 2,500.00
Onslow Belmont Fire Brigade	\$ 1,000.00
Read by the Sea Literacy Society	\$ 3,000.00
Slow Food Northumberland—Nat'l Meet.	\$ 8,000.00
Truro Minor Football Assoc.	\$ 2,000.00
Truro Theatre Society	\$ 2,500.00

Non-Profit Insurance Program

Alton Recreation Assoc.	\$ 266.00
Archway Counselling	\$ 421.50
Barrachois Community Hall	\$ 262.50
Bay Head Community Hall	\$ 250.00
Brookfield Athletic Assoc.	\$ 725.00
Brule Community Centre Assoc.	\$ 350.00
Central Nova Horse and Pony Club	\$ 485.00
Clifton Community Seniors Assoc.	\$ 162.50
Cobequid Interpretive Centre	\$ 250.00
Cobequid Salmon Assoc.	\$ 403.00
Cobequid Centre for Athletic Excellence	\$ 874.50
Cobequid Veterans Memorial	\$ 275.00
Colchester Stroke Club	\$ 237.50
Creative Voices of Truro	\$ 187.50
Crossroads Cemetery	\$ 375.00
Debert Military History Society	\$ 403.00
Earltown Community Centre	\$ 191.00
Economy Recreation Centre	\$ 335.00
Five Islands Athletic Assoc.	\$ 375.00
Fundy Trail Snowmobile & Recreation	\$ 515.00
Hilden Recreation Assoc.	\$ 287.50
Kenomee Trail Society	\$ 310.00
Lower Onslow Community Centre	\$ 625.00
Middle Stewiacke Recreation Assoc.	\$ 789.00
Middletown Community Hall	\$ 155.00
North River & District Recreation Assoc.	\$ 475.00
North Shore ATV Club	\$ 155.00
Northumberland Arts Council	\$ 470.00
Scotia Pool Society	\$ 1,000.00
South Branch Community Council	\$ 223.00
Sunny Brea Cemetery	\$ 212.50
Tatamagouche Festival of Music	\$ 292.00
Tatamagouche Trails Assoc.	\$ 495.50
The Thirsty Church Project	\$ 275.00
Truro Curling Club	\$ 627.50
Truro Homeless Outreach	\$ 325.00
Truro Music Festival	\$ 567.00
Truro Rugby Club	\$ 250.00
Truro Run Tribe Assoc.	\$ 247.50
Upper Stewiacke Community Assoc.	\$ 225.00
Wild Blueberry Harvest Ltd.	\$ 433.50
Winding River Art Gallery	\$ 250.00

*The money given out in this fiscal year, 2015/16, will be published in next year's newsletter.

Area Rates for 2015/16

The majority of properties in the Municipality attract area rates in addition to the tax rate. Area rates are applied to all properties within a defined area that are receiving a specific service such as street lights. The area rate is applied to each \$100 of assessment. We have a few area rates that are flat rates, such as garbage collection/disposal, which are charged per property. In determining what an area rate should be, the Municipality considers all the expenses for the service and divides that cost by the assessed value of the properties in the defined area.

Area rates are approved by Council at their meeting in May. Shown below is the full list of area rates for 2015/16. In the list below, **green means the rate has decreased** and **red means it has increased** since last year. This list can also be found on our website at www.colchester.ca/taxrates.

