# Cape Breton Regional Municipality

## Council Meeting

## AGENDA

## Tuesday, May 16th, 2017

## 6:00 p.m.

Council Chambers
2nd Floor, City Hall
320 Esplanade, Sydney, NS

# Cape Breton Regional Municipal Council

## Tuesday, May 16th, 2017

## 6:00 p.m.

## AGENDA ITEMS

- **ROLL CALL**
- ***O' Canada***
- **Moment of Silent Reflection** (passing of Hon. Paul MacEwan & Father Greg MacLeod)

**1.** **APPROVAL OF MINUTES: (Previously Distributed)**

- **Budget – February 16th, 2017**
- **Council – March 29th, 2017**
- **Council – April 11th, 2017**

**2.** **PROCLAMATIONS & RESOLUTIONS:**

**2.1** **Multiple Sclerosis Awareness Month – Presentation to Mr. Carl MacLeod** (further to the Proclamation declared at April 11, 2017 meeting)
Councillor Ivan Doncaster

**2.2** **St. John Ambulance Month**
Councillor Darren Bruckschwaiger (See page 6)

**2.3** **VON Week:**
Councillor Clarence Prince (See page 7)

**2.4** **Davis Day:**
Councillor Kendra Coombes (See page 8)

**3.** **PRESENTATIONS:**

**3.1** **Leaders of Registered Nova Scotia Political Parties**:
(or designated representative) (See page 9)

**4. REPORT:**

**4.1 DOWNTOWN SYDNEY PLANNING STUDY:**

a) **Downtown Sydney Urban Core Plan 2017:** Rob LeBlanc, President, Ekistics Plan+Design (See page 13)

b) **Issue Paper:** Rick McCready, Senior Planner, on behalf of the Sydney Urban Core Planning Study Steering Committee (See page 38)

**5. BUSINESS ARISING:**

**5.1 General Committee – May 2nd, 2017:**

a) **Request for Easement/CBRM to Nova Scotia Power Inc. Property at Commercial Street, North Sydney File No. 07413:**

Committee recommends approval of the issuance of an Easement to Nova Scotia Power Inc. so that electric service can be provided to the CME, provided CBRM does not absorb any fees or costs associated with the Easement. Demetri Kachafanas, Regional Solicitor (See page 40)

**5.2 Fire & Emergency Services Committee – March 29th, 2017:**

a) **Support Facilities:**

Committee recommends that the Support Facilities Report/Recommendations be forwarded to Council, including the questions raised during discussion as part of the presentation for formal consideration, including a generator program for every CBRM fire department/hall and accessibility upgrades (i.e. doorways and washrooms) within the Centers to be brought back as a capital budget item.
Deputy Mayor Eldon MacDonald (See page 43)

b) **Fire Chiefs Association Representative at the Fire & Emergency Services Committee Meetings:**

For Council Ratification.
Deputy Mayor Eldon MacDonald (See page 60)

**Continued…**

**BUSINESS ARISING (Cont'd):**

**5.3 Pension Committee – April 12, 2017**

a) **CBRM Defined Benefit (DB) Pension Committee Recommendation Regarding 2015 Pension Audit:** Marie Walsh, Chief Financial Officer (See page 61)

Committee recommends approval of the Audited Financial Statements as presented.

**6. BY-LAWS:**

**6.1 Permission to Vend on PID 15058712, Cutilar Street, Sydney:** Paul Burt, Manager of Buildings, Planning & Licensing Laws (See page 83)

**7. PETITION FOR TABLING:**

**7.1 Residents of Stanfield Street, Sydney:** Request for assessment for pavement

**8. FINANCIAL STATEMENTS:** Marie Walsh, Chief Financial Officer
**For Information Only**

**8.1 CBRM to March 31, 2017:** (See page 87)

**8.2 Port of Sydney Development Corporation to March 31, 2017:** (See page 89)

**8.3 Port of Sydney Development Corporation Audited Statements for the Year Ended March 31, 2016:** (See page 90)

**ADJOURNMENT**

# CBRM Proclamation

# St. John Ambulance Month

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**Whereas:** St. John Ambulance, a non-profit organization with a rich historical background, has provided first aid training and community services to Canadians for over 130 years;

**And Whereas:** St. John Ambulance has dedicated Volunteer Medical Responders who devote their time and energy to community service including over 9000 volunteer hours of emergency first aid and training for the citizens of the Cape Breton Regional Municipality and beyond.

**And Whereas:** St. John Ambulance has developed continuing programs of first aid training at various levels and community service to meet the changing needs of Canadians of all ages from all walks of life;

**Be It Therefore Resolved:** That the CBRM Mayor Cecil P. Clarke and Council proclaim the month of June, 2017 as "St. John Ambulance Month" in the Cape Breton Regional Municipality.

*Councillor Darren Bruckschwaiger*
**CBRM Councillor, District #10**

**May 16th, 2017**

# Proclamation

*"Victorian Order of Nurses (VON) Week"*
**2017**

**Whereas:** The Victorian Order of Nurses is Canada's largest, national, not-for-profit, charitable home and community care organization who offer more than 75 different home care, personal support and community services to enhance each client's quality of life;

**And Whereas:** Every day, volunteers from all walks of life work with VON staff to help make Canadian communities healthier;

**And Whereas:** VON's home nursing, health promotion and support services make an invaluable contribution to the Health Care System in Nova Scotia;

**And Whereas:** The Cape Breton VON Branch has provided immeasurable support for individuals and families throughout the Island, providing compassion and care to those in need;

**Be It Therefore Resolved:** That CBRM Mayor, Cecil P. Clarke and Council, recognize the contributions made by the VON through their community work in making our Province a better place in which to live by proclaiming May 15th to May 19th, 2017, as "VON Week in the Cape Breton Regional Municipality."

Councillor Clarence Prince
CBRM District #1

May 16, 2017

# PROCLAMATION

## *Davis Day*

**Whereas:** Davis Day, also known as Miners' Memorial Day (and since November 25, 2008, officially William Davis Miners' Memorial Day), is an annual day of remembrance observed on June 11 in coal mining communities in Nova Scotia, whereby citizens recognize all miners who were killed on the job in the province;

**And Whereas:** Davis Day originated in memory of William Davis, a New Waterford coal miner who was killed during the 1925 mining strike near the former power plant and pumping station at New Waterford Lake. The miners marched in protest in response to the decision by the mining company, British Empire Steel and Coal Company (BESCO), to shut down the drinking water supply and electricity to the town as a result of the strike;

**And Whereas:** William Davis was shot and killed at approximately 11:00 AM on June 11, 1925 and many other miners were injured, when striking miners were charged by the company police force, whose officers fired over 300 shots. In the weeks and months following Davis' shooting, company facilities were looted and/or vandalized, despite the deployment of the provincial police force and 2,000 soldiers in what remains Canada's second-largest military deployment for an internal conflict;

**And Whereas:** In commemoration of Davis' sacrifice, the United Mine Workers of America designated the day in his honour, with miners in Nova Scotia vowing to never work on "Davis Day" ever again. Today, we continue to commemorate the sacrifice William Davis and other workers made to ensure we have better working and living conditions.

**Be It Therefore Resolved:** That the CBRM Mayor Cecil P. Clarke and Council proclaim June 11th, 2017 as Davis Day in the Cape Breton Regional Municipality.

Councillor Kendra Coombes
CBRM Councillor, District # 11

May 16th, 2017

May 10, 2017

Dear

I am writing to you today to invite you, or a representative of your party, to address Cape Breton Regional Municipality's Council on May 16.

Our council meets at 6:00 pm and we hope you, or your designated representative, can attend to present to council your party's position on matters pertaining to municipal issues in CBRM. These issues could include: barriers to economic development, the proposed CBRM charter, the Capped Assessment Program, the issues of equalization and mandated costs, or other matters you see as important to the provincial-municipal relationship.

The invitation is also being extended to the other two party leaders (or their representatives). This is not a debate-style event. It will be presentations only, with no follow up questions from the council. It is meant to offer your party the opportunity to address Council and through them, via television, all residents of the CBRM. The council meeting is broadcast live on Eastlink and live streamed on CBRM's website. This event will also be shared live via Facebook through CBRM's Facebook page.

Please contact our office at your soonest convenience to confirm your participation. The time frame for the presentations will be 6:00 pm - 6:30 pm for this aspect of the May 16 Council meeting.

Warmest regards,

**Original signed by**

CECIL CLARKE
Mayor, Cape Breton Regional Municipality

*Office of the Mayor* CECIL CLARKE
CBRM | 320 ESPLANADE | SYDNEY, NS | B1P 7B9
Facebook: cecil.p.clarke Twitter: @MayorCBRM Email: mayor@cbrm.ns.ca

unsm

The Union
of Nova Scotia
Municipalities



Suite 1304, 1809 Barrington Street
Halifax, NS B3J 3K8

Tel: (902) 423-8331
Fax: (902) 425-5592
E-mail: info@unsm.ca
Web Site: www.unsm.ca

May 9, 2017

Mayor Cecil Philip Clarke
Cape Breton Regional Municipality
320 Esplanade
Sydney, NS B1P 7B9

Dear Mayor Clarke:

As a follow up to the e-mail that was sent to the Membership on Tuesday, May 2, 2017, we are enclosing an Election Brochure for each Council Member and your Chief Administrative Officer. I ask your help in distributing these to your Council colleagues and CAO.

The provincial election campaign provides an opportunity to draw attention to municipal issues. We are seeking your involvement to help ensure all three political parties address our key priorities leading up to the election.

Perhaps you could consider inviting candidates or parties in your area to meet with council or participate in a panel or debate at the community level. You might also consider partnering with other organizations such as your local chamber of commerce to host such an event. If you broadcast your council meetings either online or through your local cable channel, you may want to consider organizing a televised debate of local candidates.

As previously mentioned in the e-mail, I will report to the Spring Workshop, the responses we have received to the questionnaire.

Please feel free to contact me if you have any questions. My e-mail is lmurley@town.windsor.ns.ca.

Sincerely,

Original signed by

Deputy Mayor Laurie Murley
President, UNSM

LM/tv

enclosures

## UNSM Board of Directors

**Deputy Mayor Laurie Murley**
Town of Windsor, President

**Councillor Geoff Stewart**
County of Colchester, Vice President

**Mayor Cecil Clarke**
CBRM, Immediate Past-President

**Councillor Waye Mason**
Halifax, Regional Caucus Chair

**Warden Jim Smith**
District of East Hants, Rural Caucus Chair

**Mayor Pam Mood**
Town of Yarmouth, Towns Caucus Chair

**Councillor George MacDonald**
Cape Breton Regional Municipality, Regional Caucus

**Councillor Russell Walker**
Halifax, Regional Caucus

**Deputy Warden Linda Gregory**
District of Digby, Rural Caucus

**Warden Timothy Habinski**
County of Annapolis, Rural Caucus

**Mayor Jeff Cantwell**
Town of Wolfville, Towns Caucus

**Councillor Terry Rhindress**
Town of Amherst, Towns Caucus

**Bruce Fisher**
Manager, Financial Policy & Planning
Halifax, AMA Representative

## CONTACT US:

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Halifax, NS B3J 3K8
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unsm

**Strong Communities**
**Strong Province**

*Provincial Election 2017*

## WHO IS UNSM?

The Union of Nova Scotia Municipalities is the provincial voice of municipal government. All 50 municipalities within the province are members. Our 378 elected officials gather each fall to develop and endorse UNSM policy.

UNSM represents municipalities and their citizens to ensure the needs of strong, healthy, vibrant communities are reflected in provincial policies and programs.

Founded in 1906, UNSM works to strengthen local governments and to advocate on their behalf. Our 13-member Board of Directors is composed of four representatives from each of our rural, towns and regional government caucuses, as well as one member from the Association of Municipal Administrators.

### Municipal Facts:

*Municipal Operating Expenses: $1.57 billion*
*Plus Contributions (e.g. Education): $224 million*
*Property Taxes: $1.2 billion*
*Grants in Lieu of taxes: $67 million*

*Operational Costs (unconsolidated):*
*Policing $217 million*
*Fire (municipal): $123 million*
*Solid Waste (garbage): $109 million*
*Water $155 million*
*Sewage: $29 million*
*Roads, sidewalks, etc $117 million*
*Transit $102 million*

## Building the Municipal – Provincial Partnership

### *Long-Term Vision for Municipal Government*

UNSM advocates and works toward long-term solutions for municipal viability. Provincial legislation, policy, regulation, and financial supports lay the foundation for long term sustainability. *We will work with the Province to develop a long-term vision that reviews roles and responsibilities, explores alternatives to structural change, and recommends additional revenue tools.*

### *A Better Funding Partnership to Upgrade Aging Community Infrastructure*

Municipalities bear most of the responsibility for operating costs, maintenance, and eventual replacement of capital assets. Provincial and Federal governments contribute to the initial infrastructure capital costs, but the bulk of the life cycle costs for infrastructure are borne by property tax payers. Municipal asset management plans, based on actual condition assessments, will help prioritize capital investments for current and future needs. *We will work with Provincial and Federal governments to recognize municipal funding limitations, and to support municipal priorities when developing funding programs.*

### *A Joint Municipal and Provincial Economic Development Strategy*

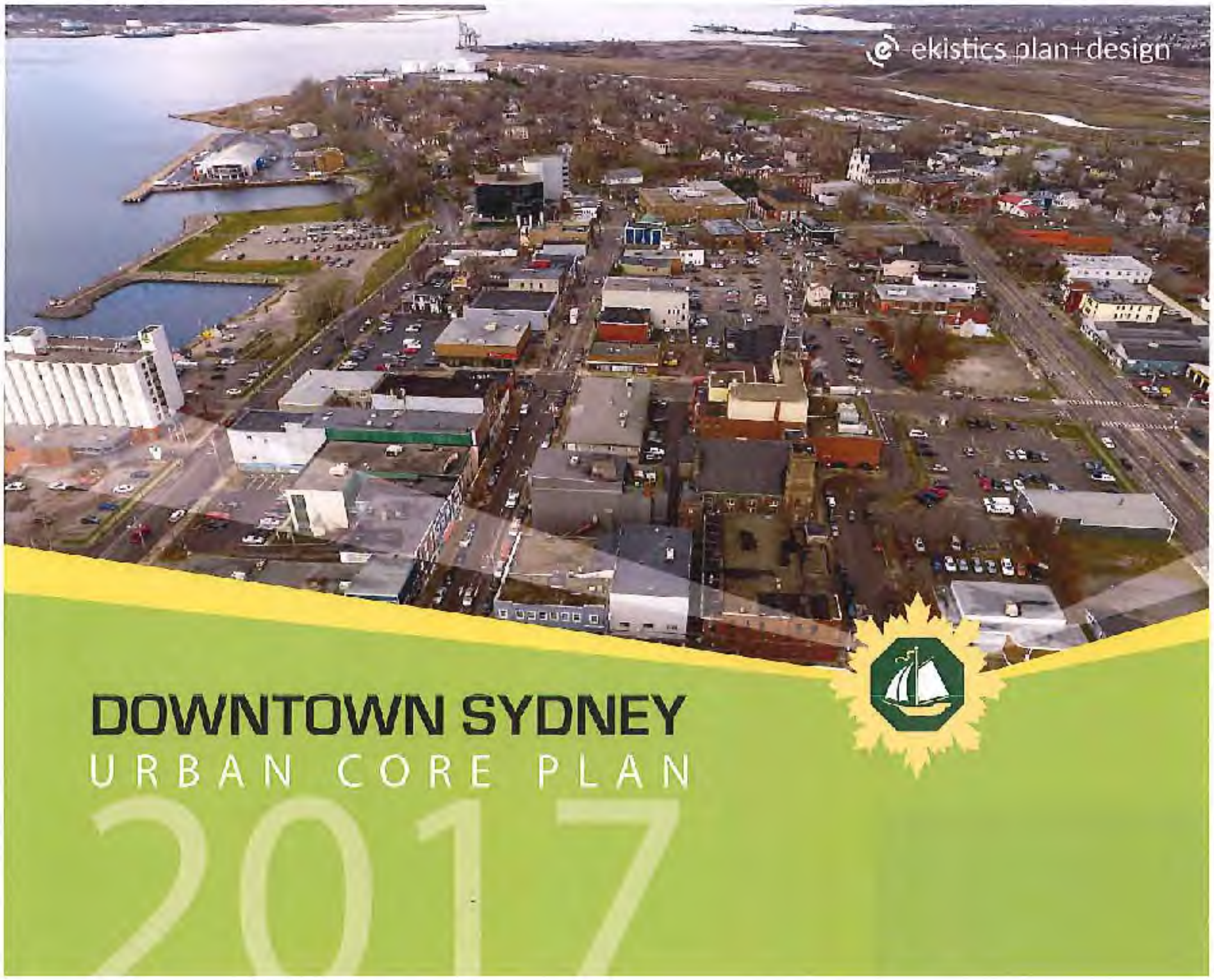
Municipalities lay the foundation for economic development by building essential infrastructure and attracting people to live in our communities. Rural outmigration and changing demographics create major challenges. *We will work with the Province to develop a collaborative strategy that includes analysis of economic development data, incentives for regional approaches, and help with developing best regulatory practices.*

