



Incorporated April 1st, 1995

20th Annual Report

December 31st, 2014

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City of Summerside Staff

Administration Karen Evans

Economic Development and Culture

Joanne King
Marlene Campbell

Lori Ellis

Fred Horne

Nancy Quinn

Fire Services Lawrence LaPierre

Financial Services Angie Blanchard
Tyler Doyle
Roger Ahern

Diane MacLaren
Mysie Merrett
Hannah Cormier

Kristen Dunsford
Jeannie Short
Michelle DesRoche

Cathy Gaudet
Jennifer Egan

Human Resources and Legal Affairs

Michelle MacLeod

Brian Hawrylak

Ashley Schurman

Municipal Services

Rory Chaisson
Joe Noonan
Joey McCarthy
Bobby Dunn
Everett Moase
John Hastings
Nick Gallant
Fred Gallant
Jason Muttart
Robert McFeely
Gary Bryson

Sam Arsenault
Robert Irving
Joe Pendergast
Jeff MacDonald
Debbie Cameron
David Holt
Jason MacAusland
Larry Blacquiere
Jamie Betton
Robbie Betton
Chris Cole

Owen MacDonald
Rob Steele
Willie Noye
Allan MacDougall
Paul Cormier
Jamie Rodgerson
Paul Kelly
Jordon Bigelow
Brody Cahill
Owen Sonier
Pauline Dicy

Wilfred DesRoches
Ryan Ellis
Adam Blacquiere
Frank Murphy
Randy McCourt
Andrew Peters
Winston Gallant
Rick Morrison
Lee Fraser
Shane St. Pierre

Police Services

Cathy Arsenault
Richard MacLeod
Dale Corish
Joel Robichaud
Patrick Daley
Milo Murray
Dennis Sherren
Tanya Yeo-Campbell

Jennifer Driscoll
Jason Blacquiere
Lorna DeWare
Charlene Ciplolla
Mike Jones
Amy Walfield
Mike Rioux
Erin Blacquiere

Craig Murphy
David Buell
Gino Scichilone
Ronald MacLean
Ashley MacKenzie
Joe Peters
Lindsay Rogers
Kim Campbell

Brett Montgomery
Connie Perry
Grant MacLeod
Shawn McCarthy
Mike Stevenson
Wade Ryder
Sinclair Walker

Community Services

Sheila Laughlin
Steven Leard
Chantal Wadman

Trent Williams
Allan McNeil
Jeff Sheculski

Paul Gallant
Dale Martin
Paul LaMay

Barb McNeil
Brenda Hickox

Melanie Ramsay
Leah Stetson

Wayne Carruthers
Gerard Paznokaitis

Maurice Gallant
Sean Murphy

Steve Muney
Steve Mugridge

Technical Services Mike Straw
Sandra Corkum

Tony Gallant
Linda Irving

Gary McInnis
Thayne Jenkins

Jan Cameron



**Bill Martin – Mayor
December 31st, 2014**

Mayor's Annual Report

As a newly elected mayor for our city it is my pleasure to communicate to our citizens both my appreciation for the confidence bestowed upon me by the electorate and also my commitment to serve all to the best of my ability.

The learning curve is quite steep and I must extend my appreciation to all who have made the transition into this role much easier than it might be.

I recognize that the expectations of our citizens are quite high of our new team and I look forward with council to not only meeting but exceeding these expectations.

I believe our city is uniquely positioned to both grow and prosper and I only ask for patience as we make the necessary decisions to move us forward.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Bill Martin". The signature is written in a cursive, flowing style.

**Bill Martin
Mayor
City Of Summerside**



Robert (Bob) Ashley - Chief Administrative Officer
December 31st, 2014

Chief Administrative Officer's Annual Report

On behalf of the City of Summerside Administration, I am pleased to issue my second Annual Report. 2014 has seen important changes. First, senior administration, namely my own position as Summerside's new CAO for my first full year with the City of Summerside. Second, the recent municipal elections ushered new people into Council, including the Mayor.

With new people comes new perspectives, new visions, new ways to approach problem-solving and strategic challenges. More specifically, Council and senior management have been united in their commitment to transparency, openness, accessibility, and accountability. Citizens and businesses have responded positively to the City's outreach programs, among them, our public forum and then our community roundtable on budget consultations, the Go to the People, program of getting public input on the City's Official Plan, to citizen participation on our Official Plan Committee. Hands-on citizen-led work is underway with the newly formed Mayor and Council.

The City's senior team of directors and managers are second-to-none, as leaders, program designers, and stewards of local assets. Last year, the number and quality of events and programs delivered by Community Services would be hard to match in any like-sized locales in the Maritimes. An expanded program of paving, sidewalks, and storm water projects had a significant impact on our infrastructure deficit. Technical Services led progressive changes in our building and zoning bylaws and managed a wide range of infrastructure projects. Summerside has also led municipalities on the Island in developing a 10-year Capital Improvement Plan, aimed at mapping out strategies to smart asset management.

On essential services, we're very proud of our Police and Fire personnel's performance. Throughout the year, I received many calls and emails praising the above-and-beyond commitment of our volunteer fire fighters, as well as the day-to-day work and community volunteerism of our police officers. These people contribute a great deal, deserving recognition. Residential and commercial property tax dollars applied to these essential services translate into tremendous values—a safe, secure community. Municipal Services confronted and managed to rise above a daunting, record-breaking winter of snow storms, tending to our streets, storm and sewer systems, and the electrical grid.

Our budget always strives to respond to both public input and our new Council's vision. It underlines their emphasis on prioritizing overall debt reduction and advancing economic development. As any good strategy entails making definitive, often difficult choices, we will be scrutinizing every department for efficiencies, re-aligning approaches where needed, digging for cost reductions, program caps, and regular program reviews. Summerside is a strong, resilient community, however. Through the combined resourcefulness of our community partners, our citizens, our volunteers, and our political leadership we will become an even stronger City. Summerside is poised to seize a future of opportunities, prosperity, and exceptional well-being for everyone with a stake in our great city.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert Ashley". The signature is written in a cursive, slightly slanted style. It is positioned above a thin horizontal line.

Robert (Bob) Ashley - Chief Administrative Officer



Lorri Laughlin – Director of Communications
December 31st, 2014

Communications

The roles and responsibilities of the Communications department are to direct and coordinate communications between the City of Summerside and the public we serve. This means not only communicating information out to residents but it also means listening to information coming back in to the city from residents. Communications is also responsible for guiding and organizing internal communications with staff. Below are some of the key responsibilities of the department:

- Maintains an open and proactive relationship with all newspaper, television, radio and online media.
- Issues news releases and public service announcements to provide media with accurate and timely information.
- Informs the public on all of the municipality's activities, issues, and initiatives.
- Manages issues in crisis and emergency situations.
- Oversees the city's online presence on the internet.
- Coordinates the city's communications efforts through social media networks.
- Provides internal and external communications advice, council and strategy.
- Directs and oversees the production of print publications such brochures, guides and reports.
- Manages the preparation of written briefing materials, speaking notes, letters, and messages.
- Coordinates the city's corporate print, broadcast and online advertising campaigns.
- Ensures uniform visual brand identity and marketing activities for the city.
- Monitors and responds to public feedback gathered through public opinion research.
- Provides tours of City Hall and Council Chambers.
- Directs the Junior Mayor and Council Program.
- Plans Civic Award Presentations.

2014 was a very busy and exciting year for the Communications department with many issues, events and activities the following are just a few of the highlights.