Urban Service Rate		Fire Protection- Commissions		Sewer Systems - Capital	
Urban Service Rate	0.345	Brookfield	0.175	Tatamagouche	0.04
Comprised of:		Great Village	0.13	Great Village	0.04
Sewer Maintenance - 0.080		Salmon River	0.10	Brookfield	0.04
Sewer Capital - 0.04		Upper Stewiacke	0.18	Debert	0.04
Active Transportation - 0.185		Street Lights		Sewer Systems - Maintenance	
Street Lights - 0.03		Brookfield	0.05	Tatamagouche	0.08
Water Extension - 0.005		Debert	0.08	Great Village	0.08
Fire Protection- 0.005		Debert Park	0.11	Brookfield	0.08
Fire Protection- Brigades		Gays River	0.09	Debert	0.08
Bass River	0.13	Londonderry	\$60	Bible Hill	0.08
Cobequid	0.18	Masstown Road	0.11	Active Transportation	
Cooks Brook	0.05	Onslow	\$71		
Debert	0.10	Campbell Road	0.06	Brookfield	0.185
Debert Park - Hydrant Charge	0.17	Pine Tree/Pellerin	\$47	Debert	0.03
East Stewiacke	0.12	North River	0.05	Other	
Economy	0.14	Belmont	\$75		
Five Islands	0.14	Garbage/Compost Collection & Disposal		Valley Crosswalk Supervisor	\$34
Hilden	0.15			Street Paving Rate	0
North River	0.08	Household	110.00	Tatamagouche Branch Library	0.02
Onslow-Belmont	0.09	<i>Comprised of:</i>			
Shubenacadie	0.16	<i>Collection - \$38.50</i>			
Tatamagouche	0.08	<i>Disposal - \$29.50</i>			
Tatamagouche - Hydrant Charge	0.17	<i>Composting - \$42.00</i>			
Valley- Kemptown	0.11				
Unallocated	0.01				

Funding for Organizations 2014/15

Council can provide money to not-for-profit organizations outside of the programs listed on page 3. The following groups received money during the 2014/15 fiscal year.

Annual Grants

Big Brothers/ Big Sisters	\$ 5,000.00
Colchester Historical Society	\$ 10,000.00
Colchester Special Olympics	\$ 6,000.00
Maggie's Place	\$ 3,000.00
North River Shore Restoration Assoc.	\$ 5,000.00
SPCA	\$ 5,000.00
VON	\$ 5,000.00

Pool Funding

Scotia Pool Society	\$ 50,000.00
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Arena Funding

Don Henderson Memorial Sportsplex	\$ 91,882.00
North Shore Recreation Centre	\$ 87,365.00
West Colchester Recreation Assoc.	\$ 67,640.00

Special Grants

Colchester Historical Society	\$ 37,558.00
Maggie's Place	\$ 35,000.00

Property Tax Billing & Payment Options

The Property Tax Bills for the Municipality of the County of Colchester are mailed the first week of June each year and are due on the second Thursday of August. This bill will be for the period April 1, 2015 to March 31, 2016. The due date for the 2015/16 taxes is August 13, 2015, and a reminder notice is mailed to all property owners in the first week of September for unpaid property taxes.

Tax bills can be paid by cash, cheque or debit; **credit cards will not be accepted**.

If you have any questions regarding this bill please contact 902-897-3162.

Outstanding Taxes:

By mid to late September, all property tax accounts with at least 2 years arrears are mailed the first tax collection letter. This letter shows clearly the years outstanding, with principal and interest, and states if the outstanding amount cannot be paid in full by a specific due date, please contact the Tax Office to set up a payment plan.

The time allowed for resolution is usually 2 to 3 weeks. Interest accrues at 15% per annum, therefore it is important to keep your taxes up to date.

The Municipality encourages anyone who has outstanding property taxes, to please contact the Tax Office at 902-897-3162 to set up a suitable payment schedule.