### *Improved Access to High-Speed Internet and Cell Phone Coverage Across the Province*

High-speed internet and cell phone coverage are essential for business development, tourism, education, and attracting new residents. They are also necessary to ensure effective health, safety and emergency services. Many rural areas still have poor access to functional high speed internet and little or no cell phone service. *We will work with Provincial and Federal governments to develop a high-speed internet and cell phone strategy, including funding to ensure increased coverage across the Province.*

### *Predictable Funding to Meet Municipal Responsibilities*

Amalgamation and dissolution will not resolve all the financial issues. Municipalities are developing more shared service and regional planning opportunities to promote efficiencies. *We will work with the Province to address short and long-term financial issues, including Provincial funding, so that municipalities can fulfill their responsibilities with a reasonable tax burden.*





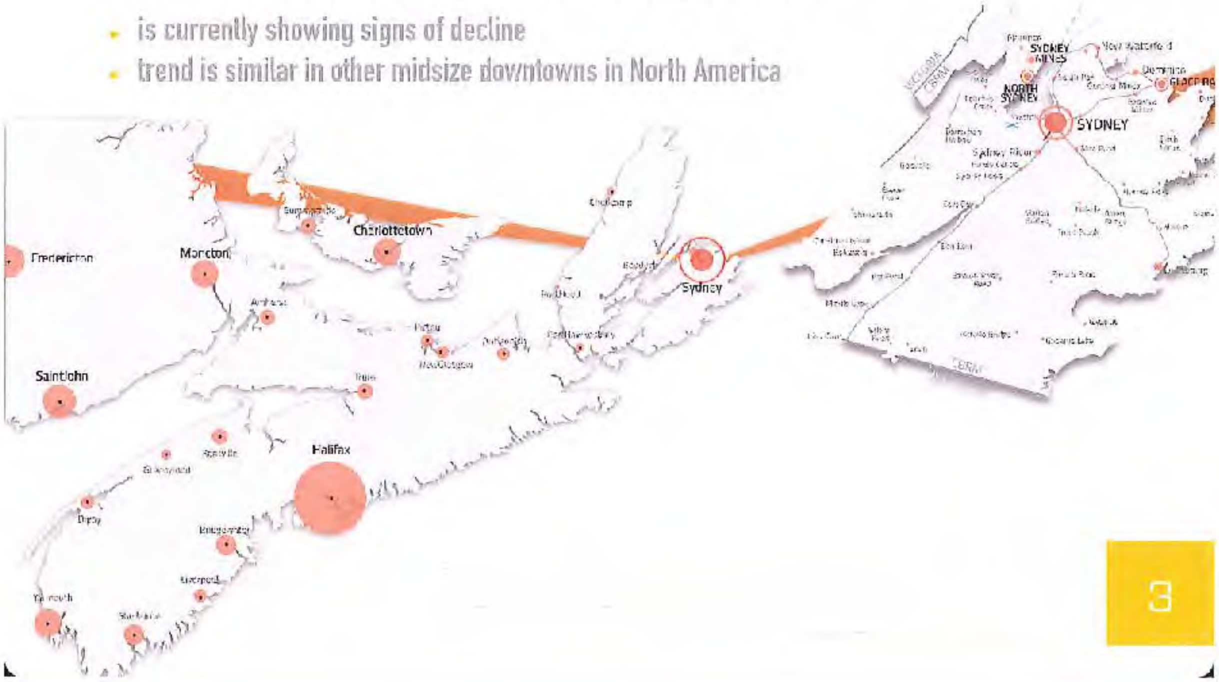



## Agenda

1. Introduction
2. Urban Conditions Analysis
3. Downtown & Waterfront Trends
4. Core Parking Plan
5. Master Plan
6. Implementation

# 1.0 Origins

1. Downtown Sydney is the largest downtown core on Cape Breton Island
   - is currently showing signs of decline
   - trend is similar in other midsize downtowns in North America






DOWNTOWN SYDNEY : URBAN CORE PLAN
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# Plan Area

1. Purpose of Study
   - Charlotte Street Revitalization
   - Connect Downtown to the Waterfront
   - Parking
   - Physical and administrative improvements

# Downtown Shift

1. Canadians are increasingly choosing urban living over the suburban and rural living
   - Canada's urban population has ballooned from 37% in 1901 to 82% in 2014
   - In NS, 20% in 1901 to 57% in 2014
2. Downtowns occupy less than 1% of citywide land area, yet attract an average of 20% of city-wide construction value" (2013, The Value of Investing in Canadian Downtowns).
3. growing preference for downtown living is being driven by
   - shift to be closer to work, walking or cycling, to be close to universities and colleges, to be close to urban amenities like waterfronts, parks and trail systems and to be close to restaurants and shopping, and entertainment.

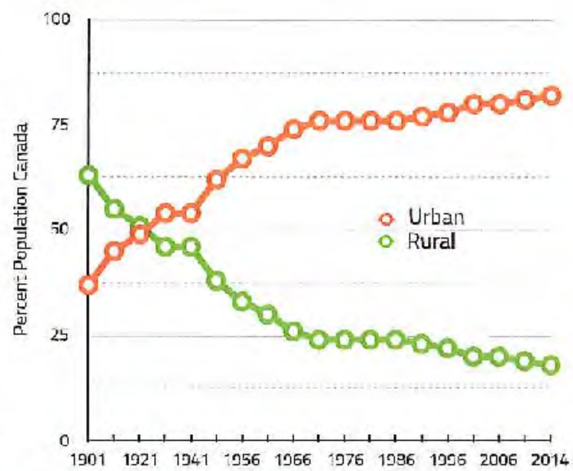



**FIGURE 1.** The shift from rural to urban in Canada from 1901 to 2015



# DOWNTOWNS ARE THE SYMBOLIC AND HISTORIC CENTRE OF THE COMMUNITY AND THEY REFLECT THE PROSPERITY, PRIDE AND IMAGE OF ITS RESIDENTS

# Process

1. Business owners workshop (Nov 23)
2. Public Workshop & Community walkabout (Nov 23)
3. Online Survey (715 results)
4. Draft Presentation (hundreds - March 28)





# Business Owners

- Reinstate the Facade program
- City needs to address taxes to make downtown living and development in general more appealing.
- Fill our empty lots with new developments.
- Add smart parking (smart meters) to downtown
- Make Charlotte Street more pedestrian friendly
- Improve wayfinding signage
- More public art, more attractive streets and green spaces, more beautification.

FIGURE 8. Business Owners Workshop, Nov 23, 2016

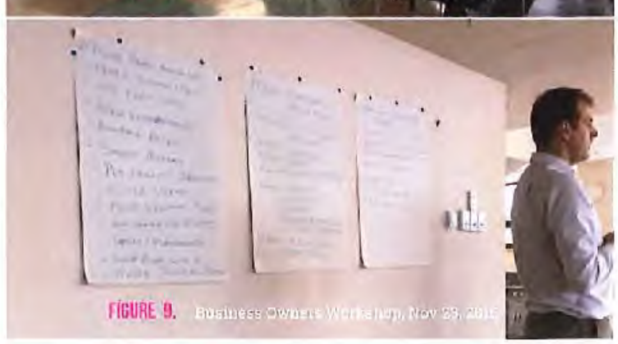


FIGURE 9. Business Owners Workshop, Nov 23, 2016

# Public Workshop

1. Set a growth target for residential development downtown. 400-500 new units.
2. Continue to invest in Open space and parks in the downtown
3. Continue to encourage immigration. Lebanese immigrants are now building Halifax.
4. Recognize that you only have a strong wheel if you have a strong hub. We need to start in downtown.
5. Address the perception that there's no parking downtown.
6. We need a town square in the middle of downtown.

FIGURE 10. Public Workshop, Nov 23, 2016

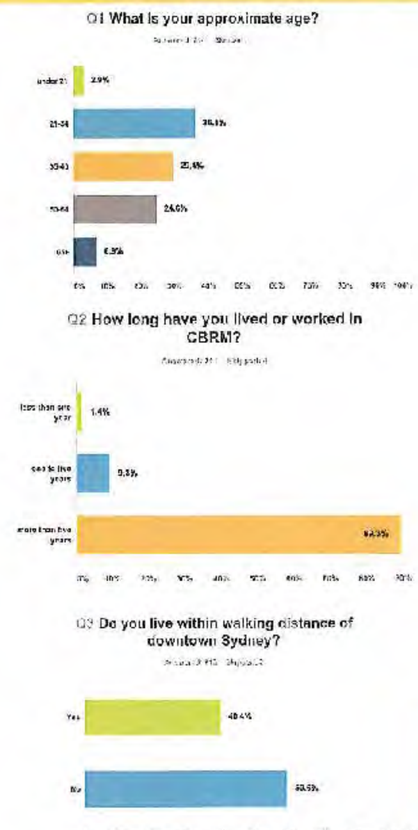
**Don't sell ourselves short . . . dream big**





# Online Survey

1. 715 responses over 8 weeks
   - 3% response from under 21
   - 90% lived in CBRM for more than 5 years
   - 40% within walking distance of downtown



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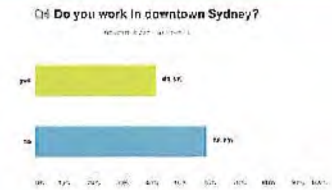
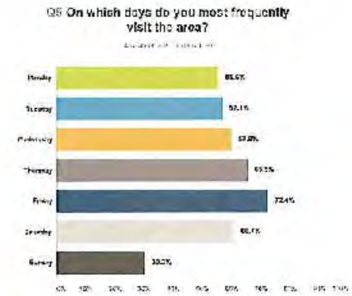
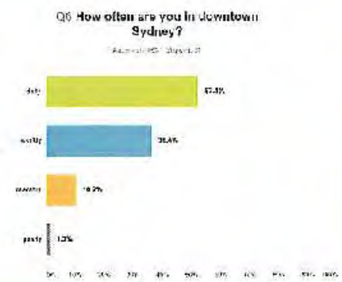
## Online Survey

1. 715 responses over 8 weeks
   - 41% work in the downtown
   - 52% visit downtown daily, 90% weekly



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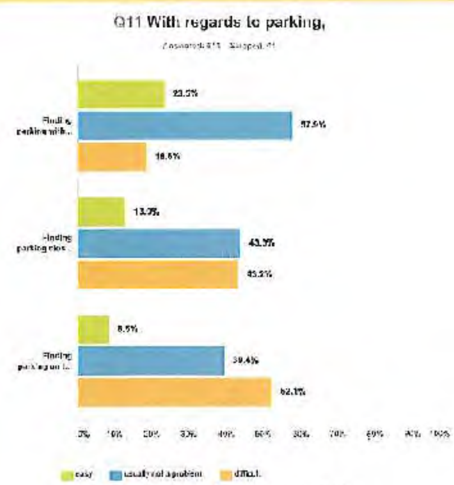
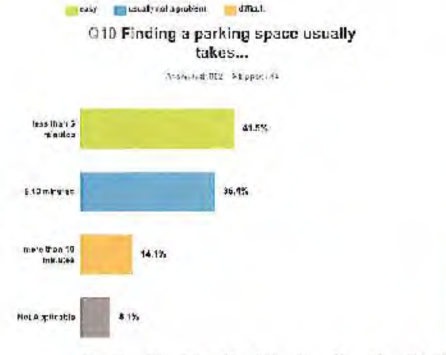
## Online Survey

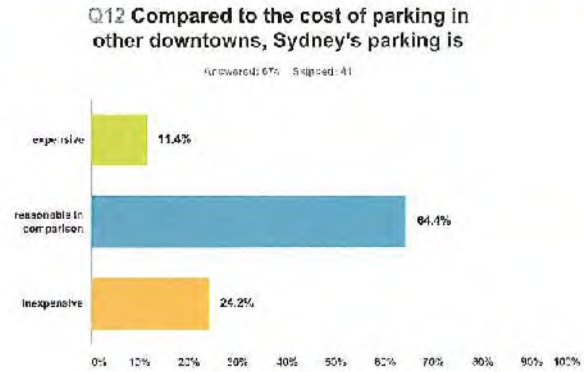
1. 58% - finding parking is usually not a problem
2. 44% - finding parking close to your destination is usually not a problem
3. 41% - finding parking usually takes less than 5 minutes
4. 36% 5-10 minutes
5. 14% more than 10 mins
6. 8% not applicable



# Online Survey

1. 11% say parking is expensive compared to other cities
2. 64% parking cost is reasonable
3. 24% parking is inexpensive

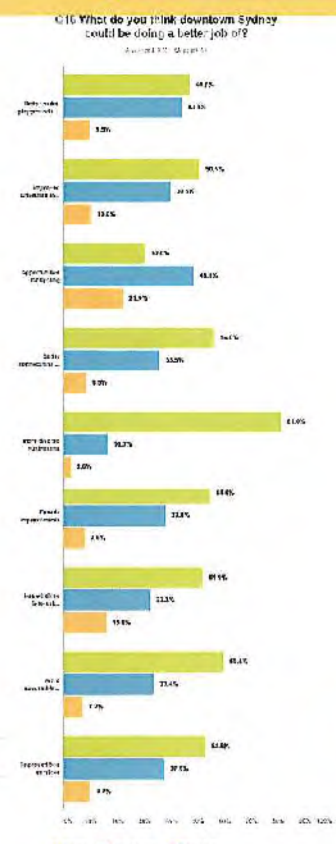




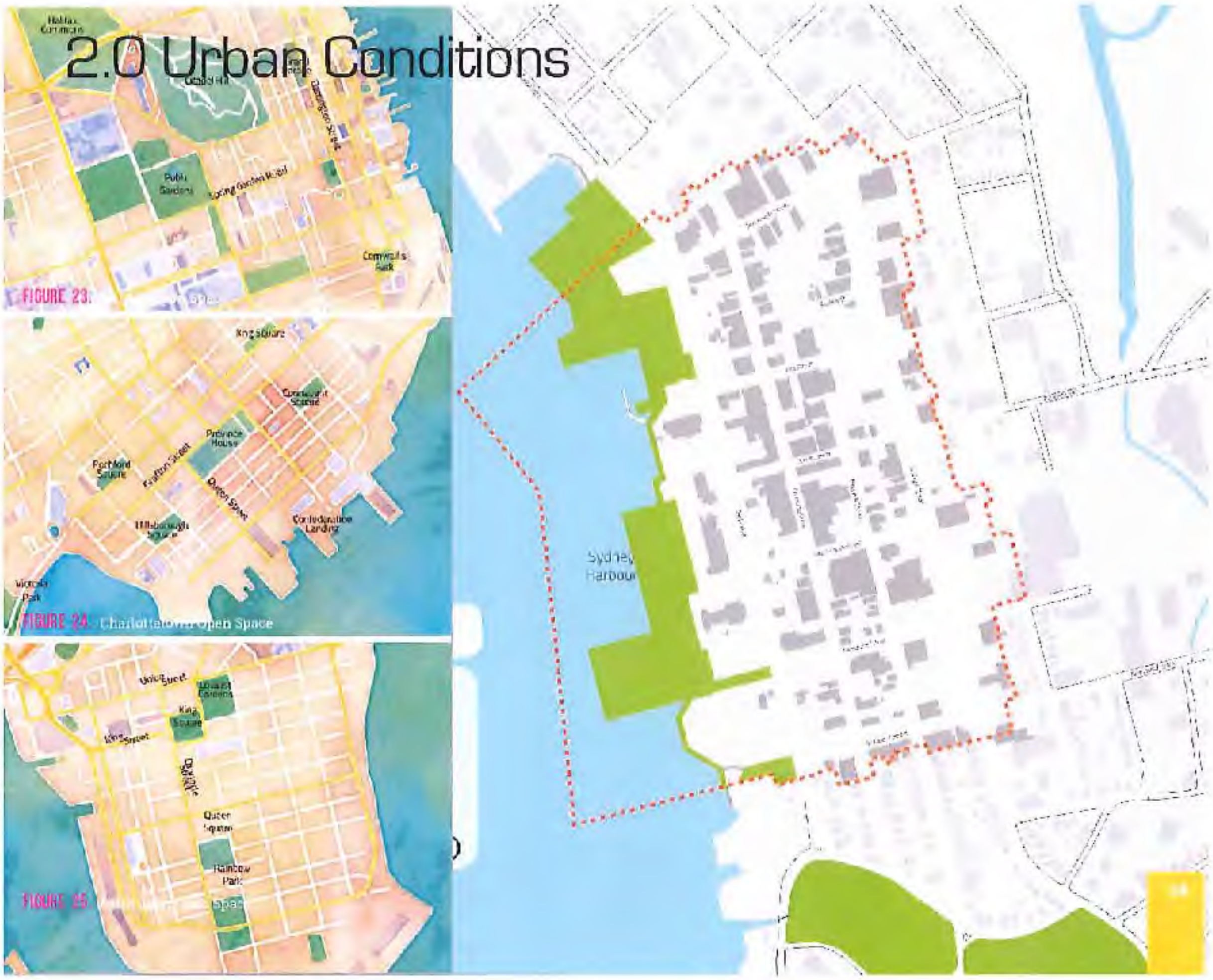



# Online Survey

1. What Could Downtown Sydney do a better job of?
   - More diverse businesses (81%)
   - More accessible parking (62%)
   - Better connections to the waterfront (59%)
   - facade improvements (52%)
   - improved bus service (52%)