One major highpoint of 2014 for Communications has been our collaboration with Finance on the continued public disclosure of City of Summerside travel related expenses on our city website. Summerside is quickly becoming known as a leading municipality in Canada when it comes to transparency and accountability to the people we serve. The city was even acknowledged by the PEI Information and Privacy Commission for our efforts in being proactively open to the public with this information.

As stated earlier good communication is not just about talking but it is also about listening and to this end Communications was very pleased to partner other departments proactively engaging with the public in consultation meetings like these are a step in the right direction and a building block for even more future opportunities for the public's voice to be heard by the city.

Over the course of the department's year it was also involved in the coordination and organization of 34 special events such as the Volunteer of the Year Award Presentation, Junior Mayor and Council Tour Day, Annual General Meeting, Good Neighbour Awards and Reception, Canada Day Ceremony, City of Summerside's Annual Strategic Planning Session, and the Mayor's Medal of Honour Awards Presentation just to name a few.

Communications also lead the City of Summerside's corporate advertising campaign in 2014 which consisted of approximately 431 newspaper, magazine and radio advertisements. The focus of many of these ads was to promote and market City of Summerside's

programs, services and events in the areas of parks and recreation as well as arts, heritage and culture to residents and visitors to our city. Other advertisements focused on the day to day workings of the municipality such as tenders, requests for proposals, planned power interruptions, public rezoning meetings and staff recruitments.

Communications also received and coordinated the City of Summerside's response to an estimated 492 enquiries from the media in 2014. This includes conducting research on the topic of the enquiry the gathering of factual information for journalists and the coordination of on camera, face to face and phone interviews by the city's 19 official spokespersons – the Mayor and Council and the CAO and Directors.

Good media relations is not only about being reactive to enquires from journalists it is also about being proactive in getting the media as much information as possible on everything that is happen in the city. From a water main break to power interruptions, from swimming lessons to ice skating and from special events to art exhibits there is always something to say in a busy little city like Summerside. To this end the Communications department issued about 139 news releases, media advisories, public service announcements and official statements in 2014.

Communications also took on a growing role in the coordination of the City of Summerside's corporate presence on social media websites like Facebook and Twitter this year. Our followings have grown to 2256 people on Facebook and 3866 individuals following us on Twitter for a combined social media following of 8076 up by almost 1000 people from 2013. As 2014 progressed Communications made concentrated efforts to increase our followers on social media specifically trying to attract individuals with past ties to Summerside in an effort to stay connected for possible repatriation.

The keys to a good brand strategy are consistency and repetition, the current City of Summerside brand identity (including logo and tag lines) were first introduced in 2007 and since then there has been varying degrees of take up and application of the brand throughout the various city departments. Communications made some in roads on this front in 2014 but as with many things there is always room for improvement. We look forward to working with all the departments in 2015 to make the City of Summerside brand strong so we can be even more transparent and accountable to the people we service.

All in all 2014 was a great year – a year of continued learning and building. Much has been done but there is also much left to do. In a world in which communications is ever changing and ever evolving Communications is an exciting role to have especially in great organizations like the City of Summerside. I look forward to 2015 with much enthusiasm and anticipation. I know it will be a great year for Summerside.

Respectively Submitted



Lorri Laughlin
Director of Communications



Councillor Tyler DesRoches
Chair of Community Services



JP Desrosiers
Director of Community Services

December 31st, 2014

Community Services

Within The City of Summerside's Operations Portfolio, the purview of the Department of Community Services, with 9 separate Divisions, is certainly diverse.

The Department of Community Services manages and operates hundreds of programs and events each year as well as maintains and enhances hundreds of acres of City Green Space, Parks, and Community Trails. Additionally, we service the City's Community Centers, Library, and Senior Center. All this while operating one of Eastern Canada's premier Sport, Recreation and Entertainment Facilities: our 290,000 sq. ft. Flagship, Credit Union Place.

Your Community Services Department has always been, and continues to be, very much focused on serving as the City's driving force in our vibrant Community's health, wellness and civic pride. We love the work we do and it shows.

2014 was a banner year of family-friendly community events, programming, projects as well as tournaments and signature entertainment productions that have showcased Summerside to more than 26,000 visitors and tourists who've come to stay in our City; some for a day, many for a weekend or more.

We hosted a total of 69 Sports Tournaments, our most, ever, and up from just 17 in 2009.

We also hosted a record number of Ticketed Events, 65, beginning with Blue Rodeo in January, followed by Chicago, Toby Keith, Gordon Lightfoot, Brian Adams, The Wiggles, Brad Paisley, and culminating in the sold-out NYE 2014 Grand Finale with Burton Cummings, Doc Walker and The Rankin Family. We hosted The 2014 Grand Slam of Curling along with 30 Western Capitals Home Games. In total, our Box Office processed over 158,000 tickets.

Traditional free family activities and events were presented: Canada Day, Remembrance Day, NYE Festivities, and Naturefest as well as the very successful 2014 Tall Ships in our Harbour.

Our Veteran's Convention Center and Credit Union Place Meeting Rooms hosted over 550 Meetings, Parties, and Conventions, from the National Storyteller's Convention which brought over a hundred national and international tourists to town, to The Early Childhood Development Conference which booked our entire CUP Facility for several days.

In 2013, we made enhancing The City's Sport Hosting Strategy a high priority and in 2014, we continued to expand on that initiative. Looking forward to 2015, we expect to host over 80 local, regional, and national tournaments in addition to our Signature Events, such as FIVB World Volleyball in June and Women's U21 Softball in July, bringing an estimated 25,000+ sports tourists to the City. This, and other upcoming 2015 major events such as The Harlem Globetrotters in April, Monster Spectacular in May, and The Atlantic Canada International Airshow in August add up to a projected 2 million dollar economic impact for Summerside's business community.

Credit Union Place continues to be the heart of Summerside’s Recreation and Leisure Community and 2014 saw our Department add many new energy efficient items and controls to maximize efficiency. 2014 was the first hockey season using our new 520 Battery Powered Zamboni, a first for PEI. We also added a Jet Ice Filtering System which, as it produces more efficiently freezable water, translates to a very significant energy saving as well as decreased equipment maintenance costs. Our Snow Melt Pit was brought back on-line and new procedures were put into place, allowing us to keep our exterior doors closed to better regulate the internal temperature of the building. This, too, resulted in huge over-all energy savings and much reduced costs.

Programming offered at Credit Union Place continues to be expanded. Our Fit Stop now has a compliment of 5 instructors offering classes 7 days per week. Additional equipment as well as many outdoor programs such as “Learn to Run”, “Snowshoeing”, “Kayaking” and “Come Try Hiking” offered in partnership with goPEI! has helped our membership grow to nearly 8% of our City’s population, or 1200 residents. Over 90,000 visits to our Aquatics Center were recorded in 2014 and over 37,000 games were bowled in our Bowling Lanes.

Our Parks and Greenspace Division had another very busy year, maintaining and beautifying Summerside’s outdoor spaces. New play structures were installed at Wilmot Park, Lefurgey Park, Meadow Heights Park, Tower Street Park and Centennial Park, 450 trees were planted at Heather Moyse Heritage Park, and 1800 tons of sand was added along Green Shore. Our snowiest winter in years kept the Division busy with record loads of snow removal at The CUP, The Police Station, City Hall, our Community Centers and The Library. Two new outdoor skating rinks were added this year as part of our “Get Active This Winter!” campaign. We’re very proud to have received an award for Environmental Awareness this year from Communities in Bloom for all this hard work and more.