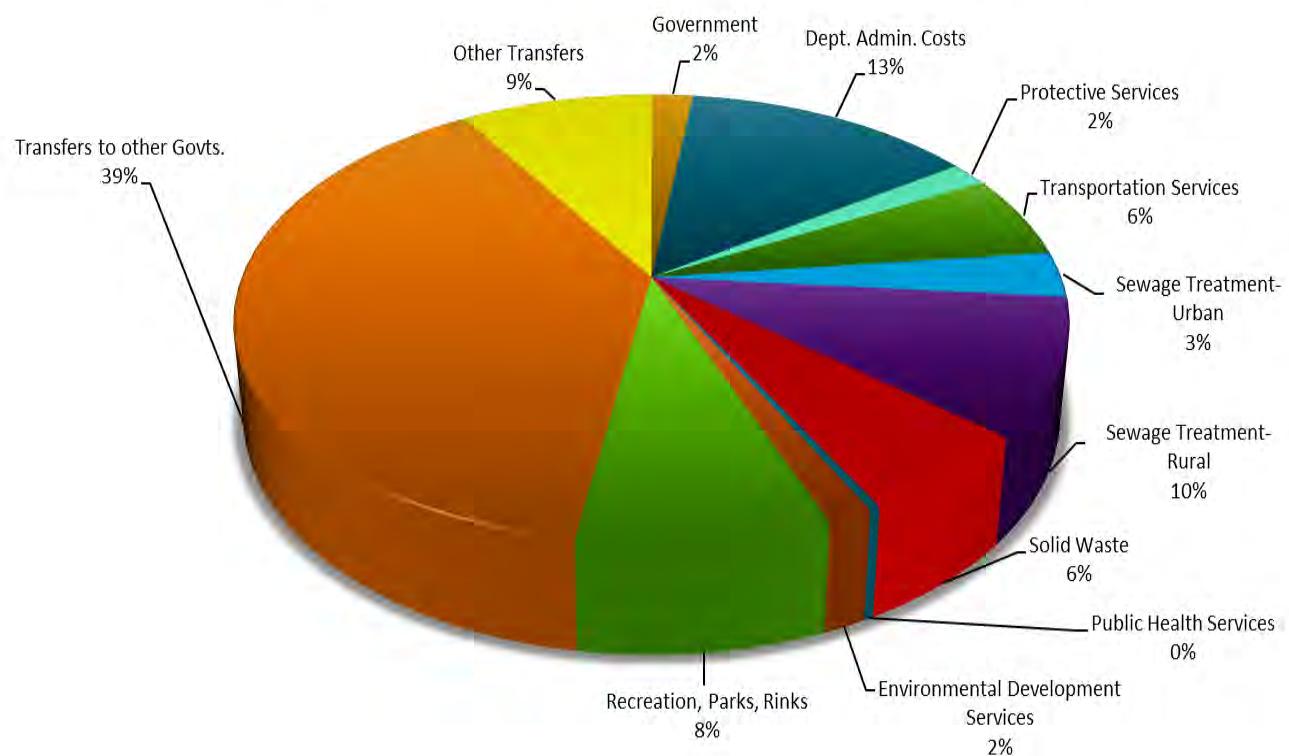
Options for payment of taxes:

- ◆ Most financial institutions (must have your complete tax bill)
- ◆ On-line or telebanking – use your 8 digit property number as the account number
- ◆ At the Tax Office on the main floor – 1 Church St, Truro NS
- ◆ Pre-authorized payments – please call the Tax Office for more details
- ◆ Mail your payment to the Tax Office (include the remittance copy) to:

**Municipality of Colchester
1 Church St
Truro NS B2N 3Z5**

2015/16 Operating Budget Expenditure Summary

Municipal Expenditures (2015/16)