# 2.0 Urban Conditions

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# 2.0 Urban Conditions

## 1. Real Estate Demand

- economic projections
- population projections
- Housing Starts

TABLE 2.1 Total Employment - Labour Force Survey Estimate (Table 282-0125)

| | Canada | | Nova Scotia | | Halifax | | Cape Breton | |
|---|---|---|---|---|---|---|---|---|
| 2007 | 16,760 | | 447 | | 209 | | 53 | |
| 2008 | 17,010 | 1.4% | 453 | 1% | 210 | 0.4% | 56 | 4.5% |
| 2009 | 16,727 | (1.7%) | 449 | (0.5%) | 214 | 2.1% | 52 | (6.2%) |
| 2010 | 16,964 | 1.4% | 451 | 0.4% | 216 | 0.9% | 53 | 2.1% |
| 2011 | 17,221 | 1.5% | 453 | 0.4% | 219 | 1.2% | 53 | (0.9%) |
| 2012 | 17,438 | 1.3% | 457 | 1.0% | 221 | 1.1% | 54 | 1.3% |
| 2013 | 17,691 | 1.5% | 452 | (1.1%) | 222 | 0.3% | 53 | (1.5%) |
| 2014 | 17,802 | 0.6% | 447 | (1.1%) | 223 | 0.4% | 50 | (4.5%) |
| 2015 | 17,946 | 0.8% | 448 | 0.1% | 224 | 0.4% | 50 | (2.2%) |
| 2016 | 18,079 | 0.7% | 446 | (0.4%) | 226 | 0.9% | 48 | (1.6%) |

TABLE 2.2 Population Change: Cape Breton Census Agglomeration 1991-2021

| Cohort | 1991 | 1996 | 2001 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|---|---|
| **Census Population (1991-2006) and Estimated Future Pop (2011-2021)** | | | | | | | |
| 0-14 | 25530 | 23655 | 19595 | 16655 | 13910 | 12050 | 10375 |
| 15-24 | 18275 | 17090 | 14530 | 13845 | 12175 | 9955 | 8135 |
| 25-64 | 67950 | 68170 | 63930 | 62910 | 60620 | 55745 | 49985 |
| 65+ | 16495 | 16925 | 17475 | 18820 | 20790 | 24490 | 28650 |
| TOTAL | 120110 | 117840 | 109520 | 105930 | 101945 | 97500 | 92945 |
| Change | | -1.9% | -7.2% | -3.1% | -3.8% | -4.4% | -4.7% |
| **Proportion of Total Population** | | | | | | | |
| 0-14 | 21.3% | 20.1% | 18% | 15.7% | 13.6% | 12.4% | 11.2% |
| 15-24 | 15.2% | 14.5% | 13.3% | 13.1% | 11.9% | 10.2% | 8.8% |
| 25-64 | 56.6% | 57.8% | 58.5% | 59.4% | 59.5% | 57.2% | 53.1% |
| 65+ | 13.7% | 14.4% | 15% | 17.8% | 20.4% | 25.1% | 30.8% |

TABLE 2.4 City of Sydney Housing Starts

| Years | Single | Semi-Detached | Row | Apartment | Total |
|---|---|---|---|---|---|
| **Source: CMHC Starts and Completions Survey** | | | | | |
| 2010 | 25 | 40 | 0 | 5 | 70 |
| 2011 | 13 | 30 | 3 | 7 | 53 |
| 2012 | 12 | 22 | 0 | 0 | 34 |
| 2013 | 8 | 26 | 0 | 0 | 34 |
| 2014 | 7 | 22 | 0 | 0 | 29 |
| 2015 | 4 | 10 | 0 | 3 | 17 |
| 2016 | 4 | 18 | 0 | 0 | 22 |

# 2.0 Urban Conditions

1. **Transportation**
   - 1-way streets
   - Safety
   - Pedestrian vs Vehicle Streets
   - Signal Upgrades




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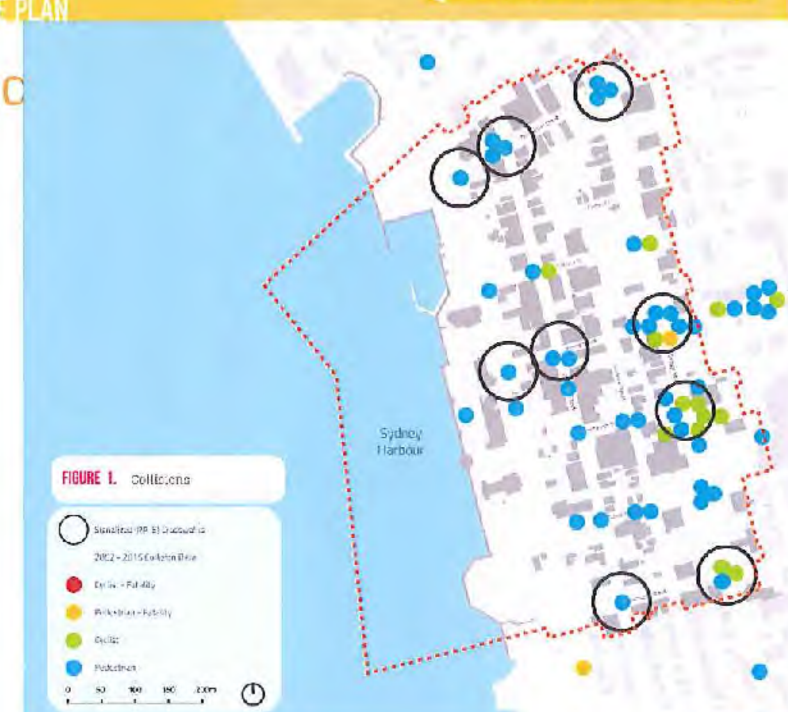
# 2.0 Urban Cond

1. **Collisions**
   - Unsafe Intersections



# 2.0 Urban Conditions

1. Transit
2. Active Transportation



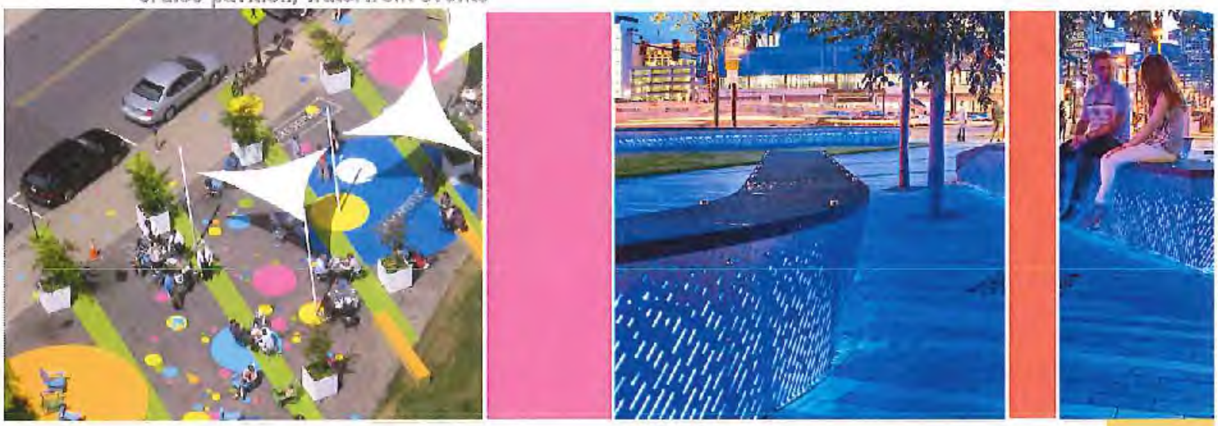



# 3.0 Downtown & Waterfront Trends

1. Retail trends
2. Public waterfronts
3. Core Design Principles

# 3.0 Core Design Principles

1. **Parks and Open Space**
    - Enhance/extend the boardwalk, connect to downtown. AT, signature urban space on Charlotte Street, destination park at cruise pavilion, waterfront events





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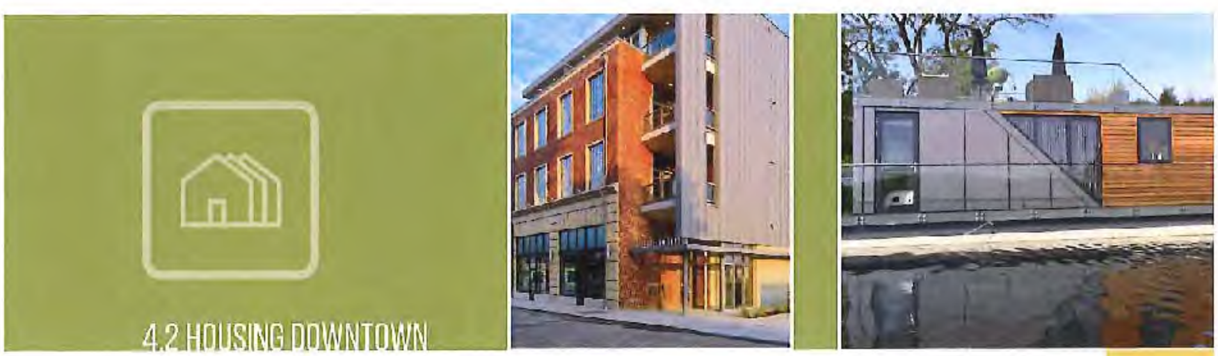
# 3.0 Core Design Principles

1. **Housing**
    - More people living downtown, encourage mixed use, ground floor active uses, affordable housing, boat housing, infilling



# 3.0 Core Design Principles

1. **Parking & Transportation**
   - Expand AT, Convert some 1-way to 2-way streets, make Charlotte the main pedestrian street, improve parking.

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# 4.0 Core Parking Plan

**TABLE 4.1** Land use coverage

| | Overall Downtown | | BIDC | |
|---|---|---|---|---|
| % Land Area | m2 | % of Total | m2 | % of Total |
| TOTAL AREA | 1,500,000 | 100% | 400,000 | 100% |
| Parking Areas | 245,000 | 17% | 120,000 | 30% |
| Building Footprints | 220,000 | 15% | 75,000 | 19% |
| Road Right-of-Way | 275,000 | 18% | 105,000 | 26% |

**TABLE 4.2** Parking Breakdown

| | Overall Downtown | | BIDC | |
|---|---|---|---|---|
| # of Parking Spaces | Spaces | % of Total | Spaces | % of Total |
| TOTAL Spaces | 7,100 | 100% | 3,570 | 100% |
| Off-Street Lots | 4,810 | 68% | 2,780 | 77% |
| On-Street Free | 1,510 | 21% | 10 | 1% |
| On-Street – 2 hr meter | 490 | 7% | 490 | 14% |
| On-Street – 5 hr meter | 290 | 4% | 290 | 8% |


**FIGURE 1.** Parking Inventory

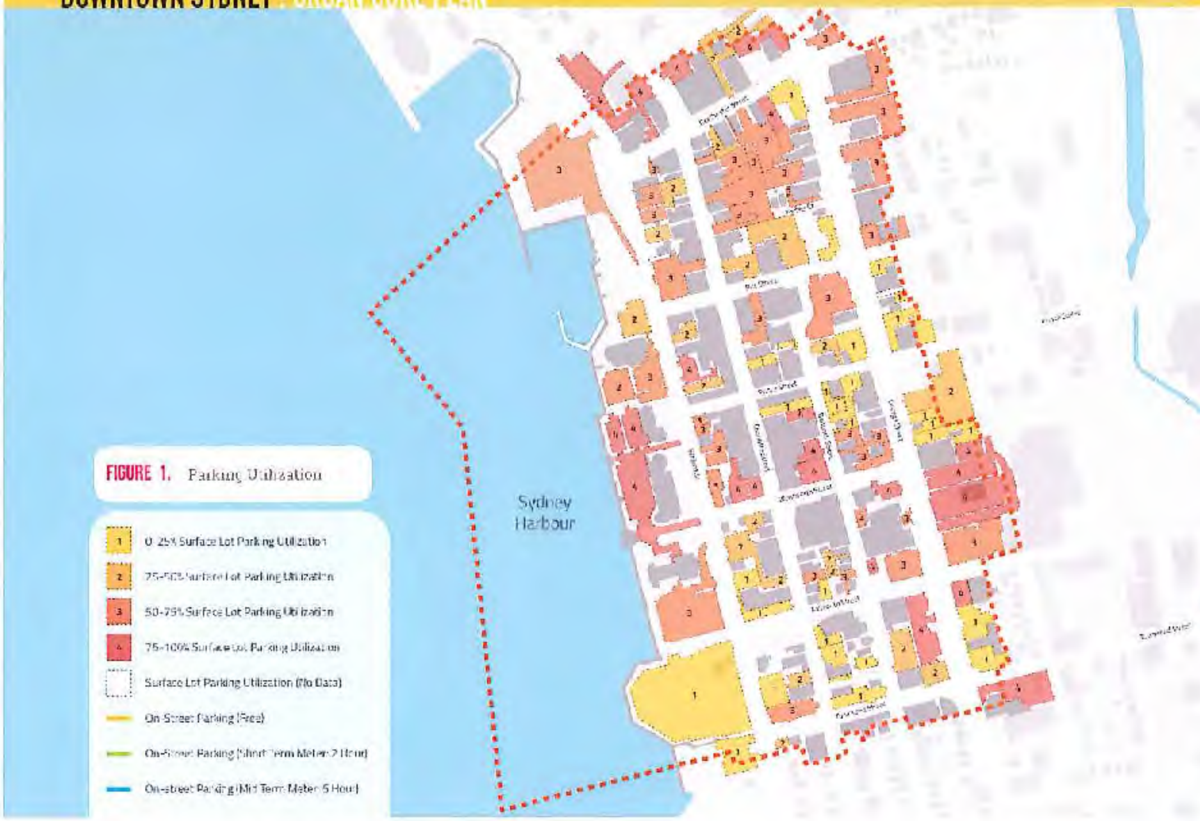
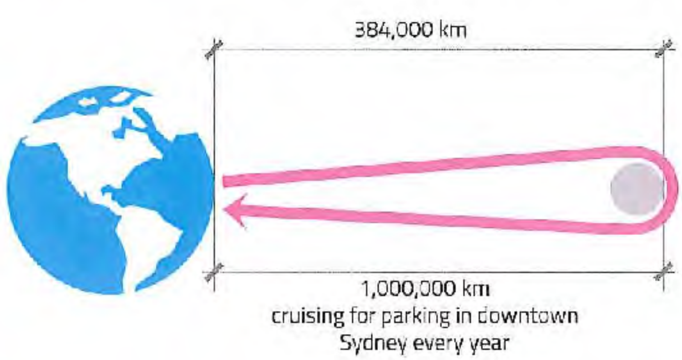



FIGURE 1. Parking Utilization

DOWNTOWN SYDNEY : URBAN CORE PLAN
ekistics plan+design

# 4.0 Core Parking Plan

1. **Cruising for Parking in downtown Sydney**
   - over 1,000,000 km of extra travel per year! That's a million km (125,000 litres of gas, or to the moon and back) of driving in one year for the spaces on one street only cruising for parking.



# 4.0 Core Parking Plan

## 1. Parking Garage

- 150 parking spaces
- Even if the $9m facility was free, each parking space would ned $73/month to pay for operating costs

**TABLE 4.3** Analysis of Parking Structure Feasibility

| PARKING REVENUE | | | TOTAL | Per STALL |
|---|---|---|---|---|
| 140 Monthly Spaces | $73 | /Stall | $122,640 | $ 876 |
| 140 Pay And Display | $132 | /Stall | $221,760 | $ 1,584 |
| 280 Total Parking Spaces | | | | |
| Potential Gross Income | | | $344,400 | $ 1,230 |
| Less Vacancy & Bad Debt @ | 20.0% | | -$68,880 | $ (246) |
| Effective Gross Income | | | $275,520 | $ 984 |
| OPERATING EXPENSES | | | | |
| Property Tax @ | $500.00 | /Stall | $140,000 | $ 500 |
| CAM @ | $400.00 | /Stall | $112,000 | $ 400 |
| Management @ | 3.5% | EGI | $9,643 | $ 34 |
| Structural @ | $0.15 | PSF | $14,700 | $ 53 |
| Total Operating Costs | | | $276,343 | $ 987 |
| NET OPERATING INCOME | | | -$823 | $ (3) |
| Capitalization Rate | | | 8.50% | |
| Market Value Of Parkade | | | -$9,685 | $ (35) |
| ROUNDED VALUE | | | -$10,000 | $ (36) |

| | | | TOTAL | Per STALL |
|---|---|---|---|---|
| ESTIMATE OF PROBABLE COST OF CONSTRUCTION | | | | |
| Land Acquisition | $1.00 | Lumpsum | $250,000 | $ 893 |
| Construction Cost | $280.00 | /Stall | $8,400,000 | $ 30,000 |
| Engineering & Project Mgmt | 6.0% | FCI | $519,000 | $ 1,854 |
| Total Cost of Construction | | | $9,169,000 | $ 32,745 |
| ROUNDED COST OF CONSTRUCTION | | | $9,200,000 | $ 32,857 |





# 4.0 Core Parking Plan

## 1. Parking Garage Locations

- Bentinck Lot needs a bit more room


FIGURE 1. Parkade Location Options

# 4.0 Core Parking Plan

1. **Short term**

- Signage Strategy for Parking
- Create a parking management plan
- Smart Meter technology conversion
- variable rates
- Upgrade Central Parking Hub
- Manage parking in residential areas
- 2-way streets
- Increase paid parking spaces
- Smart Meter technology conversion






# 5.0 Master Plan

1. **Projects**

- Charlotte Street Pedestrian/AT Street
- 2-way side streets
- Waterfront connections
- Charlotte Square
- Strategic Infills
- George Street Linear Parks

# 5.0 Master Plan

1. Restoring 2-way

FIGURE 1. Restoring Wentworth to Two Way



DOWNTOWN SYDNEY : URBAN CORE PLAN
ekistics plan+design

# 5.0 Master Plan

1. Charlotte Street






FIGURE 1 Bump-out at the gateway entrance to Charlotte Street

FIGURE 2 [illegible] Street inter[illegible]


FIGURE 1 Scotiabank Plaza left turn lanes and urban forest





# 5.0 Master Plan

1. **Charlotte Street - Highland Arts Theatre Connector**

# 5.0 Master Plan

## 1. Charlotte Street - Dorchester Parking Hub

FIGURE 1.