2014 saw the official rebranding of one of the City’s most treasured events: The Summerside Lobster Festival. The updated festival is now based at Green’s Shore to take advantage of the City’s beautiful waterfront amenities. A new, more popular parade route, Kid’s Summer Fun Zone, Beach Volleyball Tournament, varied musical entertainment as well as over 5,000 specialty Lobster menu dishes served in the month of July as part of our Go Lobster promotion combined for a very full week of fun, family entertainment—most of it at a very “low-to-no-cost” price of admission.

Yes, 2014 was one of our most successful years yet, and your Department of Community Services extends its sincere gratitude to all of our dedicated and hardworking Division Staff, Volunteers, and Corporate Partners. 2015 promises to be just as prosperous—stay tuned!

Respectfully submitted,



**Councillor Tyler DesRoches
Chair of Community Services**



**JP Desrosiers
Director of Community Services**



Councillor Brent Gallant
Chair of Economic Development



Mike Thususka
Director of Economic Development - Culture



Councillor Brian McFeely
Chair of Culture

December 31st, 2014

Economic Development

“Summerside remains a secure, predictable and geographically well-positioned location for business investment.”

The City of Summerside is continuously striving to partner with existing businesses and those investors considering Summerside as a new place to call home, making business in Summerside a positive experience. With the continued input of its stakeholders, Summerside Economic Development continues to implement meaningful programs and services that are relevant and make a positive impact for investment

The activities of Summerside’s Economic Development Department are grounded in a comprehensive strategy developed for the City in 2011 (<http://www.bigpossibilities.ca/data-centre>), which recommended key activities and a direction that has guided our work to date. The strategy outlined the strengths and weaknesses of Summerside’s economy, sectors of focus and a critical path for success. Since that time the Department has achieved milestones in fostering investment, building internal and external alliances, and developing the credibility and business relationships needed to move the strategy ahead.

Economic Development is defined as, “The sustained, concerted actions of policy makers and communities that promote the standard of living and economic health of a specific area. Economic development can also be referred to as the quantitative and qualitative changes in the economy. Such actions can involve multiple areas including development of human capital, critical infrastructure, regional competitiveness, social inclusion, health, safety, literacy, and other initiatives. Economic development differs from economic growth. Whereas economic development is a policy intervention endeavour with aims of economic and social well-being of people, economic growth is a phenomenon of market productivity and rise in GDP. Consequently, as economist Amartya Sen points out, ‘economic growth is one aspect of the process of economic development.’”

Economic development organizations (EDOs) are operating in a fluid economic environment, where they must account for and respond to external and internal forces that are often operating outside of their control. The economy is complex and uncertain, marked by heightened global competition, an urgent need to increase efficiency, more stringent demands for accountability from investors and stakeholders, and pressure to create and retain jobs in an accelerated fashion. As conditions evolve and other forces impact EDOs and communities across the world, practitioners have had to become more strategic, creative and nimble.

1. The quality of our data collection and interpretation is the foundation for all other activities
2. We will employ a strategic approach to operations based on what can and cannot be achieved
3. We will be creative risk takers who embrace entrepreneurialism and innovation
4. We will focus on delivering results to our core customers and engaging in effective, open communication with them
5. We will forge strong alliances with community partners and business champions to increase capacity and credibility
6. Will we collaborate internally and externally to reach our collective goals and
7. We will embrace change, ensuring the office can adapt and respond to a fluctuating economic environment
8. We will develop talented staff within the organization and department in meaningful ways

9. We will focus on a long term vision that is real, achievable and inclusive
10. We will promote a culture of transparency, cooperation and ongoing dialogue within the organization and with our external partners

The three fundamental objectives our office has embraced in defining priorities for the coming year and beyond are:

1. Wealth Growth - Bringing higher paying jobs to Summerside
2. Assessment Growth - Increasing annually the industrial/commercial assessment
3. Population Growth - A focus on labour pool population to achieve our economic well being

With a common understanding of the Summerside EDO's core functions, goals and guiding principles, we can better establish a foundation to work more closely with our community partners and achieve our common mandate of economic growth and prosperity.

Our 2015 Action Plan will be strengthened by discussions with complementary organizations in the community, and we welcome the feedback and input of these partners as we move forward. As a first step, the EDO will invite local stakeholders to engage in discussions on Economic Development in Summerside, where we can further discuss the role of the Department, the opportunities for collaboration, and the 2015 Action Plan going forward. Together, we can move Summerside Forward.

Culture

It can be said with confidence that in 2014, Culture Summerside strove to satisfy its mandate to promote and celebrate arts, heritage, and culture in the city. The year proved to be an astounding one of growth and challenge embraced by the culture staff.

The 2014 funding provided by the province of Prince Edward Island in celebration of the 150th anniversary of the Charlottetown Conference enabled Culture Summerside and its non-profit arm, Wyatt Heritage Properties Inc. to undertake some long desired initiatives and major cultural programming.

Through a 2014 grant of \$25,000, and a \$7,000 grant from the Storytellers of Canada/ Conteurs du Canada, Culture Summerside hosted the 2014 National Storytellers of Canada/Conteurs du Canada Conference in early July. It was the first time the conference was held in the province of PEI. It was attended by 115 delegates from across Canada, as well as United States and Israel representation. Culture Summerside developed the conference with the theme, The Island Way, and were pleased to be rated as one of the best conferences experienced by the organization. Credit Union Place proved the perfect venue for the conference. A number of other community venues were also utilized in program delivery and highly rated. From the endeavour, Culture Summerside is now working to establish a Storytelling Circle in Summerside that will become part of the national organization.

Through 2014 celebration funding, Wyatt Heritage Properties Inc. received \$150,000 for three projects. The first was the Laying of the Keel Exhibit featured throughout the summer and fall months on historic downtown Water Street. The exhibit made known the stories of the entrepreneurs of the early shipbuilding community, as researched and compiled through the MacNaught History Centre and Archives. Locals and tourists alike enjoyed the exhibit boards mounted on light posts from Granville Street through to Central Street.

Starting July 14th, the sounds of Chautauqua returned to Summerside, having last being heard in 1929. The five day Spirit of Chautauqua Festival recreated the programming of early travelling North American Chautauqua shows that both educated and entertained small American and Canadian communities in the early part of the 20th century. The Chautauqua tents on historic Water Street celebrated the arts, heritage, and culture of Summerside and Prince Edward Island through music, dance, lectures, plays, and the works of artists and artisans. Over 15,500 people, entered the tent, and were a combination of locals, Island tourists, and off-Island tourists. The project proved effective in bringing people to the downtown.

The third component of the project was the development of a shoreline seafood safari walking tour that celebrated the rich history and stories of the harbour coastline.

In addition to the above special projects Culture Summerside implemented its regular year-round programming schedule including, Flag Day celebration, The Mayor's Heritage Tea, Summerside Heritage and Culture Awards, Olde Fashioned Carnival, Concerts in the Garden, Arts in Motion, Storytelling Festival, Historic Ghostwalk, Summer Youth Programming, and School Christmas program.

This is in addition to running the MacNaught History Centre and Archives Art Gallery program, Sixty Days of Fame, and the Gallery 33 Art exhibit. As well, staff developed tour programming for schools, conference groups, bus tours, etc. Also numerous outreach programming was conducted for schools, Holland College, community schools, senior groups, special need groups, conferences, etc.