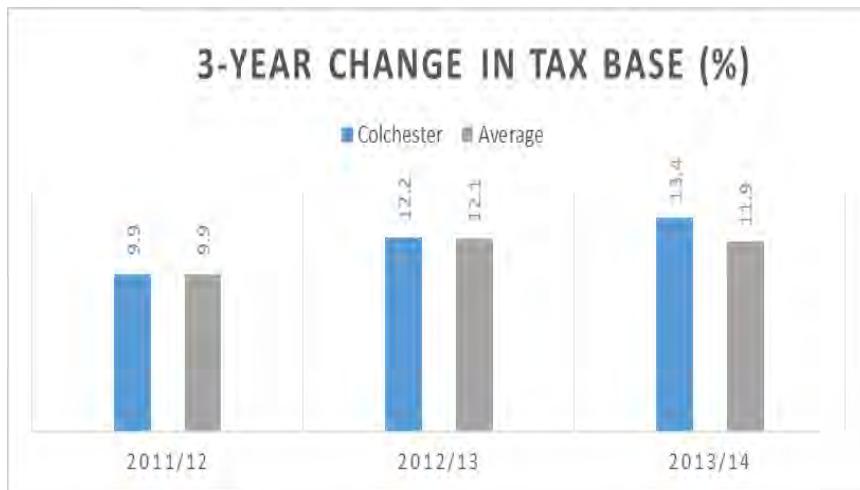
Expenditures	2015/16 Budget
Transfers to other levels of Government	\$12,883,798
Departmental Administration Costs	\$4,339,693
Sewage Treatment: Rural	\$3,280,573
Recreation, Parks, and Rinks	\$2,866,349
Other Transfers (Debt Repayment and Reserves)	\$2,529,751
Transportation Services	\$2,016,753
Solid Waste	\$2,010,266
Sewage Treatment: Urban	\$1,086,879
Government	\$635,019
Protective Services	\$570,566
Environmental Development Services	\$473,486
Public Health Services	\$119,289
TOTAL	\$32,812,422

Assessing Our Financial Condition

Each year since 2011, the Department of Municipal Affairs publishes its Financial Condition Index (FCI), using data submitted by the Municipality in order to provide a holistic picture to the public of our financial health. Based on the 2013/14 results and information from past years, Colchester continues to strengthen its financial position and effectively and efficiently deliver services.

Revenue Dimension

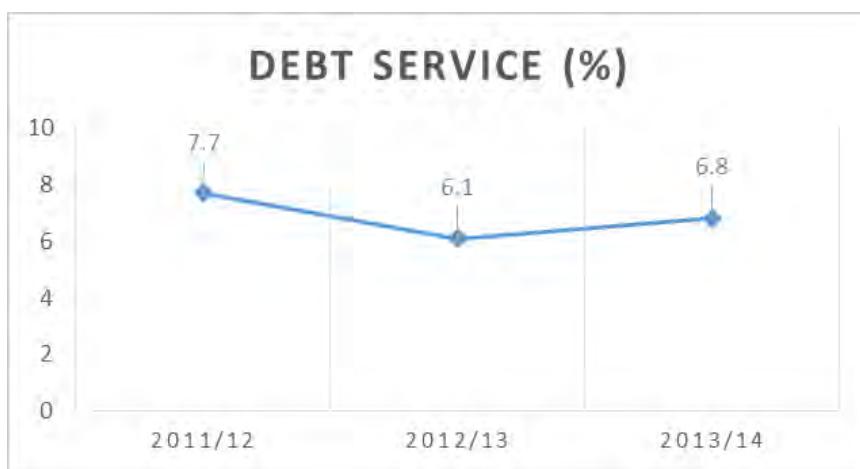
Municipalities rely on property taxes to generate revenue, which is used to fund services and programs. Therefore, healthy growth in property taxes is important for maintaining our strong financial position and ensures a consistent and high-quality level of service delivery. Our Municipality hosts a strong commercial base, in part due to our favorable location in the heart of the Halifax-Moncton Growth Corridor and investments in infrastructure by the County. This is reflected in our Commercial Property Assessment of 12.2%



along with evidence that we benefit from a diverse local economy, as indicated by our lower-than-average score on our reliance on a single business or institution as a source of tax revenue. As a consequence, we have been able to sustain growth in assessment values, posting an above average 3-year change in our tax base of 13.4%. Furthermore, since 2011, the Municipality has reduced its reliance on government transfers which indicates a high level of self-sufficiency and flexibility when making major financial decisions.