DOWNTOWN SYDNEY - URBAN CORE PLAN

ekistics plan+design

# 5.0 Master Plan

## 1. Charlotte Street - Dorchester Parking Hub


FIGURE [illegible] Dorchester Parking Hub Entry from Charlotte Street

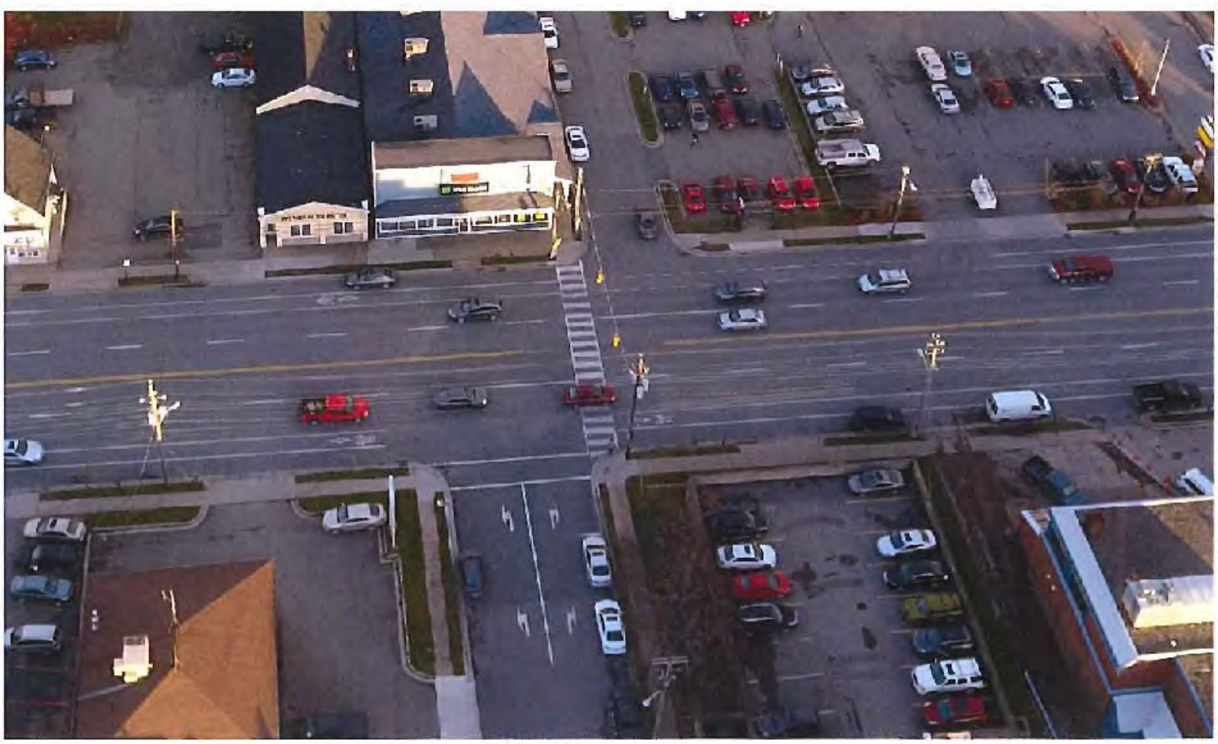
FIGURE 1 | Charlotte Square





FIGURE 1 | Charlotte Square

# INSERT CHARLOTTE VIDEO



# 5.0 Master Plan

## 1. George Street Linear Parks


FIGURE 1. George Street Linear Parks





FIGURE 88. SWDA Brand

# Form-Based Code

1. Changes to the zoning Bylaw for Downtown

FIGURE 103. Form Based Code Terminology





# 6.0 Implementation

1. 20-Core Moves for Downtown Sydney
2. Parking Recommendations
3. Avoiding the Pitfalls
4. Cost Estimates

**FIGURE 1.** Total Estimate of probable Cost

| | 20-Year Plan |
|---|---|
| Charlotte Street (Dorchester to Townsend) | $ 7,539,441.00 |
| George Street Linear Parks | $ 743,860.00 |
| Signage& Wayfinding | $ 327,000.00 |
| Façade Program | $ 285,000.00 |
| Capri Parking Lot Enhancements | $ 973,310.00 |
| Modern Meters Downtown | $ 100,050.00 |
| 2 way street conversions & intersections | $ 585,350.00 |
| **Total** | **$ 10,554,011.00** |

# Charlotte - Dorchester to Townsend

FIGURE 104. Charlotte Street Estimate of probable Cost

| ITEM NO. | DESCRIPTION | UNIT | UNIT PRICE | Dorchester to Pitt EST. QUANT. | Dorchester to Pitt TOTAL PRICE | [illegible] EST. QUANT. | [illegible] TOTAL PRICE | [illegible] EST. QUANT. | [illegible] TOTAL PRICE | [illegible] EST. QUANT. | [illegible] TOTAL PRICE | Falmouth to Townsend EST. QUANT. | Falmouth to Townsend TOTAL PRICE | TOTAL QUANT. | TOTAL PRICE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Construction Total | | | | $ 1,315,560 | | $ 949,870 | | $ 957,000 | | $ 1,636,230 | | $ 940,910 | | $5,799,570.00 |
| | Const. Contingency (15%) | | | | $ 197,334 | | $ 142,481 | | $ 143,550 | | $ 245,435 | | $ 141,137 | | $869,935.50 |
| | Design & CA Services (15%) | | | | $ 197,334 | | $ 142,481 | | $ 143,550 | | $ 245,435 | | $ 141,137 | | $869,935.50 |
| | Total w/Contingency | | | | $ 1,710,228 | | $ 1,234,831 | | $ 1,244,100 | | $ 2,127,099 | | $ 1,223,183 | | $7,539,441.00 |





# George and Facade/Signage

FIGURE 105. George Street Parks Street Estimate of probable

| ITEM NO. | DESCRIPTION | UNIT | UNIT PRICE | George Street Linear Park EST. QUANT. | George Street Linear Park TOTAL PRICE |
|---|---|---|---|---|---|
| 3 | STREET CONSTRUCTION | | | | |
| 3.1 | Asphalt Patching | m2 | $60.00 | 30 | $1,800.00 |
| 3.2 | Asphalt Removal | m2 | $4.00 | 120 | $480.00 |
| 3.3 | Asphalt Bike Lane | m2 | $60.00 | 90 | $5,400.00 |
| 3.4 | Concrete Curb and Gutter | m | $170.00 | 40 | $6,800.00 |
| 3.5 | Curb Removal | m | $15.00 | 30 | $450.00 |
| 3.7 | Concrete Sidewalk | m2 | $100.00 | 150 | $15,000.00 |
| 3.8 | Concrete Pavers | m2 | $260.00 | 60 | $15,600.00 |
| 3.9 | Sidewalk Removal | m2 | $8.00 | 30 | $240.00 |
| 3.10 | Traffic Sign Post | ea | $300.00 | 3 | $1,800.00 |
| 3.12 | Adjust Existing Manhole | ea | $1,000.00 | 1 | $1,000.00 |
| 3.13 | Adjust Existing Catchbasin | ea | $600.00 | 2 | $1,200.00 |
| 3.14 | Adjust Existing Valve Adjustment | ea | $250.00 | 1 | $250.00 |
| | | | | Subtotal | $65,920.00 |
| 4 | LANDSCAPING | | | | |
| 4.1 | Street Tree with Grate | ea. | $1,900.00 | 5 | $7,500.00 |
| 4.2 | Seating Wall | m3 | $1,200.00 | 20 | $24,000.00 |
| 4.3 | Landscaping | m2 | $150.00 | 30 | $4,500.00 |
| | | | | Subtotal | $ 36,000.00 |
| 5 | ELECTRICAL | | | | |
| 5.3 | New Ornamental Street Light | ea. | $9,000.00 | 2 | $18,000.00 |
| 5.6 | Temporary Reinstatement of Abutting Lighting Circuits | LS | $2,000.00 | 1 | $2,000.00 |
| | | | | Subtotal | $20,000.00 |
| 6 | MISCELLANEOUS | | | | |
| 6.1 | Pavement Markings | m | $15.00 | 8 | $120.00 |
| 6.5 | Bench | ea | $3,200.00 | 2 | $6,400.00 |
| 6.6 | Bike Rack | ea | $2,000.00 | 2 | $4,000.00 |
| 6.7 | Construction Mitigation (Traffic and Pedestrian Management) | LS | $2,000.00 | 1 | $2,000.00 |
| | | | | Subtotal | $12,520.00 |

| | |
|---|---|
| Construction Total per Bump-Out Park | $ 114,440 |
| Const. Contingency (15%) | $ 17,166 |
| Design & CA Services (15%) | $ 17,166 |
| Total per bumpout w/Contingency | $ 148,772 |
| 5 Linear Parks | $ 743,860 |

FIGURE 106. Signage & Facade Program

| ITEM NO. | DESCRIPTION | UNIT | UNIT PRICE | Signage & Wayfinding EST. QUANT. | Signage & Wayfinding TOTAL PRICE |
|---|---|---|---|---|---|
| 6 | MISCELLANEOUS | | | | |
| 6.1 | Gateway Signage | ea. | $6,000.00 | 5 | $30,000.00 |
| 6.2 | Parking Directional | ea. | $500.00 | 20 | $10,000.00 |
| 6.3 | Parking Central Lot Gateway | ea. | $4,000.00 | 2 | $8,000.00 |
| 6.4 | Downtown Banners | ea. | $200.00 | 100 | $20,000.00 |
| 6.5 | Pedestrian Wayfinding Signage | ea. | $6,000.00 | 15 | $90,000.00 |
| 6.6 | Interpretive Signs | ea. | $4,000.00 | 15 | $60,000.00 |
| 6.7 | Street Signs | ea. | $600.00 | 40 | $24,000.00 |
| 6.8 | Charlotte Commercial District Signs | ea. | $2,000.00 | 12 | $24,000.00 |
| 6.9 | Waterfront Wayfinding | ea. | $3,000.00 | 12 | $36,000.00 |
| | | | | Subtotal | $302,000.00 |

| | |
|---|---|
| Signage & Wayfinding Plan | $ 25,000 |
| Total | $ 327,000 |

| ITEM NO. | DESCRIPTION | UNIT | UNIT PRICE | Facade Program EST. QUANT. | Facade Program TOTAL PRICE |
|---|---|---|---|---|---|
| 6 | MISCELLANEOUS | | | | |
| 6.1 | Facade Enhancement Program | ea. | $5,000.00 | 50 | $250,000.00 |
| | | | | Subtotal | $250,000.00 |

| | |
|---|---|
| Facade Program Design Manual | $ 35,000 |
| Total | $ 285,000 |

# Capri Lot, Parking Meters, 2-Way

**FIGURE 107.** Capri Parking Lot Estimate of probable Cost

| ITEM NO. | DESCRIPTION | UNIT | UNIT PRICE | Capri Parking Lot<br>EST. QUANT. | <br>TOTAL PRICE |
|---|---|---|---|---|---|
| 3 | STREET CONSTRUCTION | | | | |
| 3.1 | Asphalt Removal & Grading | m2 | $4.00 | 9000 | $36,000.00 |
| 3.2 | Misc. Removals (fences, barriers, etc.) | LS | $10,000.00 | 1 | $10,000.00 |
| 3.3 | New Asphalt & Gravels | m2 | $45.00 | 8500 | $382,500.00 |
| 3.4 | Concrete Sidewalk | m2 | $100.00 | 100 | $10,000.00 |
| 3.5 | Concrete Curb | m. | $110.00 | 300 | $33,000.00 |
| 3.6 | Internal Signage | ea. | $600.00 | 6 | $3,600.00 |
| 3.7 | Pavement Markings and Symbols | LS | $10,000.00 | 1 | $10,000.00 |
| 3.8 | New Manholes (Drainage) | ea. | $4,000.00 | 2 | $8,000.00 |
| 3.9 | New Catch basin & Pipes | ea. | $6,000.00 | 8 | $48,000.00 |
| | | | | Subtotal | $539,100.00 |
| 4 | LANDSCAPING | | | | |
| 4.1 | Planter Tree | ea. | $800.00 | 20 | $16,000.00 |
| 4.2 | Shrubs | sq.m. | $100.00 | 50 | $5,000.00 |
| 4.3 | Sod & Topsoil | sq.m. | $16.00 | 200 | $3,200.00 |
| 4.4 | Bike Racks | ea. | $1,200.00 | 10 | $12,000.00 |
| | | | | Subtotal | $ 36,200.00 |
| 5 | ELECTRICAL | | | | |
| 5.1 | New Ornamental Street Light | ea. | $6,000.00 | 8 | $40,000.00 |
| 5.2 | Car Charge Stations | ea. | $3,000.00 | 20 | $60,000.00 |
| | | | | Subtotal | $100,000.00 |
| 6 | MISCELLANEOUS | | | | |
| 6.1 | Directory Sign | ea. | $3,000.00 | 4 | $12,000.00 |
| 6.2 | Pre Construction Survey | LS | $4,000.00 | 1 | $4,000.00 |
| 6.3 | Bench | ea. | $3,200.00 | 2 | $6,400.00 |
| 6.4 | Parking Pay Station | ea. | $8000.00 | 4 | $32,000.00 |
| 6.5 | Mobilization/Demobilization | LS | $5000.00 | 1 | $5,000.00 |
| 6.6 | Charlotte Street Gateway Sign | sq.m. | $6000.00 | 1 | $6,000.00 |
| | | | | Subtotal | $65,400.00 |

| | | |
|---|---|---|
| Construction Total | $ | 740,700 |
| Const. Contingency (15%) | $ | 112,305 |
| Design & CA Services (15%) | $ | 112,305 |
| Total | $ | 973,310 |

**FIGURE 108.** Upgrade parking meters Estimate of probable Cost

| ITEM NO. | DESCRIPTION | UNIT | UNIT PRICE | Upgrade Meters<br>EST. QUANT. | <br>TOTAL PRICE |
|---|---|---|---|---|---|
| 7 | MISCELLANEOUS | | | | |
| 7.1 | New Parking Modern Meters | ea. | $520.00 | 150 | $78,000.00 |
| 7.2 | Relocate Old Meters to Residential Areas | ea. | $150.00 | 60 | $9,000.00 |
| | | | | Subtotal | $87,000.00 |

| | | |
|---|---|---|
| Construction Total | $ | 87,000 |
| Const. Contingency (15%) | $ | 13,050 |
| Total w/Contingency | $ | 100,050 |

**FIGURE 109.** 2 Way Street Conversions Estimate of probable Cost

| ITEM NO. | DESCRIPTION | UNIT | 2-Way Side Streets<br>UNIT PRICE | <br>EST. QUANT. | <br>TOTAL PRICE |
|---|---|---|---|---|---|
| | 2 Way Street Conversion | | | | |
| 8 | Prince Street (Esplanade to George) | | | | |
| 8.1 | Signals at Charlotte | LS. | $100,000.00 | 1 | $80,000.00 |
| 8.2 | Pavement Markings, Symbols and Signage | LS. | $3,000.00 | 1 | $3,000.00 |
| 8.3 | Signals at George Street | LS. | $180,000.00 | 1 | $180,000.00 |
| | Westbound Left Turn Lane on Prince at George | LS. | $60,000.00 | 1 | $60,000.00 |
| 9 | Wentworth Street (Esplanade to George) | | | | |
| 9.1 | Pavement Markings, Symbols and Signage | LS. | $8,000.00 | 1 | $8,000.00 |
| 10 | Falmouth Street (Esplanade to George) | | | | |
| 10.1 | Pavement Markings, Symbols and Signage | LS. | $8,000.00 | 1 | $8,000.00 |
| 11 | Townsend Street (Esplanade to George) | | | | |
| 11.1 | Signals at George Street | LS. | $35,000.00 | 1 | $35,000.00 |
| | Signals at Charlotte | LS. | $120,000.00 | 1 | $120,000.00 |
| | Pavement Markings, Symbols and Signage | LS. | $10,000.00 | 1 | $10,000.00 |
| | | | | Subtotal | $509,000.00 |

| | | |
|---|---|---|
| Construction Total | $ | 509,000 |
| Const. Contingency (15%) | $ | 76,350 |
| Design & CA Services (15%) | $ | 76,350 |
| Total w/Contingency | $ | 585,350 |

*Rick McCready*
*Planning Department*

**CBRM** *A Community of Communities*

***Cape Breton Regional Municipality***

320 Esplanade
Sydney, Nova Scotia
B1P 7B9
Tel: 902-563-5072
Fax: 902-564-0481
email: rgmccready@cbrm.ns.ca

May 11, 2017

**ISSUE PAPER**

**TO: Mayor Clarke and Council**

**FROM: Rick McCready, MCIP, Senior Planner, on behalf of Sydney Urban Core Planning Study Steering Committee**

**RE: Downtown Sydney Planning Study prepared by Ekistics Consulting**

At the May 16 Council meeting representatives of Ekistics Consulting will be presenting an overview of the Sydney Urban Core Study.