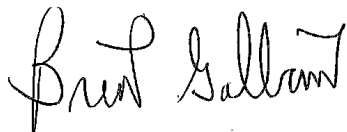
The MacNaught History Centre and Archives was accessed by numerous researchers throughout 2014, and offered many community outreach programs. The Wyatt Historic House Museum, The Bishop Machine Shop, and the International Fox Museum and Hall of Fame were well utilized by visitors to the city. Marketing strategies to attract more visitors are continually under review. Six students secured summer employment as summer guides in the various sites giving them an inside view into the world and careers of archives and museums. Conservation work on the various collections continued to be a focal point for cultural staff throughout 2014.

In 2014 Culture Summerside continued to strengthen its cultural partners within the community by working jointly on several projects that will increase the profile and appeal of the city as a cultural destination. Partnering with Downtown Summerside has proved highly beneficial in carrying out downtown programming. Also in 2014, Centre Belle Alliance proved a strong partner in the delivery of Chautauqua, and joining with Katherine Dewar, author of Those Splendid Girls, to celebrate the Island nurses of World War One, gave access to amazing research material that allowed for the creation of entertaining fact-filled radio dramas. A working partnership with Harbourfront Theatre brought The Tales of the Town recording trailer to Chautauqua. In 2014, Archivist Fred Horne assumed the presidency of the PEI Genealogical Society, Jean MacKay represented Culture Summerside on the Community Museums Association Board, and Marlene Campbell represented Culture Summerside on the provincial Festivals and Events Board. Culture Summerside is encouraged by its growing number of volunteers from the community who make it possible to carry out many of the programs.

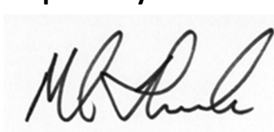
Culture Summerside also worked to access private, provincial, and federal funding for cultural projects. The success rate was rewarding, and that in turn helped to strengthen the cultural community as the majority of the funding was channelled through Culture Summerside/Wyatt Heritage Properties Inc. to artists, artisans, musicians, and the business community. Several of the Culture Plan recommendations were implemented and others continued to be strengthened.

Culture Summerside has set itself a number of ambitious objectives for 2015 to continue the growth, celebration, and prominence of our city's rich heritage and culture.

Respectfully submitted,



Councillor Brent Gallant
Chair of Economic Development



Mike Thususka
Director of Economic Development – Culture



Councillor Brian McFeely
Chair of Culture



Councillor Norma McColeman
Chair of Fire Services



Jim Peters
Fire Chief

December 31st, 2014

Fire Services

During the year 2014, the losses totaled \$267,686 within Summerside Fire Services' coverage area as compared to \$1,082,500 the previous year. Firefighters responded to 202 incidents. The types of responses included:

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|------------------|-------------|-------------|-------------|-------------|-------------|
| Mutual Aid | 4 | 1 | 1 | 1 | 3 |
| Rescue | 11 | 4 | 14 | 20 | 19 |
| Alarm Panel | 48 | 47 | 43 | 57 | 43 |
| Flue Fires | 3 | 2 | 2 | 2 | 0 |
| Dumpster/Rubbish | 4 | 6 | 33 | 7 | 5 |
| Electrical | 21 | 9 | 2 | 0 | 0 |
| Grass Fires | 0 | 5 | 14 | 3 | 3 |
| Vehicle Fires | 10 | 17 | 15 | 9 | 10 |
| Structural Fires | 16 | 21 | 15 | 20 | 16 |
| Appliance Fires | 0 | 3 | 0 | 3 | 1 |
| Accidental False | 3 | 5 | 1 | 10 | 0 |
| Malicious False | 0 | 0 | 0 | 1 | 0 |
| Miscellaneous | 52 | 46 | 35 | 35 | 53 |
| Carbon Monoxide | 3 | 4 | 5 | 7 | 2 |
| Cancelled Calls | 27 | 35 | 25 | 25 | 33 |
| Suspected Arson | 1 | 0 | 3 | 3 | 1 |

The breakdown of responses since 2010 is as follows:

| Year | Responses | Fire Losses | Fire Deaths |
|------|-----------|-------------|-------------|
| 2010 | 188 | \$175,500 | 0 |
| 2011 | 200 | \$6,912,500 | 0 |
| 2012 | 205 | \$270,500 | 0 |
| 2013 | 205 | \$1,082,500 | 1 |
| 2014 | 202 | \$267,686 | 0 |

Training

Fire fighters received a total of 2,563 hours of training for an average of 51 hours per fire fighter. Training Officer, Tony Gallant, organizes the training program for the department.

Fire Prevention

Captain Ron Enman organized the Lunch and Learn Program for students of all elementary schools in the city. As well, Lawrence LaPierre hosted children from many schools and daycare centers for a fire safety talk at Summerside's Fire Station One during 2014.

Equipment

| | |
|-------------------|--------------------------------------|
| Engine 1 | 1991 Spartan, 1050 GPM - 800 gallons |
| Engine 2 | 1991 Spartan, 1050 GPM - 800 gallons |
| Engine 3 | 1995 Spartan, 1050 GPM – 800 gallons |
| Engine 4 | 2005 Pierce, 1050 GPM - 2300 gallons |
| Ladder | 2002 Smeal, 1750 GPM – 85 foot |
| Rescue | 2007 Metalfab Custom Rescue Truck |
| Auxiliary Company | 1991 Grumman Olsen |
| Utility Truck | 2007 Ford Van |
| Command Vehicle | 2008 Ford Escape |

Respectfully submitted,



Councillor Norma McColeman
Chair of Fire Services



Jim Peters
Fire Chief



Councillor Brian McFeely
Chair of Human Resources
and Legal Affairs



Gordon MacFarlane
Director of Human Resources
and Legal Affairs

December 31st, 2014

Human Resources and Legal Affairs

On behalf of the Human Resources and Legal Affairs Committee of the City of Summerside, I am pleased to submit the Annual Report for 2014.

This has been a busy and rewarding year for the department. In addition to providing payroll services, benefits assistance, Council support, legal advice and guidance, representation, and health and wellness initiatives for our staff and their families, some of our Department's accomplishments have included:

Staffing

The Department was busy this past year with job competitions and staffing, including unionized, non-unionized, and management positions as well as student interns and seasonal employees.

Retirements:

Phil Hardy
Paul MacAusland
Reg Richard

Internal Position Changes:

Andrew Peters – Apprentice Lineman
Cathy Arsenault – Police Steno
Mysie Merrett – Cashier
Rob Steele – Electric Utility Production Supervisor
Ryan Ellis – Meter Reader

New Full-Time Employees

Winston Gallant – WWTP Operator
Tyler Doyle – Payroll Clerk
Tanya Yeo-Campbell – PROS Clerk Police
Steven Muncey – Ice Maker
Steven Mugridge – Ice Maker
Paul LeMay – Ice Maker
Brett Montgomery – Police Constable
Craig Murphy – Police Constable

Gino Scichilone – Police Constable
Mike Jones – Police Constable
Gary Bryson – Power Plant Operator
Don Quarles – Lobster Carnival Coordinator
Hannah Cormier – CSR Finance
Jamie Betton – Electrician
Jan Cameron – GIS Technician
Jeff Sheculski – Event and Corporate Services Manager
Jennifer Egan – Switchboard Operator
Kimber Lee Campbell – Police Dispatcher
Michelle DesRoche – Billing Clerk

2014 saw several Health and Wellness initiatives including management and supervisor training, lunch and learns, contests and team building activities including photo contests, fitness challenges and recognition events. In May the seventh annual Green Commute Club encouraged City staff to walk, bike, or carpool to work from May until October. City employees taking part in this challenge saw tremendous health, environmental, and financial benefits from participation. City businesses and teachers were also invited to participate.