Budget Dimension

Colchester continues to perform well with respect to its residential tax effort. This measure shows the percentage of an average household income that is required to pay the average municipal tax bill, and is one way that Council is able to assess the affordability of taxes in relation to service levels when they set the budget. Colchester's score on this ratio is 2.4%, which is slightly above the rural average of 2.2% but well below the 4% threshold established by the Department of Municipal Affairs. Additionally, our



Municipality has also performed well with respect to budget accuracy and cash management. The ability to accurately project revenues and expenditures ensures that we do not inhibit our ability to operate efficiently in the future. With regards to long term planning, our Municipality has been diligent in funding its operating reserves – money that can be used to stabilize the budget if we happen to be faced with unforeseen financial changes and creates a buffer to protect against transferring negative financial impacts on to our residents.

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Municipality of the County of Colchester

1 Church Street
Truro, Nova Scotia
B2N 5E7

www.colchester.ca

Toll Free Number
1-866-728-5144

Colchester County Council

Mayor Bob Taylor
902-897-3184

District 1 Councillor
Christine Blair - 902-895-6537

District 2 Councillor
Bill Masters - 902-895-0877

District 3 Councillor
Geoff Stewart - 902-673-3039

District 4 Councillor
Mike Cooper - 902-671-2854

District 5 Councillor
Lloyd Gibbs - 902-897-4050

District 6 Councillor
Karen MacKenize - 902-895-8930

District 7 Councillor
Michael Gregory - 902-305-4002

District 8 Councillor
Ron Cavanaugh - 902-895-7305

District 9 Councillor
Doug MacInnes - 902-895-2242

District 10 Councillor
Tom Taggart - 902-647-2025

District 11 Councillor
Wade Parker - 902-893-5448

Assessing our Financial Condition (con't.)

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Debt & Capital Dimension

Our Municipality continues to efficiently manage financing for capital infrastructure. Colchester has seen a decrease in its debt service ratio from 7.7% in 2011/12 to 6.8% in 2013/14, which is a measure of the amount the Municipality spends to pay down its debt. A reduction in debt serving payments means that the Municipality can transfer money that would otherwise be used to pay down debt to other areas of the budget. Moreover, we have invested heavily in new infrastructure, understanding that regular capital investment is a key part of sound asset management and is necessary to mitigate the risk of interrupted service delivery as a result of failing infrastructure. This has resulted in a 5-year capital purchase ratio of 328.5% which is well above the average of 262.4%.

Examples of Major Capital Projects completed in the Fiscal Year 2014/15

Project	Value
Construction of sewer to service Granville Drive	\$3,500,000
Construction of new Compost Facility in Kemptown	\$6,000,000
Paving of County-owned roads in Valley and Debert	\$800,000

Fortunately, our Municipality has been able to fund the acquisition of capital assets by incurring minimal debt. This has been accomplished by ensuring adequate reserve levels, and securing external sources of funding for projects such as the Building Canada Fund. Additionally, Colchester does contribute annually to Capital Reserves to facilitate more efficient planning over the long term; however, by policy we also makes contributions to a Special Operating Reserve which is used for capital projects, capital purchases, and operating expenses. As a result of this policy decision capital reserve contributions are lower according to our FCI but, in fact, we believe this demonstrates strong stewardship as the total reserve contributions are sufficient to meet our Municipality's operating and capital needs.

Examples of Major Projects commencing in the Fiscal Year 2015/16

Construction of a 1km long multi-use trail, including a pedestrian overpass, between RECC and Truro Heights Road, along the Truro Heights Connector Road
Upgrades to the County's main sewage treatment plant (Biosolids facility)
Development of the Palliser Property

Overall, our Municipality has seen continued improvements in areas of revenue growth, budget planning, and debt management. If you would like to review any indicators as well as view the full assessment by the Department of Municipal Affairs, please visit <http://novascotia.ca/dma/finance/indicator/fci.asp>. For any further questions, please contact our Research Coordinator, Stephen Scannell, at SScannell@colchester.ca.