Our steering committee has worked with Ekistics throughout the last several months and it is our view that the report and its recommendations, if implemented, have the potential to transform Sydney's downtown and waterfront district into the vibrant urban core that we feel is essential for the future economic development of the entire regional municipality.

This is a long term plan and will take many years to implement. No funding is in place in this year's budget to begin implementation. It will take time to secure funding, to develop detailed engineering drawings, and to address the specific issues and concerns of downtown property owners and businesses whose support is necessary for the plan to be a success. For example, the rebuilding of Charlotte Street, a key component of the plan, will require a minimum of 1-2 years of planning and community consultation, and so it is unlikely that construction on that project could begin until at least the spring of 2019.

The steering committee requests that Council consider endorsing the plan in principle at the May 16 meeting and direct the steering committee to start working towards implementation. If directed by Council to do so, the steering committee should be able to have specific recommendations for implementation ready for consideration next February, in time for Council's deliberations on the 2018-2019 budget.

Yours very truly,

**ORIGINAL SIGNED BY**

Rick McCready, MCIP, Senior Planner, on behalf of the Sydney Urban Core Planning Study Steering Committee:

John Phalen, Economic Development Manager
Ray Boudreau, Manager, Public Works Central
Mary Lynn MacPhee, Senior Engineering Technologist
Terry Clements, Maintenance Coordinator, Public Works Central
Sgt. Joe Farrell, CBRPS
Paul Burt, Manager of Bylaws
MaryAnn Vuletich, Bylaws
Allan Clarke, Manager of Parks, Grounds and Buildings
Deputy Mayor Eldon MacDonald
Michelle Wilson, Sydney Waterfront District Association
Brittany Woodworth, Sydney Waterfront District Association

**Request for Easement/CBRM to Nova Scotia Power Inc. Property at Commercial Street, North Sydney File No. 07413:**

**Motion:**
Moved by Councillor MacMullin, seconded by Councillor Prince, that a recommendation be made to Council to approve the issuance of an Easement to Nova Scotia Power Inc. so that electric service can be provided to the CME, provided CBRM does not absorb any fees or costs associated with the Easement.
**Motion Carried.**

CBRM A Community of Communities

*Demetri Kachafanas*
*Solicitor*
*563-5047*

# ISSUE PAPER

**TO:** **General Committee**

**FROM:** **Demetri Kachafanas**
**Regional Solicitor**

**SUBJECT:** **Request for Easement / CBRM to Nova Scotia Power Inc.**
**Property at Commercial Street, North Sydney**
**My File No. 07413**

**DATE:** **May 2nd, 2017**

---

The legal department received a request for an easement in favour of Nova Scotia Power Inc. to cross over CBRM property in order to provide electric service to the adjoining property owner, Canadian Maritime Engineering Ltd (CME).

This request was circulated to the Department of Engineering and Public Works (EPW) to determine if this request would create any potential problem for the CBRM property. EPW advised the easement would have no effect on CBRM utilities and had no issues with facilitating an Easement.

Please find attached a copy of the Plan of survey showing the proposed Easement location. The area outlined in red is the portion of the Easement affecting CBRM property.

It is my recommendation a Motion be granted to issue an Easement to Nova Scotia Power Inc. so that electric service can be provided to the CME provided CBRM does not absorb any fees or costs associated with the said Easement.

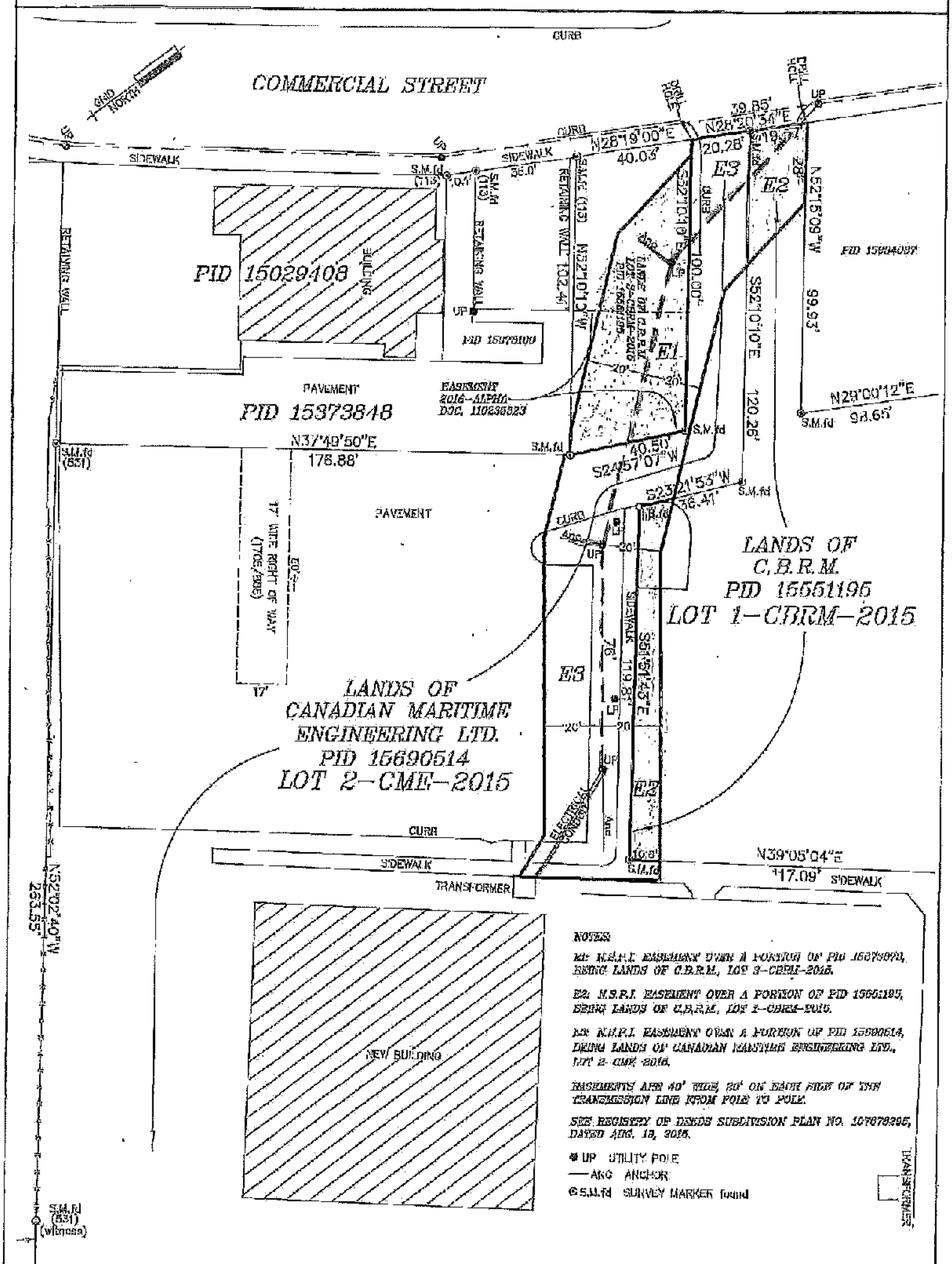
Thank you.

**ORIGINAL SIGNED BY**

**DEMETRI KACHAFANAS**
Regional Solicitor

DK/spk
Attachments(1)

# SCHEDULE 'A'




**VERNER SURVEYS LTD.**

THE ASSOCIATION OF NOVA SCOTIA LAND SURVEYORS — FOUNDED 1951 — N. GREGORY VERNER N.S.L.S. 533 — MEMBER

*PLAN SHOWING N.S.P.I. EASEMENTS REQUIRED OVER LANDS OF C.B.R.M. & LANDS OF CANADIAN MARITIME ENGINEERING LTD. OFF COMMERCIAL STREET, NORTH SYDNEY, C.B.R.M., PROVINCE OF NOVA SCOTIA*

*SCALE : 1" = 40'    DATE : APRIL 10, 2017.*

**ORIGINAL SIGNED BY**

*APPROVED BY N.S.P.I. REPRESENTATIVE*

**Support Facilities:**

**2. Support Facilities:**

Mr. John Dilny, Manager of Emergency Management, presented a Report on Support Facilities within CBRM, highlighting the following items:

- Definitions of Comfort Centers and Emergency Shelters;
- Opening of Facilities;
- Comfort Center Logistics;
- Guidelines – Review and Considerations;
- Facilities Site Assessments;
- Eligible Status;
- Financial Considerations;
- Recommendations.

Following the presentation, the Committee members discussed the following:

- Communicating the location of Support Facilities
- Comfort Centers in Rural Communities
- Criteria/Guidelines for Support Facilities
- Transportation of people to Support Facilities
- Request for full list of Support Facilities in order to identify gaps in the communities
- Partnership with community groups/halls
- Generators in Fire Departments/Halls
- Accessibility within the Centers

Mr. Dilny indicated that he would provide the list of Support Facilities to Council.

**Motion:**
Moved by Mayor Clarke, seconded by Councillor Coombes, that the Support Facilities Report/Recommendations be forwarded to Council, including the questions raised during discussion as part of the presentation for formal consideration, including a generator program for every CBRM fire department/hall and accessibility upgrades (i.e. doorways and washrooms) within the Centers to be brought back as a capital budget item.
**Motion Carried.**

# Support Facilities

February 28, 2017
Directors Group

## Topics

- Definitions
- Opening of Facilities
- Comfort Center Logistics
- Guidelines – Review and Considerations
- Facilities Site Assessments
- Financial

# Emergency Shelters

**Definition:**

- Residents are unable to remain in their homes and have no other source of temporary housing
- Open at the request of the municipality
- The Shelter facility is provided by the municipality
- Operated by Red Cross through its agreement with the D.C.S.

# Emergency Shelters

**Definition:**

- It operates on a 24/7 basis and provides all of the six emergency social services (ESS) including overnight sleeping arrangements.
- Once formally opened and approved costs covered by D.C.S.
- 10 units/25 people
- 72 hour model - Public Safety

## Comfort Centers

**Definitions:**

- Primarily used for residents who are remaining in their homes but do not have full services such as electricity, heat, water, etc.
- Not opened with the intention of turning into an overnight shelter operation
- Comfort centers are normally opened and staffed by local volunteer organizations

## Comfort Centers

**Definitions:**

- Not run by the D.C.S or Red Cross
- Operation costs not covered by D.C.S

## Comfort Center

**Types of Services:**

- Hot Beverage
- Warmth
- Charging Station
- Information

## Opening Emergency Shelter

- Request from Incident Commander or ECC
- Open by Red Cross at the request of Municipality and if time permits consultation with D.C.S
- Public Safety

## Opening Comfort Center

- Request from ECC
  - -Run by Municipality
  - -Managed by EMD
  - -Staffed mostly by local volunteers

## Comfort Center Logistics

Comfort Centers, when opening, will need a start-up kit plus another on hand supplies needed.

## Guidelines Standards

Emergency Shelters will be used to accommodate people for extended periods of time; therefore, in most cases this will change the function of the building from its original design.

Comfort Centers – does not require overnight sleeping accommodations so there is no change of use for these buildings.

*Citizens who arrive at these facilities expect they will be looked after in a safe manner.

## Partners

- Public Health Agency of Canada Guidelines
- CBRM Building Official
- Dept. of Environment
- Dept. of Agriculture
- CBDHA Public Health

## Recommendations

1. Availability - available and accessible 24 hours a day
2. Location - on or near a major thoroughfare
3. Large parking lot - outside yard or access to ncarby parking areas
4. Large collection area to receive and process for reception

## Recommendations

5. Building Accessibility for handicap or elderly
6. Insure that surface area is accessible
7. Large area suitable for serving food
8. Sanitary facilities for men and women, accessible to handicap

## Recommendations

9. Shelters have a room that has a large surface area such as a gym

Minimum floor area for sleeping is as follows: 1.5 X 2.5 (3.75 sq. m.) of floor area.

When reviewing allocation of space for sleeping, every effort should made to maintain a distance of two metres (six feet), centre to centre, between beds, bunks or sleeping bags.

## Recommendations

10. Private rooms where evacuees or staff can meet
11. Running water - Wells need to be tested to meet legislative requirements
12. Rooms where people with special needs can receive care in private
13. Area to set up day care or play area for children

# Recommendations

14. Storage area for equipment and supplies

15. Rest area separate from evacuees for all personnel working at Emergency Shelter

16. Room to set up telecommunication center and administration

17. Should be inspected by a CBRM Officials – annually

# Recommendations

18. Life Safety Systems:
    - Fire Alarm System
    - Emergency Lighting
    - Exit Capacity
    - Exiting plan

19. Facility must be adequately ventilated during peak building usage

20. Septic System inspected by Dept. of Environment

## Recommendations

21. Kitchen facility – If the facility has a kitchen facility then it is preferable to have a Dept. of Agriculture Inspector inspect the food preparation area prior to its use to ensure it meets the appropriate standards.

22. Lockable doors

23. Area (locker, cabinet to secure medications)

24. Sharps containers

## Recommendations

25. Mask supply

26. Pathway to local district health authority services

27. All foods served in the support facility should be prepared in a Dept. of Agriculture approved facility

28. Persons involved with food preparation shall hold a current Food Handler Certificate

## Recommendations

29. Handling donations of food from licensed and unlicensed donors

30. Food Storage

31. Cleaning policy – washrooms/main area

32. Waste Management – Municipality is responsible for waste management in an emergency

## Recommendations

**33. Generator**

Facility must have an emergency generator or be pre-wired and/or have immediate access to one. Generator should produce sufficient voltage for heating and lighting facility.

## Facilities Site Assessments

- 28 Halls – 24 visited
- 12 Inspected (5-2017, 2-2015, 5-2014)
- 12 Wells (11 tested)
- Building Accessibility – (2 not meeting code, 1 repairing)
- Generator – (11 possess, 3 installing, 10 need)
- Washrooms Accessibility – (6 not meeting code, 3 repairing)

## Recommendations

Emergency Shelter/Comfort Center

- Grand Lake Road Emergency Services Center
- Reserve Mines Volunteer Fire Hall
- North Sydney Firemen's Club
- New Waterford Volunteer Fire Hall

# Eligible Status

On the CBRM EMD Potential Shelters List:

- Facility Profile Questionnaire on file
- MOU that commits the organization to make their facility available to the general public during an emergency

# Financial

Reserve Fund

# Review and Recommendations

## Support Facilities Guidelines

| | RECOMMENDATIONS: | SHELTER | CENTER |
|---|---|---|---|
| 1. | Availability - available and accessible 24 hours a day | Yes | Yes |
| 2. | Location - on or near a major thoroughfare | Yes | Yes |
| 3. | Large parking lot - outside yard or access to nearby parking areas | Yes | Yes |
| 4. | Large collection area to receive and process for reception | Yes | No |
| 5. | Building Accessibility for handicap or elderly | Yes | Yes |
| 6. | Insure that surface area is accessible | Yes | Yes |
| 7. | Large area suitable for serving food | Yes | Yes |
| 8. | Sanitary facilities for men and women, accessible to handicap | Yes | Yes |
| 9. | Shelters have a room that has a large surface area such as a gym | Yes | No |
| 10. | Private rooms where evacuees or staff can meet | Yes | No |
| 11. | Running water - Wells needed to be tested to meet legislative requirements | Yes | Yes |
| 12. | Rooms where people with special needs can receive care in private | Yes | No |
| 13. | Area to set up day care or play area for children | Yes | No |
| 14. | Storage area for equipment and supplies | Yes | No |
| 15. | Rest area separate from evacuees for all personnel working at Emergency Shelter | Yes | No |
| 16. | Room to set up telecommunication center and administration | Yes | No |
| 17. | Should be inspected by a CBRM Officials – annually | | |
| 18. | Life Safety Systems: | | |
| | - Fire Alarm System | Yes | Yes |
| | - Emergency Lighting - requirement | Yes | Yes |
| | - Exit Capacity – requirement | Yes | Yes |
| | - Exiting plans – requirement | Yes | Yes |
| 19. | Facility must be adequately ventilated during peak building usage | Yes | Yes |
| 20. | Septic System inspected by Dept. of Environment | Yes | Yes |
| 21. | Kitchen facility – If the facility has a kitchen facility then it is preferable to have a Dept. of Agriculture Inspector inspect the food preparation area prior to its use to ensure it meets the appropriate standards. | Yes | Yes |
| 22. | Lockable doors | Yes | No |
| 23. | Area (locker, cabinet to secure medications) | Yes | No |
| 24. | Sharps containers | Yes | No |
| 25. | Mask supply | Yes | No |
| 26. | Pathway to local district health authority services | Yes | No |
| 27. | All foods served should be prepared in a Dept. of Agriculture approved facility. | Yes | |
| 28. | Persons involved with food preparation shall hold a current Food Handler Certificate | Yes | |
| 29. | Handling donations of food from licensed and unlicensed donors | Yes | Yes |
| 30. | Food Storage | Yes | |

| | RECOMMENDATIONS: | SHELTER | CENTER |
|---|---|---|---|
| 31. | Cleaning policy – washrooms and main area | Yes | Yes |
| 32. | Waste Management – Municipality is responsible for waste management in an emergency. | Yes | Yes |
| 33. | Backup power (Generator) - Facility must have an emergency generator or pre wired and/or have immediate access to one. Generator should produce sufficient voltage for heating and lighting facility. | Yes | Yes |

**Fire Chiefs Association Representative at the Fire & Emergency Services Committee Meetings**

**Motion:**

Moved by Councillor McDougall, seconded by Councillor Coombes, that the Fire and Emergency Services Committee be expanded to include a representative from the Fire Chiefs Association.