In April a Rewards & Recognition Ceremony was held where employees were recognized for their long service with the former municipalities and now the City of Summerside.

The confidential Employees Assistance Program continues to be provided by Sheppel fgi. Statistics show that the program is well used by the City of Summerside Employees and their families.

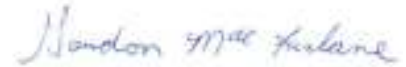
Occupational Health and Safety remains paramount in our commitment to the health and safety of our most valuable asset – our people. Training, workplace inspections, active safety committees and a genuine commitment to continually working to compliance is paying dividends in terms of employee safety, engagement, and trust.

In closing I would like to thank the staff of the Human Resources and Legal Affairs Department for their support at over 100 meetings this year and their continued dedication towards maintaining the City of Summerside as a challenging, fulfilling, and rewarding place to work and provide services to the citizens of Summerside.

Respectfully submitted,



**Councillor Brian McFeely
Chair of Human Resources
and Legal Affairs**



**Gordon MacFarlane
Director of Human Resources
and Legal Affairs**



Councillor Gordie Whitlock
Chair of Municipal Services



Greg Gaudet
Director of Municipal Services



Councillor Greg Campbell
Chair of Electric Services

December 31st, 2014

Municipal Services

As Chair of the Municipal Services Committee, I am very pleased to present the 2014 Municipal Services Annual Report.

In the Public Works Division, the City cleared snow from the streets 27 times, sidewalks 20 times, salted the streets 40 times, salted sidewalks 25 times, cleared the downtown core of snow 12 times, City Parking lots 25 times and cleared out fire hydrants 6 times. In 2014 public works division spent approximately \$142,000 on new capital equipment such as a new snow blower (well used in 2015). The following infrastructure was repaired during the year: 43 Driveway culverts, 112.5 kilometres of roadway were patched, 58.0 kilometres of sidewalks repaired were necessary, 7 catch basins, loaded bio-solids material and performed grass cutting in ditches and vacant lots that are owned by the City.

The Water and Sewer Division experienced 18 water main breaks in 2014 and 16 water valves were repaired. The City Water and Sewer Division assisted Technical Services Department in its capital work on new water and sewer main replacements and providing sampling for testing of the mains for potable water before bringing the new mains on line. Staff performed 85 water disconnects, repaired 15 water services, and repaired 9 fire hydrants in 2014. The Staff installed 22 new water taps and/or sewer services this year. The staff responded to 183 sewer calls, performed 5 video inspections on sewer laterals and mains were necessary, repaired 10 sewer manholes and staff repaired 13 sewer laterals this year.

In 2014, the Water and Sewer utilities operations spent approximately \$300,000 on new equipment such as a new loader and new work truck. The City continued to chlorinate the water system, take bi-weekly samples to ensure safe drinking water for residents and test for chlorine residuals three to four times weekly. The City publishes on its website all drinking water test results for 2014 by the end of April of 2014.

The year 2014 was the 7th full year of operation for Summerside's tertiary Waste Water Treatment Plant. The treatment plant exceeded effluent quality expectations for 2014! The average total suspended solids were 3 mm/l. The carbonaceous biological oxygen demand averaged less than 23 mm/l for 2013, while our effluent fecal coliform count averaging less than 200 MPN per 100 ml for the year. The biosolids processing/handling facility (N-Viro process) produced 4,844 tonnes of class A fertilizer which was sold to Agromart. The Summerside facility continues to handle all of the hauled septage from the western half of Prince Edward Island and has received in 2014 a total of 1,031,344 gallons. The Treatment Plant operations were modified slightly to practically eliminate landfill tonnage of sludge products from the plant. The plant's usage flow was 807,184,246 (612,191,484 2013 number) imperial gallons which is an increase of 31.8% over 2013.

As presented, the Municipal Services Department of the City of Summerside had a busy year with the operations of a waste water treatment facility, new constructions/developments throughout the city, capital projects, and weather conditions for 2014. In recognition of this, I wish to take this opportunity to thank the Municipal Services staff for their dedication and hard work during the year.

Electric Services

As Chair of the Electric Committee, I am very pleased to present the 2014 Electric Services Annual Report.

The Electric Utility's Distribution Revenue from KWH Sales increased by 4.3% over 2013 mainly due to an increase in electric consumption in the Residential and Industrial Sectors. The Residential sector increased by 7.0%, the Commercial sector increased by 2.3%, the Industrial sector increased by 6.2% and lighting increased by 2.1%. This was mainly due to the continued increase in electricity used to heat homes and hot water in the residential sector; aided in part by the City's "Heat for Less Now" consumer program. Revenue from total sales averaged 14.95 cents per kilowatt sold which was an increase of 2.65% over 2013 due to rate increase to customers in March of 2014.. Exports of wind power to NB was reduced from 3,108,000 kwh's to 2,004,000 by our continued offering of the heat for less now program, an additional 1,104,000 kwh's staying to benefit customers locally. The City entered into its 3rd year of a 7 year energy supply contract with NB Power on September 2012 and continues until August 31, 2019 for part of its electricity supply. The City's energy makeup for 2014 came from NB Power at 56.6%, the City of Summerside Wind Farm at 23.0% and the remainder from the supply contract of wind energy from West Cape Energy at 20.0%. The City of Summerside continues into the 8th year of a 20 year power purchase agreement with West Cape Energy and the 6th year of commercial operations of its own wind farm which saw 43.0% of its energy needs being supplied with renewable energy this year from the wind farm in West Cape and the City's own wind farm; more impressively, the Summerside Electric customers were supplied with 100% wind power for 1,354 hours of 2014 or 15.4% of the time. The City of Summerside 12MW wind farm has delivered 31,925,000 kWh's to Summerside Electric customers which is 8.0% above target performance for 2014. The kilowatt hours consumption increased by 1.6% over 2013 largely because consumption was up in Residential customer sectors by 6.4% with all other sectors relatively flat. Generation at our Harvard Street generating station slightly increased to 477,361 kilowatts hours from 433,825 in 2013. The need to run generation in 2014 was directly related to overloading of the submarine cable and transmission maintenance in New Brunswick.

Distribution lines were extended on Woodridge Park, Pope Road, and Ryan Street to support developments and provide electrical services for a total of 0.8 km of new primary circuit kilometers, 1.0 km of lines were upgrade and 0.5 km of secondary was replaced. In 2014, the Utility had a decrease in growth of customers at 59 less customers a decrease from 57 new customers in 2013. This resulted in a 0.8% customer recession for Summerside Electric.

Summerside Electric undertook \$2,961,500 of capital work to enhance infrastructure throughout the utility. Some of those items was the construction of a new 2.0 MW generator to bring our capacity at the power plant to 15 megawatts, continuing with the 3rd and 4th phases of the MyPowerNet initiative, primary circuit extensions for developments, transformers for developments, a replacement transformer for the substation, a new wire reel trailer, 2 electric vehicles, and the initial start of a LED street lighting replacement program.