**Discussion**:
Following discussion by the Committee members, Councillor McDougall clarified that the intent of the motion is to have a representative from the Fire Chiefs Association attend the meetings of the Fire and Emergency Services Committee in a non-voting capacity to provide regular updates, similar to the role played by the Manager of Emergency Management and the Deputy Fire Chiefs.

**Motion Carried.**

**2. <u>MGM Presentation re 2015 Pension Audit Report</u>**

**<u>Motion:</u>**
Moved by Gussie Gouthro, seconded by Sharon MacSween, recommend to Council the approval of the 2015 Audited Financial Statements as presented.
**Motion Carried.**

# ISSUE PAPER

**May 3, 2017**

**To: Council**

## RE: CBRM Defined Benefit (DB) Pension Committee Recommendation Regarding 2015 Pension Audit

### Background

Effective June 1, 2015, changes to the Pension Benefits Act (PBA) required all Defined Benefit Pension Plans with over five million dollars in assets to file audited statement with the Provincial Superintendent of Pension.

MGM & Associates Chartered Accountants were engaged to audit, for the first time, the CBRM DB Pension 2015 financial statements. The audit results were presented by Mr. Darren Chiasson MGM to the CBRM DB Pension Committee on April 12, 2017.

Attached to this issue paper is a copy of the official audit letter dated April 12, 2017, along with a draft copy of the 2015 financial statements which were reviewed for the committee. The financial statements remain in draft form until approved by Council.

The following is a summary of points reported to the committee.

- Page 2, reports that the plan has a $10,163,191.00 surplus on a Going Concern Basis as at Dec. 2015 with assets of $162,265,191.00 and liabilities of $152,102,000.00.
- 2015 being the first year of audit, the 2014 figures quoted are unaudited.
- Page 3, reports changes in Net Assets for 2015. Return on investments $10,530,041.00, Employer and Employee contributions $7,671,541.00 with pension disbursements of $5,830,693.00 and administration expenses of $717,931.00 for a net asset increase for the year of $11,652,958.00
- Page 4, Changes in Pension Obligations (Liabilities) for 2015. Increase for the net $7,225,000.00

- Page 4, changes in Funding Surplus. Starting with a 2014 surplus of $5,735,233.00 surplus plus an increase in net assets for 2015 of $11,652,958.00 minus a net increase of ($7,225.000) in liabilities calculates to a year-end surplus of $10,163,191.00

- Page 5 -14 contains notes on audit discloser.

- Page 15 reports the membership at 722 active participants along with 359 pensioners. Also displayed on page 15 is a breakdown of the asset mix for the $160,071,206 invested in 2015.

## Recommendation

As a result of the presentation by MGM, the Committee approved the following motion:

***The CBRM Defined Benefit Pension Committee recommends to Council the approval of the 2015 audited financial statements as presented.***

Respectfully submitted,

**ORIGINAL SIGNED BY**

Angus Fleming

Chair, CBRM Pension Committee

MGM

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**Chartered Accountants**
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**CONFIDENTIAL**

CBRM Defined Benefits Committee
Cape Breton Regional Municipality Defined Benefit Pension Plan
320 Esplanade
Sydney, Nova Scotia
B1P 6B9

April 12, 2017

Dear Committee Members:

We have been engaged to audit the financial statements of Cape Breton Regional Municipality Defined Benefit Pension Plan (the "Plan") for the year ended December 31, 2015. This letter has been prepared to assist you with your review of the financial statements of the Plan.

## Audit Status

We have completed the audit of the financial statements and we are in the position to release our Independent Auditors Report dated May 16, 2017 subject to:

- Obtaining the Council's approval of the financial statements,
- Receipt of a signed representation letter by management.

## Significant Difficulties Encountered

There were no significant difficulties encountered during our audit. We received the full cooperation of management and employees of the Plan and, to our knowledge, had complete access to the accounting records and other documents that we needed in order to carry out our audit.

## Comments on Accounting Practices

### *Accounting Policies*

The significant accounting policies adopted by the Plan are outlined in Note 3 to the financial statements.

- The accounting policies adopted by the Plan are appropriate in the circumstances, and
- We did not identify any significant accounting policies in controversial or emerging areas.

*Significant Accounting Estimates/Assumptions*

Significant financial statement items subject to estimates and assumptions are presented in Note 3(e) of the financial statements. Based on audit work performed, we are satisfied with the estimates and assumptions made by management.

## Uncorrected Misstatements

Misstatements generally consist of differences between the amount, classification, or presentation of a reported financial statement element, account, or item and the amount, classification, or presentation that would have been reported under the financial reporting framework. During our audit we did not identify any uncorrected misstatements.

## Significant Deficiencies in Internal Control

A deficiency in internal control exists when a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.

A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

To identify and assess the risks of material misstatement in the financial statements, we are required to obtain an understanding of internal control relevant to the audit. This understanding is used for the limited purpose of designing appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control and, as a result, we do not express any such opinion. The limited purpose also means that there can be no assurance that all significant deficiencies in internal control, or any other control deficiencies, will be identified during our audit.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies.

## Written Representations

We will request a number of written representations from management in respect to their responsibility for the preparation of the financial statements in accordance with Canadian accounting standards for pension plans once the financial statements are approved by Council.

We would like to thank management and staff for the assistance they provided to us during the audit.

We hope the information in this audit findings letter will be useful. We would be pleased to discuss them with you and respond to any questions you may have.

This letter was prepared for the sole use of those charged with governance of Cape Breton Regional Municipality Defined Benefit Pension Plan to carry out and discharge their responsibilities. The content should not be disclosed to any third party without our prior written consent, and we assume no responsibility to any other person.

Very truly yours,

**Original signed by**

MGM & Associates
Chartered Accountants

Acknowledgement of the Defined Bencfits Committee

We have read and reviewed the above disclosures and understand and agree with the comments therein.

________________________________________
Chairman of the Defined Benefits Committee

________________________________________
Date

Financial Statements of

# CAPE BRETON REGIONAL MUNICIPALITY DEFINED BENEFIT PENSION PLAN

Year ended December 31, 2015

# CAPE BRETON REGIONAL MUNICIPALITY PENSION PLAN

Financial Statements

Year ended December 31, 2015

| | Page |
|---|---|

# CAPE BRETON REGIONAL MUNICIPALITY DEFINED BENEFIT PENSION PLAN

Statement of Financial Position

December 31, 2015, with corresponding figures for 2014

| | 2015 | 2014 |
|---|---|---|
| | | (Unaudited) |
| **ASSETS** | | |
| Investments under administration | | |
| Cash | $ 1,499,273 | $ 1,560,283 |
| Investments (note 11) | 160,071,206 | 148,487,849 |
| | 161,570,479 | 150,048,132 |
| Contribution receivable | 694,712 | 564,101 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | 162,265,191 | 150,612,233 |
| **PENSION OBLIGATIONS** (note 7) | (152,102,000) | (144,877,000) |
| **FUNDING SURPLUS** (note 5) | $ 10,163,191 | $ 5,735,233 |

See accompanying notes to financial statements.

DRAFT

# CAPE BRETON REGIONAL MUNICIPALITY DEFINED BENEFIT PENSION PLAN

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2015, with corresponding figures for 2014

| | 2015 | 2014 (Unaudited) |
|---|---|---|
| **INVESTMENT ACTIVITIES** | | |
| Investment income | $ 4,379,856 | $ 4,670,993 |
| Gain on sale of investments | 7,174,014 | 9,040,125 |
| Net increase (decrease) in fair value of investments | (1,023,829) | 1,514,437 |
| Net investment activities | 10,530,041 | 15,225,555 |
| **PARTICIPANT SERVICE ACTIVITIES** | | |
| Contributions | | |
| Participant (current service) | 3,511,113 | 3,255,265 |
| Participant (other) | 48,629 | 44,112 |
| Sponsor | | |
| Current service | 3,463,454 | 3,240,824 |
| Additional | 24,345 | 14,055 |
| Deficiency payment | 624,000 | – |
| | 7,671,541 | 6,554,256 |
| Benefits paid | | |
| Pensions | | |
| Retirement | (5,806,000) | (5,545,000) |
| Other | (24,693) | (23,551) |
| | (5,830,693) | (5,568,551) |
| Net participant service activities | 1,840,848 | 985,705 |
| Administrative expenses (note 6) | (717,931) | (725,880) |
| **INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS** | 11,652,958 | 15,485,380 |
| **NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR** | 150,612,233 | 135,126,853 |
| **NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR** | $ 162,265,191 | $ 150,612,233 |

See accompanying notes to financial statements.

# CAPE BRETON REGIONAL MUNICIPALITY DEFINED BENEFIT PENSION PLAN

Statement of Changes in Pension Obligations

Year ended December 31, 2015, with corresponding figures for 2014

| | 2015 | 2014 |
|---|---|---|
| | | (Unaudited) |
| **PENSION OBLIGATIONS, BEGINNING OF YEAR** | $ 144,877,000 | $ 138,079,000 |
| Increase in pension obligations | | |
| Interest on pension obligation | 7,243,000 | 6,901,000 |
| Current service cost | 5,788,000 | 5,442,000 |
| | 13,031,000 | 12,343,000 |
| Decrease in pension obligations | | |
| Benefits paid | 5,806,000 | 5,545,000 |
| Net increase in pension obligations | 7,225,000 | 6,798,000 |
| **PENSION OBLIGATIONS, END OF YEAR** | $ 152,102,000 | $ 144,877,000 |

Statement of Changes in Funding Surplus

Year ended December 31, 2015, with corresponding figures for 2014

| | 2015 | 2014 |
|---|---|---|
| | | (Unaudited) |
| **FUNDING SURPLUS (DEFICIT), BEGINNING OF YEAR** | $ 5,735,233 | $ (2,952,147) |
| Increase in net assets available for benefits | 11,652,958 | 15,485,380 |
| Increase in pension obligations | (7,225,000) | (6,798,000) |
| **FUNDING SURPLUS, END OF YEAR (note 5)** | $ 10,163,191 | $ 5,735,233 |

See accompanying notes to financial statements.

DRAFT

## 1. DESCRIPTION OF THE PLAN

### a) General

The Cape Breton Regional Municipality Defined Benefit Pension Plan (the Plan) became effective January 1, 1964.

The Plan is subject to the provisions of the Nova Scotia Pension Benefits Act (the Act) and Regulations. The Plan's registration number with the Superintendent of Pensions is 0234211.

The defined benefit pension plan is administered and sponsored by the Cape Breton Regional Municipality (the Sponsor).

Any employee who entered service of the Sponsor after the effective date is required to join the plan. Part-time employees may join at any time following the completion of two years of continuous service provided that, in each of the two consecutive years immediately prior to joining the Plan, the employee has earned at least 35% of the year's maximum pensionable earnings (YMPE) or worked at least 700 hours for the Sponsor.

Normal retirement age is 65. Participants may not postpone retirement beyond the normal retirement date. A participant may retire early provided the participant has attained age 55 and has been in the plan for at least two years.

### b) Funding

In accordance with the Trust Agreement, employees are required to contribute 8% (2014 – 8%) of their earnings to the plan. The Sponsor contributes 100% of the required contributions made by the participant plus any additional amounts that may be required, from time to time, as recommended by the actuary. There were no changes to the funding policy during the year.

The most recent actuarial valuation for funding purposes was prepared by Eckler Ltd. as at December 31, 2013 and revealed a going concern deficit and a solvency deficit. Roll-forward valuation results subsequent to December 31, 2013 show going concern and solvency surpluses. Therefore, no special payments are required in respect of periods after December 31, 2014. The next valuation is required no later than December 31, 2016.

1. **DESCRIPTION OF THE PLAN (continued)**

c) Retirement benefits

i) Normal - If a participant retires on the normal retirement date, the participant will be entitled to the sum of the following benefits:

A. Service prior to the effective date

0.75% of 2004 earnings up to $40,500 plus 1.0% of 2004 earnings in excess of $40,500 multiplied by years of service prior to the effective date provided the participant joined the Plan on the effective date.

B. Service from the effective date to December 31, 2004

1.5% of 2004 earnings up to $40,500 plus 2.0% of 2004 earnings in excess of $40,500 multiplied by years of contributory membership in the Plan from the later of the effective date or date of Plan membership to December 31, 2004.

C. Service from January 1, 2005

1.5% of each year's earnings up to the YMPE plus 2.0% of such earnings in excess of the YMPE.

ii) Early – the amount of pension payable to a participant who retires early shall be the pension as calculated in 1c)i) above reduced by 1/4% for each month prior to normal retirement date.

If, however, at the early retirement date, the participant has attained age 55 and the sum of the participant's age and years of early retirement eligibility service (including eligible service prior to the effective date) total at least 80, the reduction is waived.

A participant who retires on or after age 55 and whose age and years of early retirement eligibility service total at least 80 points is entitled to a bridge benefit equal to 0.5% of 2004 earnings up to $40,500 for each year of contributory membership to December 31, 2004, plus 0.5% of each year's earnings up to the YMPE from January 1, 2005. The bridge benefit is payable from the date of early retirement to age 65. The bridge benefit is payable in the same normal form of pension as the lifetime pension, but in no event beyond age 65.

d) Method of payment

The normal form of benefit payable under the Plan is for the lifetime of the participant, unless an optional form of pension is elected. In this case, the pension benefit payable is calculated as the actuarial equivalent of the normal form for participants.

1. DESCRIPTION OF THE PLAN (continued)

e) Death benefit

Before retirement

If a participant dies before the normal retirement date and before any pension payments have begun, the participant's spouse, or beneficiary if there is no spouse, will receive a lump sum settlement equal to the participant's required contributions with interest, subject to the following.

If, however, at the date of death, the participant had ten years of continuous service and has a surviving spouse or children under the age of 18, in lieu of a refund, the spouse will receive an immediate pension equal to 2/3 of the participant's accrued pension plus additional pension benefits of 10% of the pension payable to the surviving spouse are payable to each child. The aggregate of all benefits payable to the surviving spouse and dependent children may not exceed 100% of the participant's accrued pension.

In no event will the value of benefits paid upon the death of a participant prior to retirement be less than the sum of the participant's contributions with interest for service before 1988 and 60% of the commuted value of benefits earned after 1987.

After retirement

For retirements on or after January 1, 2002, the normal form of payment for a participant without a spouse is a lifetime pension guaranteed for ten years. If the participant has a spouse, however, the spouse will receive the balance of 60 guaranteed payments, and thereafter 2/3 of the pension being received by the participant prior to death.

Immediately prior to this change in the Plan terms, participants with a spouse retired on a joint and survivor 60% pension and participants without a spouse retired with a single life pension. In either case, a refunding life provision was included to ensure that payments to or in respect of a participant were at least equal to their own contributions with interest.

## 1. DESCRIPTION OF THE PLAN (continued)

f) Termination benefit

If a participant's employment terminates for reasons other than death or retirement, the benefits payable from the Plan will depend on the participant's length of Plan membership, as follows:

| If a participant has | The plan will pay |
|---|---|
| i) Less than two years of membership | i) A refund of the participant's contributions with interest |
| ii) At least two years of membership but less than ten years of continuous service | ii) Pre-88 service: A refund of the participant's contributions with interest<br>Post-87 service: A deferred pension |
| iii) At least ten years of continuous service | iii) Pre-88 service: A refund of the participant's contributions with interest or a deferred pension<br>Post 87 service: A deferred pension |

Notwithstanding the above, if the participant has completed at least ten years of continuous service and has attained age 45, the participant may not receive a refund of contributions made after January 1, 1977. The participant will receive, instead, a deferred pension.

Deferred pensions are payable commencing at age 65. However, a participant may elect to receive an actuarially reduced early retirement pension as early as age 55.

If a participant is entitled to a deferred pension, the participant may also transfer the commuted value of that pension into another retirement vehicle in accordance with the applicable federal and provincial legislation.

g) Income tax status

The Plan is a Registered Pension Trust as defined in the Federal Income Tax Act, and consequently, is not subject to income taxes.

## 2. BASIS OF PRESENTATION

These financial statements are prepared in accordance with Canadian accounting standards for pension plans on a going concern basis and present the financial position of the Plan as a separate financial reporting entity independent of the Sponsor and Plan participants. The objective of these financial statements is to assist Plan participants and other users in reviewing the financial position and results of operations of the Plan for the year. However, these statements do not portray the funding requirements of the Plan or the security of an individual Plan participant's benefits.

In accordance with CPA Canada Handbook, Part IV, Section 4600, Pension Plans, which provides specific accounting guidance on investments and pension obligations, the Plan adopted Accounting Standards for Private Enterprises (ASPE) in Part II of the CPA Handbook for accounting policies that do not relate to either investments or pension obligations.

## 3. SIGNIFICANT ACCOUNTING POLICIES

(a) Investments

Fair market value is determined based on Level 1 inputs of the fair value hierarchy, specifically the quoted market prices of equity holdings.

(b) Revenue recognition

Dividend and interest income and realized investment gains and losses are recognized in the statement of changes in net assets available for benefits when earned or the transaction occurs.

Changes in the fair value of investments, which includes currency valuation changes, are reported in the statement of changes in net assets available for benefits.

(c) Pension obligations

Pension obligations related to the defined benefit plan are based on a going concern basis actuarial valuation prepared by a firm of independent actuaries. The value of the pension obligations is based on the results of the formal valuation completed for December 31, 2013 (see note 7).

(d) Contributions

Contributions for current service are recorded in the year in which the related payroll costs are measured. Contributions related to deficit funding are recorded in the year they are made. Other contributions are recorded as directed by the Sponsor.

# CAPE BRETON REGIONAL MUNICIPALITY DEFINED BENEFIT PENSION PLAN

Notes to Financial Statements

Year ended December 31, 2015

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3. **SIGNIFICANT ACCOUNTING POLICIES (continuation)**

(e) Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported net asset increases and decreases during the reporting periods. Significant items subject to such estimates and assumptions include the valuation allowance for receivables and contributions required to fund the Plan. Actual results could differ from those estimates.

4. **CAPITAL**

The Plan's capital consists of the funding surpluses/deficits determined regularly in the funding valuations prepared by an independent actuary. The actuary's funding valuation is used to measure the financial well-being of the Plan. The objective of managing the Plan's capital is to ensure the Plan is fully funded to pay the plan benefits over the long term. The Sponsor oversees the preparation of funding valuations and monitors the Plan's funded status, as well as determines actions which may be taken to manage the funded position of the Plan. The actuary tests the Plan's ability to meet its obligations to all current Plan participants and their survivors.

Using a set of economic and non-economic assumptions, the actuary projects the Plan's benefits on a going-concern basis to estimate the current value of the liability, which it compares to the sum of the Plan assets. The result of the comparison is either a surplus or a deficit. As part of the funding valuation, the actuary also performs a measurement of the Plan's assets and liabilities on a solvency basis, which simulates the wind-up of the Plan. A funding valuation is required to be filed with the pension regulator annually. The most recent projection of the actuarial valuation and funding position are disclosed in notes 5 and 7. There have been no major changes to the Plan's capital requirements and its overall strategy with respect to capital remains unchanged from 2014.

## 5. FUNDING POSITION

The latest actuarial valuation of the Plan was performed as at December 31, 2013 and determined that the Plan had a deficit of $16,582,000 (December 31, 2010 – $11,406,000) on a solvency basis without smoothing and an unfunded liability of $2,952,000 (December 31, 2010 – $7,152,000) on a going concern basis. The valuations used a post-retirement mortality assumption of "2014 Canadian Pensioners' Mortality (Private Sector) table projected generationally with CPM Improvement Scale B". The actuarial report has been submitted to the Plan Sponsor and to the office of the Superintendent of Pensions.

## 6. ADMINISTRATIVE EXPENSES

| | 2015 | 2014 (Unaudited) |
|---|---|---|
| Actuarial fees | $ 251,222 | $ 181,906 |
| Custodial and investment advisory | 353,406 | 450,769 |
| Administration fee | 5,009 | – |
| Miscellaneous | 6,211 | 894 |
| HST/GST | 102,083 | 92,311 |
| | $ 717,931 | $ 725,880 |

## 7. PENSION OBLIGATIONS

Actuarial valuations are required at least every three years under the Act. The latest actuarial valuation was performed at December 31, 2013 by Eckler Ltd. Amounts reported in these financial statements are based on going-concern results of this valuation. The actuarial assumptions used in determining the obligations for pension obligations reflect the Sponsor's best estimates of expected economic trends and involve both economic and non-economic assumptions. The non-economic assumptions include considerations such as mortality, withdrawal and retirement rates. The primary economic assumptions include the discount rate on plan liabilities and salary scale, which were as follows:

| | Long-term assumptions December 31, 2013 | December 31, 2010 |
|---|---|---|
| Discount rate on plan liabilities | 5.00% | 5.00% |

## 7. PENSION OBLIGATIONS (continued)

The actuarial method used in 2013 and 2010 was the Traditional Unit Credit Costing Method. They strengthened the mortality assumption from the 1994 Uninsured Pensioner Mortality table projected to 2020 (UP94 @ 2020), used in the 2010 valuation, to the post-retirement mortality assumption of "2014 Canadian Pensioners' Mortality (Private Sector) table projected generationally with CPM Improvement Scale B", used in 2013. This change increased going concern liabilities by $5,622,000 and has increased the current service cost by $220,000.

There were no withdrawals prior to retirement and retirement age used was 65.

The Act requires that the Plan also be valued on a solvency basis, which simulates a plan wind-up. As of December 31, 2013, the date of the last actuarial valuation, the Plan's solvency liabilities were estimated at $151,509,000 (2010 - $118,822,000).

## 8. INVESTMENTS

(a) Summary of investments

A summary in note 11 outlines the year's changes in fair value, investment income and total return for the investments as a whole, by type.

(b) Determination of fair values

i) Cash is valued at cost.

ii) The fair value of investments is as described in note 3(a). Fair value measurements recognized in the statement of net assets available for benefits are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values.

Level 1 fair value is based on inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Investment Manager has the ability to access at the measurement date. Level 1 primarily includes publicly listed investments.

## 9. FINANCIAL RISK MANAGEMENT

Overview

Risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. The Plan's investments are primarily exposed to market price fluctuations. The Plan has set formal goals, policies, and operating procedures that establish an asset mix within Canadian, U.S. and Global equities but across various sectors to provide diversification. The Sponsor reviews its asset mix and oversees the investment portfolio to achieve consistent controls and to mitigate operational risk.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency, interest rate and price. The Plan is exposed to price risk through its investments in Canadian, U.S., International and EAFE (Global) equities. The Plan is also exposed to currency risk through its U.S., International and EAFE (Global) equities as well as U.S. cash and U.S. cash equivalents. It is not exposed to interest rate risk. There have been no significant changes to these risks or the Plan's processes for managing the risks during the year.

i) Price risk is the risk of fluctuation in market values of investments from influences specific to a particular investment or from influences on the market as a whole, other than those arising from interest rate or currency risks. As all of the Plan's financial instruments are carried at fair value with fair value changes recognized in the statement of changes in net assets available for benefits, all changes in market conditions will directly result in an increase (decrease) in net assets. Market price risk is managed by the Plan through the construction of a diversified portfolio of equity traded across various industries.

ii) The Plan's investments in equities are sensitive to market fluctuations. A ten per cent increase in market values of all equities (see note 11) would increase the fair value of the Plan by $10,237,000 (2014 - $9,510,000). Similarly, a ten percent decrease in market values of all public equities and privately owned equities would decrease the fair value of the Plan by $10,237,000 (2014 - $9,510,000).

9. FINANCIAL RISK MANAGEMENT (Continued)

iii) The Plan's investments in equities are also sensitive to foreign currency fluctuations. A ten per cent increase in foreign currency of all equities (see note 11) would increase the fair value of the Plan by $5,740,000 (2014 - $4,941,000), U.S. cash equivalents (note 11) would increase the value of the Plan by $362,000 (2014 - $52,500) and U.S. cash would increase the value of the Plan by $34,000 (2014 - $58,500). Similarly, a ten percent decrease in foreign currency of all equities would decrease the fair value of the Plan by $5,740,000 (2014 - $4,941,000), U.S. cash equivalents would decrease the value of the Plan by $362,000 (2014 - $52,500) and U.S. cash would decrease the value of the Plan by $34,000 (2014 - $58,500).

b) Credit risk

Credit risk is the risk of loss in the event the counterparty to a transaction fails to discharge an obligation and causes the other party to incur a loss. Credit risk associated with the Plan is regularly monitored. The Plan's main exposure to credit risk comes from its receivables.

The Plan's receivables are primarily comprised of pension contributions due from the Sponsor. The credit risk to the Plan arises from the possibility that the Sponsor fails to pay the employee salaries from which the employee contributions are deducted, and fails to pay its own portion of the contributions due. The risk of non-payment is considered low.

Collection of harmonized sales tax is reasonably assured.

c) Liquidity risk

Liquidity risk is the risk of not meeting the cash obligations of the Plan in an efficient manner. Cash obligations are fulfilled from contributions to the Plan, cash income of the Plan and planned dispositions of Plan assets as required. Cash requirements of the Plan are reviewed on an ongoing basis to provide for the orderly availability of resources to meet the financial obligations of the Plan. The Plan's cash management policy ensures that the quality and liquidity of the investment vehicles within the cash portfolios are consistent with the needs of the Plan.

# CAPE BRETON REGIONAL MUNICIPALITY DEFINED BENEFIT PENSION PLAN

Notes to Financial Statements, page 3

Year ended December 31, 2015



## 10. OTHER INFORMATION AS AT DECEMBER 31

| | 2015 | 2014 |
|---|---|---|
| Number of participants contributing to pension plan | 722 | 708 |
| Number of participants and survivors receiving retirement and other allowances | 359 | 347 |
| Number of inactive and deferred participants | 18 | 19 |
| Number of limited participants | 4 | 4 |

## 11. SUMMARY - INVESTMENTS UNDER ADMINISTRATION

| | 2015 Cost | 2015 Market Value | 2014 Cost | 2014 Market Value (Unaudited) |
|---|---|---|---|---|
| Cash equivalent | $ 7,351,314 | $ 7,741,573 | $ 6,034,366 | $ 6,012,821 |
| Fixed income | 48,332,907 | 49,956,007 | 45,700,588 | 47,376,361 |
| Canadian equity | 39,241,455 | 44,970,191 | 35,958,236 | 45,688,819 |
| U.S. equity | 21,823,881 | 30,810,848 | 20,024,181 | 26,514,179 |
| International equity | 23,220,269 | 24,764,153 | 22,302,522 | 22,895,669 |
| EAFE Fund | 2,088,258 | 1,828,434 | – | – |
| | $ 142,058,084 | $160,071,206 | $ 130,019,893 | $ 148,487,849 |

| | 2015 | 2014 (Unaudited) |
|---|---|---|
| Change in fair value of investments | | |
| Realized gains | $ 7,174,014 | $ 9,040,125 |
| Unrealized (losses) gains | (1,023,829) | 1,514,437 |
| Investment income | 4,379,856 | 4,670,993 |
| Net investment activities | $ 10,530,041 | $ 15,225,555 |

**CBRM** A Community of Communities

| | |
|---|---|
| **TO:** | **CBRM Council** |
| **FROM:** | **Paul Burt** |
| **SUBJECT:** | **PERMISSION TO VEND on PID 15058712, Cutilar Street, Sydney** |
| **DATE:** | **May 9th, 2017** |

An inquiry was received to locate a vending vehicle on PID 15058712, Cutilar Street, Sydney (See Attachment A). The individual has permission to vend at this location from the property owner and is aware they must comply with all of the requirements of the Vendors By-law. However, this location is not identified on Schedule A of the Vendors By-law and therefore a Vendors Licence cannot be issued for this location unless Schedule A is amended.

In 2015 a review of the Vendors By-law was undertaken and subsequently approved by Council in 2016. Staff undertook this review to address concerns related to the connection between the Vendors By-law and Land Use By-laws. It was recommended that instead of zoning linking these documents, a map illustrating the areas where a Vendors Licence can be issued should be included in the Vendors By-law. While this map correlates to zones where restaurants and sales are permitted, it is a standalone map that may be amended without amending the Land Use By-laws.

At the time the Vendors By-law was reviewed the zone for the property in question did not permit a restaurant; therefore, it was not identified on Schedule A of the Vendors By-law. However, since the adoption of the Vendors By-law in 2016 the zoning for this property was amended to the Waterfront Southern Sub-Area (WSSA). Because the WSSA permits restaurant a case could be made that Schedule A of the Vendors By-law should be amended to permit the issuance of a Vendors Licence for this location.

According to the *Municipal Government Act*, a schedule of a Bylaw is not considered the same as the body of the document i.e. an amendment to it does not require two readings as per Section 168 of the Act, but it does require a Motion of Council.

## Recommendation:

Given the Waterfront Southern Sub-Area (WSSA) Zone permits a restaurant, it is reasonable that the areas with this zoning should be included in Schedule A of the Vendors By-law. I recommend that Council pass a motion to amend Schedule A of the Vendors By-law to include the properties identified in Attachment B.

Submitted by:

**ORIGINAL SIGNED BY**

Paul Burt
Manager Building, Planning & Licensing Laws


A
NER
Nepean Street
SMT
Esplanade
NEDF
WSSA
Cutilar Street
PID: 15058712
Dorchester Street
CBD
Esplanade
DWZ


B
Nepean Street
Esplanade
Cutilar Street
Dorchester Street
Esplanade
Area to be added to Schedule A of the Vendors By-law

# Summary (Unaudited) Statement of Revenue March 31, 2017

| Revenue | Year To Date Assigned | 12 Month Budget | 12 Month Budget Variance | Annual Budget | Annual Budget Remaining |
|---|---|---|---|---|---|
| Total Taxes | $ 103,912,647 | $ 103,903,946 | $ 8,701 | $ 103,903,946 | $ (8,701) |
| Total Federal Government | 3,079,839 | 2,812,050 | 267,789 | 2,812,050 | (267,789) |
| Total Federal Government Agencies | 756,791 | 775,587 | (18,796) | 775,587 | 18,796 |
| Total Provincial Government | 1,896,443 | 1,909,811 | (13,368) | 1,909,811 | 13,368 |
| Total Provincial Government Agencies | 2,911,274 | 2,918,883 | (7,609) | 2,918,883 | 7,609 |
| Total Services to Other Local Government | 601,293 | 608,515 | (7,222) | 608,515 | 7,222 |
| Total Transit | 517,905 | 622,000 | (94,095) | 622,000 | 94,095 |
| Total Environmental Development Services | 214,813 | 292,000 | (77,187) | 292,000 | 77,187 |
| Total Licenses & Permits | 135,673 | 155,500 | (19,827) | 155,500 | 19,827 |
| Total Fines & Fees | 548,190 | 595,000 | (46,810) | 595,000 | 46,810 |
| Total Rentals | 685,930 | 680,079 | 5,851 | 680,079 | (5,851) |
| Total Concessions & Franchises | 401,433 | 400,000 | 1,433 | 400,000 | (1,433) |
| Total Interest on Taxes | 1,495,500 | 1,245,000 | 250,500 | 1,245,000 | (250,500) |
| Total Finance Revenue | 30,010 | 30,500 | (490) | 30,500 | 490 |
| Total Solid Waste Revenue | 2,247,451 | 2,200,000 | 47,451 | 2,200,000 | (47,451) |
| Total Recreation & Cultural Service Programs | 1,732,438 | 1,685,545 | 36,893 | 1,685,545 | (36,893) |
| Total Water Utility Charges | 4,951,510 | 4,951,510 | (0) | 4,951,510 | 0 |
| Total Unconditional Transfers | 15,834,643 | 15,834,643 | (0) | 15,834,643 | 0 |
| Total Conditional Transfers | 3,827,852 | 4,390,852 | (563,000) | 4,390,852 | 563,000 |
| **Year To Date Assigned Before Cost Recovery 2016 Flood Claims** | 145,781,637 | $ 146,011,421 | $ (229,784) | $ 146,011,421 | $ 229,784 |
| **Cost Recovery 2016 Flood Claim** | 1,662,210 | - | 1,662,210 | - | (1,662,210) |
| **Year To Date Assigned After Cost Recovery 2016 Flood Claims** | 147,443,847 | 146,011,421 | 1,432,426 | 146,011,421 | (1,432,426) |

**ORIGINAL SIGNED BY**

Departmental

**ORIGINAL SIGNED BY**

Reviewed

Summary

# (Unaudited) Statement of Expenditures

March 31, 2017

| Expenditures | Year to date Expended | 12 Month Budget | 12 Month Budget Variance | Annual Budget | Annual Budget Remaining |
|---|---|---|---|---|---|
| Legislative | $ 1,344,524 | $ 1,458,956 | $ 114,432 | $ 1,458,956 | $ 114,432 |
| Administration | 922,696 | 1,108,790 | 186,094 | 1,108,790 | 186,094 |
| Finance | 2,566,056 | 2,832,019 | 265,963 | 2,832,019 | 265,963 |
| Legal | 591,759 | 569,072 | (22,687) | 569,072 | (22,687) |
| Human Resources | 1,555,660 | 1,638,145 | 82,485 | 1,638,145 | 82,485 |
| Technology & Communications | 1,104,307 | 1,165,464 | 61,157 | 1,165,464 | 61,157 |
| Municipal Clerk | 486,305 | 503,017 | 16,712 | 503,017 | 16,712 |
| Fiscal Services | 35,272,913 | 35,490,906 | 217,993 | 35,490,906 | 217,993 |
| Occupational Health & Safety | 204,568 | 219,722 | 15,154 | 219,722 | 15,154 |
| Police Services | 25,789,940 | 25,701,620 | (88,320) | 25,701,620 | (88,320) |
| Fire Services (Incl EMO) | 16,928,594 | 17,195,105 | 266,511 | 17,195,105 | 266,511 |
| Engineering & Public Works | 42,078,399 | 43,447,585 | 1,369,186 | 43,447,585 | 1,369,186 |
| Planning | 2,453,951 | 2,664,528 | 210,577 | 2,664,528 | 210,577 |
| Facilities C200 & Arenas | 3,727,371 | 3,042,283 | (685,088) | 3,042,283 | (685,088) |
| Parks & Grounds | 2,504,939 | 2,636,703 | 131,764 | 2,636,703 | 131,764 |
| Buildings | 3,268,332 | 3,324,603 | 56,271 | 3,324,603 | 56,271 |
| Recreation | 3,377,347 | 3,012,903 | (364,444) | 3,012,903 | (364,444) |
| **Total expended to date excluding 2016 Flood Costs** | **$ 144,177,662** | **$ 146,011,421** | **$ 1,833,759** | **$ 146,011,421** | **$ 1,833,759** |
| 2016 Flood Costs | 1,662,210 | - | (1,662,210) | - | (1,662,210) |
| **Total expended to date including 2016 Flood Costs** | $ 145,839,872 | $ 146,011,421 | $ 171,549 | $ 146,011,421 | $ 171,549 |