Summerside Electric continued its initiative in 2014 with its Heat for Less Now program. The Heat for Less Now program continued throughout 2014 and increased its heating appliances to a total of 257 (69 new for 2014) which have been sold to customers offering them significant savings with electric heat versus oil. There are 94 room heaters, 121 hot water heaters and 42 furnaces. The increased annual kwh sales to the electrical utility from this initiative are 6,609,737 kwh's. The MyPowerNet project's 3rd and 4th phases was started in 2014 and will be finished in 2015. By the end of 2014 there have been 581 smart meters deployed in the City of Summerside. The Route 2 wireless ISP was successfully divested by the City of Summerside and the creation of a new Island wide privately owned company emerged as Island Telecom.

As presented, Summerside Electric of the City of Summerside had a busy year with the operations of the Heat For Less Now program, new constructions/developments throughout the city, the MyPowerNet initiative, capital projects and distribution line upgrades for 2014. In recognition of this, I wish to take this opportunity to thank Summerside Electric staff for their dedication and hard work during the year.

Respectfully submitted,



Councillor Gordie Whitlock
Chair of Municipal Services



Greg Gaudet
Director of Municipal Services



Councillor Greg Campbell
Chair of Electric Services



Councillor Norma McColeman
Chair of Police Services



Dave Poirier
Chief of Police

December 31st, 2014

Police Services

On behalf of Summerside Police Services this 2014 Departmental Annual Report is being presented to the residents of the City of Summerside.

In 2014 Summerside Police Service opened 7592 new files compared to 7993 new files in 2013. The actual Criminal Code offences decreased in 2014 to 2019 as compared to 2351 in 2013. Our motor vehicle accident rate has decreased slightly from last year with a total of 331 accidents reported compared to 351 in 2013. Of these, 102 were accidents with more than \$2000.00 damage, and 124 were accidents with less than \$2000.00 damage. The number of injury accidents has decreased from 37 in 2013 to 32 in 2014. We again in had a fatality free year.

The general patrol section consists of 18 uniformed positions in addition to six part-time officers. Our members patrol the city 24 hours per day, 7 days a week with visibility being a priority, along with traffic duties, foot patrols, answering calls, school talks, and any other assignment as determined by the shift commander of that particular day. Our police service continues to use the P.R.O.S. (Police Reporting & Occurrence System) as our reporting and filing system.

The Major Crime Unit of the Summerside Police Service is currently comprised of four full time members with one person positioned full time in a Joint Forces Drug Unit with the RCMP. The Major Crime Unit deals with occurrences that require specialized and /or extended periods of investigation into reports of murder, manslaughter, serious assaults including sexual assaults, major break and enters, major frauds, computer crime, car thefts and child pornography investigations. The Unit also assists in conducting search and seizures pertaining to the Controlled Drugs and Substances Act and coordinates court-ordered DNA sample taking. Members on a regular basis assist patrol members with active investigations they have, in supplying information, direction, and any other assistance they can provide with time permitting. This unit also monitors criminal activity and offender trends, and works with CISPEI in identifying target groups in this jurisdiction that are involved in criminal activity as well as providing assistance to local businesses by identifying problems of criminal activity such as fraud, theft, counterfeiting, and internal thefts and formulates solutions to benefit the security of these businesses. The unit also identifies and processes all counterfeit currency that comes to the attention of the Service. Members of this unit also assist in VIP visits to the city and participate in crime prevention presentations to the community.

This unit is also responsible for overseeing the Forensic Identification work for the police service. It presently has two fully trained forensic Identification officers who respond to incidents that require the collection of forensic evidence in serious incidents. These officers also attend sudden deaths and autopsies where there is a requirement for the collection of evidence. . Members of MCU also are presently responsible for the electronic collection, and submission of fingerprints to Ottawa via the LiveScan unit. Presently members of this unit also act as Liaison officers for CISPEI and the Provincial Crisis Negotiators team.

In 2014, the Prince District Joint Forces Drug Unit conducted 34 searches of residences and vehicles, in the Prince County & Summerside area. These searches resulted in the seizure of cocaine, marijuana, hashish, a honey oil lab, marijuana plants, methamphetamine, contraband cigarettes, and prescription medications. Also seized during the searches were pepper spray and a taser. As a result of search warrants executed and arrests in 2014, the JFO Drug Section seized drugs with a street value of

approximately \$60,000 dollars. There were 17 scales seized, 26 cell phones as well as over \$3400 in Canadian currency which is related to the sale of illicit drugs. The unit was also involved in numerous drug lectures; they remain members of the PEI Prescription Drug Committee and were involved in the apprehension of three separate targets who were heavily involved in rashes of theft from vehicles. As a result of these searches & seizures, 50 people were arrested and 66 drug related charges have been laid along with 13 Criminal Code charges. This unit is expecting another busy year in 2015.

This police service also has three members in the Tactical Troop in partnership with our counterparts in the municipal forces, and the Royal Canadian Mounted Police. The Troop is utilized for crowd control in cases of major disturbances or demonstrations where large crowds are present. This police service also has one member on the provincial Emergency Response Team. (ERT). There is also a member that is an (ERMT) Emergency Response Medic. He provides medical assistance to ERT in an emergency. This member was a paramedic for 11 years prior to joining the Summerside Police Services.

The traffic by-law officer and patrol members issued 1430 municipal by-law tickets in 2014. Under numerous Memorandum of Understanding with local malls, our police service continues to enforce disabled parking and fire lane areas. This police service also continues to utilize the Animal Control Officer to enforce our Animal Control By-Law and this officer provides several hours of dog patrols in the city each week and impounds dogs at large.

Dave Ellis of the Youth Intervention Outreach Program (YIOP) is employed by the provincial government through Community and Correctional Services. His office space is made available for the outreach program in the Summerside Police Services building. The program goal is to decrease the number of youth aged 12 - 18 years from entering the formal justice system. Police officers who have identified youth at risk can make referrals to the outreach program in lieu of formal charges. In 2014, Dave received a large number of referrals from Summerside Police officers. Typical reasons for referrals include shoplifting, property damage, assault, drug /alcohol use and family conflict. Some intervention programs offered in 2014 were: Anti-bullying presentations, anger management, conflict resolution, guitar lessons, music productions in conjunction with Summerside Intermediate School, fishing trips, job search, introduction to community organizations, victim/offender mediation, life skills program for kids in custody, and extensive one-on-one counselling. Dave created a program in 2012 named 'Operation Graffiti Wipeout' which is intended to help curb the graffiti problem in Summerside; The program's goal is to hold offenders accountable for their actions, encourage, and educate offenders to find better ways to express their artistic talent and decrease the amount of graffiti in Summerside. The YIOP offers police officers the opportunity to divert youth away from the formal justice system while still holding youth accountable for their actions. The program helps youth deal with underlying root causes for their behaviour.

This police service continues to emphasize the importance of ongoing training. During 2014, several members were sent to the Canadian Police College in Ottawa, and Atlantic Police Academy for specialized training. With the implementation of the Police Act in 2010, the mandatory training standards which are included in the Regulations of the Act will continue in 2014 with a detailed report to the Minister due by March 31, 2014.

Our Dispatch Centre employs four full-time and two part-time Dispatchers. They receive thousands of calls from the public each year for emergencies and other services. They also monitor over a hundred alarms, monitor our police officers on patrol, and conduct numerous computer database queries for our police and fire services. They also provide dispatch services to the Kensington Police under contract.

Last, but certainly not least, our police service also has a Court Liaison Officer, an Admin Assistant, and a Data Input person, who are all an integral part of our police services team.

We wish to take this opportunity to express sincere thanks to the police services staff, for their commitment and dedication throughout the past year.

Respectfully submitted,



Councillor Norma McColeman
Chair of Police Services



Dave Poirier
Police Chief



Deputy Mayor Bruce MacDougall
Chair of Technical Services



Aaron MacDonald
Director of Technical Services

December 31st, 2014

Technical Services

On behalf of Technical Services this 2014 Departmental Annual Report is being presented to the residents of the City of Summerside.

It was a busy year for the Department with building permits issued totaling \$21.3 million. The Department is responsible for the following: administering the Official Plan, zoning, subdivision, heritage and building bylaws and providing engineering for the City's water, sewer, electric, street and drainage systems including all capital works.

A comprehensive review of the Official Plan is underway and a Working Group has met numerous times and reviewed issues. A Progress Report to Council was completed, which proposes a vision and development goals for the next 5 years. It is expected that the Plan will be completed by the fall of 2015.

Numerous other improvements have been made to our bylaws and in particular, studies have been undertaken to find ways to reduce development costs thus improving the City's competitiveness and will be incorporated into the Official Plan proposals for the upcoming year. A customer survey was completed in the fall and reported to council.

Staff continues to review and bring forward ideas and suggestions that relate to development and improving the business climate in the City. Some bylaw improvements will be brought forward early in 2015.

A number of requests for subdivisions were approved for residential building lots. D & D subdivision was approved and constructed this year bringing 66 new lots on the market. Other subdivision approvals were granted for minor subdivisions, lot consolidations, appendages as well as commercial, institutional and industrial lots.

A number of residential and commercial site plans were reviewed for conformance with parking and building setbacks to property lines. Staff provided assistance and advice to the public and development community concerning property complaints, zoning bylaw interpretations and other zoning issues. Several requests were processed by Council under the City Official Plan and Zoning Bylaw including official plan and zoning amendments, variance requests, discretionary use requests, and conditional use permits. Staff attends and participates at Island Regulatory & Appeals Commission [IRAC] hearings on land use appeals, as required. There were no appeals in 2014.

Development in the city for 2014 has resulted in 189 building permits issued with an estimated construction value of \$21.3 million. Construction for 2014 saw 97 new construction starts, 57 additions/ alterations to existing commercial and residential buildings. The inspector's position completed approximately 443 inspections this year, relating to both fire and building related inspections.

Staff coordinated various projects with the electric utility, assisted developers to get and access City utility services, overviewed a few make ready applications for Telecommunication companies, issued various permits for residential and commercial constructions, continued with #3 generator installation project, maintained substation equipment and completed annually maintenance, and reviewed the monthly load.

Water and Sewer Capital Projects carried out in 2014 included the replacement of the water mains on Saunders Avenue between MacEwen Road and High Street and on Ottawa Street between Shurgain and Johnston Street. The City replaced sewer mains on Ottawa Street from Autumn Street to Granville Street and on Arcona Street from Ottawa Street to Green Street. Duplicate water mains were eliminated on Arcona Street between Ottawa Street and Green Street and on Green Street between Arcona Street and Granville Street. New sewer and water mains were installed on Pope Road between Central Street and Duke Street. Two new sewage lift stations were installed one on Granville Street and the other in Lefurgey Subdivision. Both of these stations will be commissioned and connected to the existing system in 2015.

The 2014 Paving Capital Project resurfaced approximately 9.5 km of streets of which were 8.08 km of locals and 1.42 km of Collectors. A section of Heather Moyse Drive was resurfaced due to unexpected deterioration of the north bound lane along the Queens Wharf Fish Plant.

The City's Capital Sidewalk Project also replaced approximately 1.24 km of deteriorated sidewalks and installed 1.675 km of new sidewalk.

The Storm Sewer 2014 Capital Projects was performed in 4 Phases. Phase 1- a section of MacKenzie Drive area; Phase 2- a section Central Street and two locations of Water Street East; Phase 3- a section of Pope Road and Small Avenue; and Phase 4- included Curran Drive and Leonce Arsenault Drive.

A review of the City's Storm Water Management Policies was carried out by a third party firm, WSP Canada. This review is to evaluate new standards for controlling storm water and designing new city infrastructure in the City. This report will look at six major City existing storm water structures; and evaluate for necessary repairs and remaining lifespan for replacement.

Traffic surveys were conducted at 99 locations this year to collect annual traffic data at yearly, bi-yearly and requested locations during the season. Individual survey summary reports were provided to Police Services for their information on traffic amount and speeds for these areas; and a summary report of AADT's (Average Annual Daily Traffic) for these streets was provided to the Economic Development department to be posted to the city's web site.

The Land Development Office (LDO) software is utilized by staff, for all its Planning and Development applications. Phase 2 of the implementation of the advanced ArcGIS software has been completed. All technical services staff members have been successfully transferred from ArcView 3.2 to ArcMap 10.2 and are now analyzing and working with data organized within the City's newly created geodatabase. An online GIS program has also been made available for users within other departments to ensure that all city staff members have access to the most current data. Current departments utilizing the web based GIS include Municipal Services, Economic Development, Finance and Police.

Data is organized and stored within the geodatabase as it becomes available. Updates of the property assessment data and the 911 civic address data are downloaded from the province via ftp site bi-weekly. Other frequently updated datasets include streets, zoning boundaries, and infrastructure. The infrastructure datasets are updated upon completion of the "as built" construction plans. These "as built" plans are now being drafted within AutoCAD Civil3D 2015 which is an upgrade from the previous 2006 AutoCAD software. This upgrade in drafting software was a vital step to ensuring that the City remains current and on par with local industry.

In closing, we would like to would like to express my thanks to the Technical Services staff for the excellent cooperation and assistance they have provided over the past year.

Respectfully submitted,



**Deputy Mayor Bruce MacDougall
Chair of Technical Services**



**Aaron MacDonald
Director of Technical Services**



Councillor Frank Costa
Chair of Financial Services



Rob Philpott
Director of Financial Services

December 31st, 2014

Financial Services

As Chair of the Finance Committee, it gives me great pleasure to present to you this Annual Report on behalf of the Department of Financial Services. The mandate of the Department is to provide leadership and support to senior management, Mayor and Council in making decisions regarding the assets and resources under the City's stewardship. In doing so, the Department strives to ensure that both groups have sufficient, timely and appropriate information on which to make decisions regarding the effective and efficient use and operation of City resources and services.

On a broader level, municipal government is tasked with the responsibility of providing services to the public, and it strives to ensure that these services are provided to residents as promptly and cost effectively as possible. The Department plays a lead role in ensuring that senior leadership and Council are provided with the necessary information to evaluate and assess the quality and performance of these services, and to inform current and future policy direction for the growth and betterment of the community. While the Department has a strategic role to play in managing the fiscal resources of the City, it is very busy from an operational perspective as the Department manages the administration of items that occupy a central role in the everyday lives of residents such as fines, utility bills and other items.

In reflecting on the year just past, it was one of building upon a year of transition for the Department. It continued several initiatives aimed at enhancing openness and accountability for results. For example, the Department led the initial development of a long-term capital improvement plan which identifies the City's future infrastructure needs over the next ten years. This plan will serve as a blueprint for ongoing development and sustainability of the City's infrastructure while ensuring our residents continue to receive the quality services they deserve.

In the interest of good governance and accountability, a municipality needs to hear from its citizens on how it's managing public resources. As a City we need to continue to reach out and address the growing needs of our community. To that end, and in the spirit of enhancing openness and transparency, the Department once again led and facilitated pre-budget consultations with City staff and the general public, as well as holding a Community Roundtable with members of the City's business and not-for-profit community.