ORIGINAL SIGNED BY

Departmental

ORIGINAL SIGNED BY

Reviewed

Port of Sydney CANADA

# Port of Sydney Development Corporation

Income Statement March 31, 2017

| | This Year Actual | This Year Budget | Variance to Budget |
|---|---|---|---|
| Wharfage & Berthage | 482,134.39 | 450,797.36 | 31,337.03 |
| Event Revenue | 78,227.95 | 61,950.00 | 16,277.95 |
| Miscellaneous Revenue | 20,834.64 | 22,160.00 | -1,325.36 |
| Storage & Rental | 213,842.38 | 188,576.24 | 25,266.14 |
| Passenger tax | 660,304.00 | 598,133.00 | 62,171.00 |
| Security/Traffic Control | 140,864.11 | 93,592.00 | 47,272.11 |
| Transport Canada Marketing Rev. | 24,652.55 | 0.00 | 24,652.55 |
| Craft Market Revenue | 72,502.62 | 52,155.00 | 20,347.62 |
| Business Development - Container Terminal | 348,347.32 | 420,000.00 | -71,652.68 |
| Loss on Disposal of Asset | -15,769.00 | 0.00 | -15,769.00 |
| | $ 2,025,940.96 | $ 1,887,363.60 | $ 138,577.36 |
| Wages & Salaries | 740,182.88 | 686,481.00 | 53,701.88 |
| Professional Fees | 58,351.59 | 41,750.00 | 16,601.59 |
| Advertising & Promotions | 33,265.49 | 46,008.00 | -12,742.51 |
| Cruise Activities | 38,041.18 | 40,858.00 | -2,816.82 |
| Dues & Membership Fees | 51,711.79 | 43,885.00 | 7,826.79 |
| Event Expense | 3,037.23 | 7,263.00 | -4,225.77 |
| Insurance | 53,221.87 | 57,360.00 | -4,138.13 |
| Interest & Bank Charges | 26,135.50 | 3,600.00 | 22,535.50 |
| Office & Admin | 16,189.84 | 16,960.02 | -770.18 |
| Miscellaneous | 18,488.86 | 31,100.00 | -12,611.14 |
| Repairs & Maintenance | 174,195.15 | 166,694.08 | 7,501.07 |
| Travel | 36,792.61 | 35,800.00 | 992.61 |
| Utilities | 179,017.55 | 187,082.00 | -8,064.45 |
| Bad Debts | 9,627.94 | 0.00 | 9,627.94 |
| Business Development - Container Terminal | 348,347.32 | 420,000.00 | -71,652.68 |
| Security | 133,331.87 | 87,858.00 | 45,473.87 |
| | $ 1,919,938.67 | $ 1,872,699.10 | $ 47,239.57 |
| Surplus | $ 106,002.29 | $ 14,664.50 | $ 91,337.79 |

P.O. Box 327 Sydney, Nova Scotia CANADA B1P 6H2 902 564 0800
www.portofsydney.ca

Grant Thornton

Financial statements

Port of Sydney Development Corporation

March 31, 2016

# Contents

Grant Thornton

# Independent auditor's report

Grant Thornton LLP
Suite 200
500 George Place
Sydney, NS
B1P 1K6

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F (902) 562-0073
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To the Board of Directors of
Port of Sydney Development Corporation

We have audited the accompanying financial statements of Port of Sydney Development Corporation, which comprise the statement of financial position as at March 31, 2016, and the statement of operations, statement of changes in net financial liabilities and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's responsibility for the financial statements*

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

*Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

GrantThornton

*Opinion*
In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2016, and the results of its operations for the year then ended in accordance Canadian public sector accounting standards.

*Emphasis of Matter*

During the current year the Port of Sydney Development Corporation was formed as the successor to Sydney Ports Corporation. As part of the reorganization which occurred between these two entities, all of the assets and liabilities were transferred to the Port of Sydney Development Corporation including the deferred contributions which were received in prior years by the Sydney Ports Corporation and amortized over the useful life of the assets they were related to.

Unlike the Sydney Ports Corporation which reported under Part III of the CPA Handbook, the Port of Sydney Development Corporation reports under the Public Sector Accounting Standards or PSAS. Under this framework, the Port of Development Corporation is required to recognize all deferred contributions within the statement of operations in their entirety. As such, the Port of Sydney Development Corporation's revenues in the current year include $5,391,341 which represents the inclusion of these deferred contributions received in prior years by the Sydney Ports Corporation.

This revenue item does not represent a cash inflow to the entity in the current year. The adjustment is solely the result of the difference between the accounting standards which govern the Port of Sydney Development Corporation and prior Sydney Ports Corporation.

Sydney, Canada

Grant Thornton LLP

September 13, 2016

Chartered Professional Accountants

# Port of Sydney Development Corporation
## Statement of operations

| Year ended March 31 | Budget | 2016 |
|---|---|---|
| **Revenues** | | |
| Wharfage and berthage | $ 520,083 | $ 528,562 |
| Passenger tax | 602,480 | 629,488 |
| Events | 56,800 | 61,515 |
| Security | 101,210 | 129,027 |
| Storage and rental | 152,891 | 149,398 |
| Craft market | 64,180 | 79,772 |
| Sundry | 10,250 | 11,244 |
| Government funding | 50,000 | 131,749 |
| Business development | - | 567,231 |
| | 1,557,894 | 2,287,986 |
| **Expenses** | | |
| Advertising and promotion | 137,325 | 97,958 |
| Business development harbour | - | 567,231 |
| Cruise activities | 42,684 | 36,599 |
| Dues and fees | 37,900 | 22,845 |
| Events | 15,150 | 11,681 |
| Insurance | 53,000 | 52,647 |
| Interest and bank charges | 3,600 | 4,123 |
| Interest on long term debt | - | 16,476 |
| Miscellaneous | 25,900 | 7,366 |
| Office and administration | 16,450 | 20,058 |
| Professional fees | 37,875 | 59,636 |
| Repairs and maintenance | 134,570 | 164,929 |
| Security | 136,210 | 153,423 |
| Travel | 42,300 | 60,688 |
| Utilities | 214,385 | 198,020 |
| Wages and benefits | 650,940 | 686,548 |
| | 1,548,289 | 2,160,228 |
| Operating income | 9,605 | 127,758 |
| Restructuring transaction (Note 9) | - | 5,391,341 |
| Amortization of capital assets | - | (408,035) |
| Excess of revenue over expenditures | $ 9,605 | $ 5,111,064 |

| | |
|---|---|
| Accumulated surplus, beginning of year | $ - |
| Excess of revenue over expenditures | 5,111,064 |
| Accumulated surplus, end of year | $ 5,111,064 |

See accompanying notes to the financial statements.

# Port of Sydney Development Corporation
## Statement of financial position

| March 31 | 2016 |
|---|---|
| **Financial assets** | |
| Cash | $ 431,836 |
| Receivables (Note 4) | 173,988 |
| | $ 605,824 |
| **Financial liabilities** | |
| Payables and accruals | 114,655 |
| Payable to Cape Breton Regional Municipality | 1,510,271 |
| Deferred revenue | 9,464 |
| Capital lease obligation (Note 7) | 155,815 |
| | 1,790,205 |
| **Net financial liabilities** | (1,184,381) |
| **Non-financial assets** | |
| Tangible capital assets (Note 5) | 6,267,408 |
| Prepaids | 28,037 |
| | 6,295,445 |
| **Accumulated surplus (Page 3)** | $ 5,111,064 |

On behalf of the Board

Orignal signed by Director Orignal signed by Director

See accompanying notes to the financial statements.

# Port of Sydney Development Corporation
# Statement of changes in net financial liabilities

| Year ended March 31 | Budget | 2016 |
|---|---|---|
| Excess of revenue over expenditures | $ 9,605 | $ 5,111,064 |
| Acquisition of tangible capital assets | - | (6,675,443) |
| Amortization of tangible capital assets | - | 408,035 |
| | | (1,156,344) |
| Acquisition of prepaids | - | (28,037) |
| Change in net financial assets | - | (1,184,381) |
| Net financial assets, beginning of year | - | - |
| Net financial assets, end of year | $ 9,605 | $ (1,184,381) |

See accompanying notes to the financial statements.

# Port of Sydney Development Corporation
## Statement of cash flows

| Year ended March 31 | 2016 |
|---|---|
| Increase in cash and cash equivalents | |
| **Operating** | |
| Excess of revenue over expenditures | $ 5,111,064 |
| Restructuring transaction | (5,391,341) |
| Amortization of tangible capital assets | 408,035 |
| | 127,758 |
| Change in non-cash operating working capital (Note 8) | 25,265 |
| | 153,023 |
| **Financing** | |
| Repayment of capital lease obligation | (186,057) |
| Redemption of guaranteed investment certificates | 402,556 |
| | 216,499 |
| **Capital** | |
| Purchase of property and equipment | 62,314 |
| Increase in cash and cash equivalents | 431,836 |
| Cash and cash equivalents | |
| Beginning of year | - |
| End of year | $ 431,836 |

See accompanying notes to the financial statements.

# Port of Sydney Development Corporation
# Notes to the financial statements

March 31, 2016

## 1. Nature of operation

The Port of Sydney Development Corporation ("Port of Sydney") is an other government organization created by the Cape Breton Regional Municipality with a mandate to manage and develop the harbour and infrastructure of the Port of Sydney, Nova Scotia, Canada. The Port of Sydney incorporated under the Companies Act, Chapter 81, Revised Statutes of Nova Scotia, 1989 on March 31, 2015.

## 2. Summary of significant accounting policies

The financial statements of the Port of Sydney have been prepared by management to conform in all material respects to generally accepted accounting principles for other government organizations using the standards established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants (CPA) Canada. Significant aspects of the accounting policies adopted by the Port of Sydney are as follows:

### Revenue recognition

The Port of Sydney follows the deferral method of accounting for contributions. Restricted contributions, including government grants, are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for the purchase of capital assets are recognized in the year in which the capital assets have been purchased and all liabilities relating to the asset have been cleared. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and term deposits.

### Subsequent measurement

At each reporting date, the Port of Sydney measures its financial assets and liabilities at cost or amortized cost. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals, payable to Cape Breton Regional Municipality and capital lease obligations.

For financial assets measured at cost or amortized cost, the Port of Sydney regularly assesses whether there are any indications or impairment. If there is an indication of impairment and the Port of Sydney determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

2. Summary of significant accounting policies (continued)

**Capital assets**

Purchases of capital assets are recorded at cost and are amortized over their estimated useful lives. Assets acquired under capital leases are recorded at cost and are amortized over their estimated useful lives of the assets or over the lease term as appropriate.

**Amortization**

Rates and bases of amortization applied to write off the cost of capital assets over their estimated lives are as follows:

| | |
|---|---|
| Equipment and signs | 20% - 30%, declining balance |
| Building | 5%, declining balance |
| Compound | 5%, declining balance |
| Wharf | 5%, declining balance |
| Exhibits | 20%, declining balance |
| Computer equipment | 30%, declining balance |

When a capital asset no longer has any long term service potential to the Port of Sydney, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any write downs recognized are not reversed.

**Use of estimates**

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**Net debt**

The Port of Sydney's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the Port of Sydney is determined by its liabilities less its financial assets.

3. Line of credit

The Port of Sydney has an established line of credit of $150,000. The line of credit bears interest at a rate of prime plus 2.5%. At year end, the line of credit has a nil balance.

As security for the line of credit, the corporation provided a first ranking security interest on all the property and accounts receivable of the Port of Sydney.

## 4. Receivables

| | 2016 |
|---|---|
| Trade | $ 163,900 |
| Harmonized sales tax | 10,088 |
| | $ 173,988 |

The gross carrying amount of impaired trade accounts receivable as of March 31, 2016, is nil.

## 5. Tangible capital assets

| | Buildings | Equipment and signs | Compound | Wharf |
|---|---|---|---|---|
| **Cost:** | | | | |
| Balance, beginning of year | $ - | $ - | $ - | $ - |
| Transfer from Sydney Ports Corporation | 9,248,361 | 672,011 | 68,973 | 1,355,737 |
| Additions | - | 49,463 | - | - |
| Disposals | - | - | - | - |
| Balance, end of year | 9,248,361 | 721,474 | 68,973 | 1,355,737 |
| **Accumulated amortization:** | | | | |
| Balance, beginning of year | - | - | - | - |
| Transfer from Sydney Ports Corporation | 3,833,336 | 369,113 | 10,268 | 630,550 |
| Amortization | 270,751 | 73,149 | 2,935 | 36,259 |
| Amortization on disposals | - | - | - | - |
| Balance, end of year | 4,104,087 | 442,262 | 13,203 | 666,809 |
| Net book value | $ 5,144,274 | $ 279,212 | $ 55,770 | $ 688,928 |

| | Exhibits | Computer equipment | Total - 2016 |
|---|---|---|---|
| **Cost:** | | | |
| Balance, beginning of year | $ - | $ - | $ - |
| Transfer from Sydney Ports Corporation | 411,511 | 12,139 | 11,768,732 |
| Additions | 75,165 | - | 124,628 |
| Disposals | - | - | - |
| Balance, end of year | 486,676 | 12,139 | 11,893,360 |
| **Accumulated amortization:** | | | |
| Balance, beginning of year | - | - | - |
| Transfer from Sydney Ports Corporation | 363,581 | 11,070 | 5,217,918 |
| Amortization | 24,619 | 321 | 408,034 |
| Amortization on disposals | - | - | - |
| Balance, end of year | 388,200 | 11,391 | 5,625,952 |
| Net book value | $ 98,476 | $ 748 | $ 6,267,408 |

### 6. Government remittances

As of March 31, 2016, there are no amounts outstanding relating to government remittances.

### 7. Capital lease obligation

| | 2016 |
|---|---|
| Cape Breton Regional Municipality 7% capital lease, payable in monthly instalments of principal and interest of $13,482, maturing in March, 2017. | $ 155,815 |
| Less: current portion | (155,815) |
| | $ - |

| | |
|---|---|
| Repayment in the next year is as follows: | |
| 2017 | $ 161,790 |
| Less: amount representing interest | 5,975 |
| Present value of net minimum capital lease payments | 155,815 |
| Less: Current portion | 155,815 |
| | $ - |

The Port of Sydney has not been able to make all of the lease payments as they have come due under the terms of the lease agreement with the Cape Breton Regional Municipality. To the extent payments are not made, they become part of the payable to the Cape Breton Regional Municipality.

### 8. Supplemental cash flow information

| | 2016 |
|---|---|
| Change in non-cash operating working capital: | |
| Receivables | $ (173,988) |
| Prepaids | (28,037) |
| Payables and accruals | 1,624,926 |
| Deferred revenue | 9,464 |
| | $ 1,432,365 |

### 9. Restructuring transaction

On April 1, 2015, the Port of Sydney Development Corporation acquired 100% of the assets and liabilities of the Sydney Ports Corporation ("SPC") for no consideration. The SPC operated a marine terminal in Sydney, Cape Breton and was dissolved March 31, 2015. The assets and liabilities were transferred to the Port of Sydney Development Corporation as part of the restructuring of the port governance model and expanding the mandate of the organization.

The restructuring transaction was accounted for in accordance of PS 3430 – Restructuring Transactions. Details of the acquisition are as follows:

| | |
|---|---|
| Carrying value of assets acquired: | |
| Current assets, including cash of $549,411 | $ 652,096 |
| Buildings | 5,415,025 |
| Wharf | 725,187 |
| Equipment and signs | 302,898 |
| Compound | 58,705 |
| Computer equipment | 1,069 |
| Exhibits | 47,930 |
| | 7,202,910 |
| Carrying value of liabilities assumed: | |
| Current liabilities | 1,655,754 |
| Capital lease obligation | 155,815 |
| | 1,811,569 |
| Carrying value of net assets acquired | $ 5,391,341 |

### 10. Pension expense

Effective April 1, 2015, the Port of Sydney Development Corporation has adopted a defined contribution pension plan for its employees which was implemented by the Sydney Ports Corporation on April 1, 2009.

The pension expense for the year ended March 31, 2016, was $21,781 and is included in wages and benefits, as disclosed in the statement of operations.

### 11. Other matters

During the year, the Board of Directors approved a motion to provide a formal repayment plan to the Cape Breton Regional Municipality Council for all amounts payable upon the expiration of the capital lease. The Board has proposed to repay the balance owing of $1,940,542 equally over a ten year term.