These processes received many positive reviews from staff and residents as well as the City's business community, and also offered important building blocks for future public engagement, whatever the purpose may be. We have also adopted a broader role for Council in the development of the City's Budget, which will help ensure stronger oversight of the City's finances. We are committed to meaningful engagement with our staff, elected officials and residents, and we look forward to doing more of this in the future. As well, the Department and the City continues to enjoy a good working relationship with other levels of government, such as its federal partners at the Atlantic Canada Opportunities Agency (ACOA). This partnership, along with funding from the Gas Tax Community Fund, has resulted in over \$2 million in funding for various capital projects in 2014, and we look forward to building upon this partnership in the future, while exploring opportunities for collaboration with other stakeholders.

It is an exciting time to be a resident of this great City. With an infusion of new elected leadership comes new ideas, new approaches, and a renewed optimism for the future. As well, our commercial and residential tax base is growing, and with that comes the expectation that services will align with the needs of our growing base. Our Department is pleased to provide leadership in ensuring that the public's expectations for fiscal accountability and sustainability will be met now and into the future. Looking ahead to 2015, the Department will be looking at effecting performance improvements in a number of areas, all with the intent of providing better information to senior management, Finance Committee, and Council to make decisions. We look forward to the results of these projects and ultimately to enhanced transparency and accountability for financial results.

On a final note, I want to take this opportunity to express my sincere appreciation to all staff of the Department for the great work they do in support of transparency, accountability and public engagement. I look forward to continuing to work with the Department as it builds upon its accomplishments of this past year and setting a foundation for continued success.

2014 Financial Report

We are pleased to present the City of Summerside's 2014 audited financial statements, which have been prepared by the management of the City and reviewed by our auditors, Grant Thornton. This report demonstrates the City's efforts in working towards the highest standards of performance measurement, accountability, transparency, and service delivery. The Consolidated Financial Statements of the City provide information about the economic resources, obligations and accumulated surplus of the City.

Operating Results Summary

Overall the City had a surplus of \$5.3 million dollars in 2014 (on a consolidated basis) due in part to additional unbudgeted revenue to support infrastructure projects in the city. In addition, we adopted a change in accounting practice which now compels us to report any annual changes in the financial position of the City's employee pension plan. Our utilities collectively had a surplus of \$1.2 million in 2014, resulting from lower-than-expected power purchases and less fuel consumed for power generation. Our General Fund had a surplus of \$807,000 due primarily to having spent less than anticipated on human resource costs to deliver on programs in 2014. As a result of the General Fund surplus, we were able to fully retire the accumulated operating deficit in the Fund.

Financial Position

The Consolidated Statement of Financial Position reports the City's financial and non-financial assets and liabilities, and accumulated surplus as at December 31, 2014, on a comparative basis to the 2013 results. The statement is used to evaluate the City's ability to finance its operations and to meet its obligations and commitments. The accumulated surplus, which represents the net assets of the City, is one of the key indicators on the Consolidated Statement of Financial Position. The annual change in the accumulated surplus is equal to the yearly excess of revenues over expenses for the year, which was \$5.3 million in 2014.

This increase in surplus is primarily attributable to the reasons noted above in the Operating Results Summary. There are other factors which contribute to the City's financial position, and these factors are discussed in the following paragraphs. One of the key measures of the City's financial position involves what is known as "net debt". This represents the total of the City's liabilities after one takes into account the City's financial assets (such as accounts receivable and short-term investments, and other assets that can be easily converted into cash). Stated another way, if the City were to cease operations today, net debt would be a picture of really what was owing by the City, after you take cash and other assets out of the equation.

The amount of the City's net debt is due in part to the size of its long term debt, which is reflective of an accumulation of loans that were taken on from 2000 to 2007 to finance several large infrastructure projects in the City (e.g. Boardwalk, Wastewater Treatment Plant, Credit Union Place and the windmill farm). More importantly, the City has adhered to a systemic and consistent program of debt reduction for the last few years, which has brought the City's long term debt down to \$65.3 million as of the end of 2014.

In terms of employee benefits, the City provides pension, sick leave, and severance pay benefit plans for qualifying employees. The cost of these plans is actuarially determined each year, based on best estimates of a number of assumptions. Some examples are the long-term expected rate of return on plan assets, inflation, increase in salaries, discount (interest) rates, and employee related factors such as retirement age, mortality, turnover, used sick leave, etc.

The City contributes to a defined benefit pension plan for employees as well as to a supplementary retirement plan for the members of Council, both providing benefits based on length of service and average annual income. As disclosed in Note 6 to

the Consolidated Financial Statements, the most current actuarial valuation of the City's employee pension plan was as of December 31, 2013. At that time, the unfunded liability was \$4.4 million, and projected to be reduced to \$3.4 million by the end of 2014. It is the expectation that the liability will be paid off in 13 years (all things being equal). The 2014 actuarial valuation will be forthcoming later this year, and a determination of any required action will be made at that time. The reason for the size of the unfunded liability primarily relates to the market performance of pension fund assets which have been below expectations.

Turning to what the City owns, it has physical assets such as land, buildings, equipment, vehicles, roads, underground networks, etc. These assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, and/or development of the assets. The cost, less estimated residual value of the assets are amortized on a straight-line basis over the assets' estimated useful lives, ranging from 5 to 100 years.

In 2014, the City made total capital investments of almost \$13 million under various projects. Major outlays were in buildings and permanent improvements (e.g. road, water and sewer); equipment, vehicles and moveable plant; and in work in progress of projects from earlier years. The ending book value of the City's tangible capital assets stood at \$195.3 million as at December 31, 2014.

Consolidated Statement of Cash Flow

The Consolidated Statement of Cash Flows summarizes how the City's cash position changed during the year by highlighting the City's sources and uses of cash. The statement is useful in determining the short term viability of the City, particularly its ability to pay bills. The statement reconciles the cash position of the City over the fiscal year ended December 31, 2014 by starting with income earned during the year, adding back amortization of tangible capital assets as well as other non-cash expenditures, adding cash provided by borrowing and other financing activities, and deducting capital expenditures and principal payments on debt. As at December 31, 2014, the City's cash position stood at an overdraft of \$11 million, an increase of \$600,000 over the previous year.

Consolidated Statement of Change in Net Debt

The City relies on borrowed funds to finance some of its capital expenditures, as there is a gap between capital expenditure needs and ongoing revenue sources. However, debt has remained at sustainable levels. The Consolidated Statement of Change in Net Debt reconciles the net debt of the City, year-over-year, where net debt is the City's financial assets (cash and equivalents) less financial liabilities. The statement reports on the extent to which expenditures in the year have been met by revenues recognized in the year. In 2014, the City's net debt decreased by \$176,000.

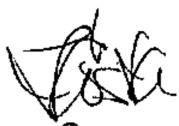
Comparison to Budget

The City prepares its annual budget on a cash basis rather than the full accrual basis now mandated for its annual consolidated financial statements by Canadian generally accepted accounting principles. There are many differences between the cash basis financial results derived from the cash budget, and the results provided by accrual based financial statement accounting. In order to compare the City's operating results to the approved budget for 2014; we must do it on a cash basis. The schedule in Note 10 to the financial statements provides that comparison.

Conclusion

The City of Summerside prepares its annual consolidated financing statements in accordance with Canadian generally accepted accounting principles as noted previously. It is hoped that readers of these statements will use them as one tool in assessing the City's accountability for the use of public funds, that assets are maintained and replaced as required and financed responsibly. Furthermore, these statements provide a useful way to assess the City's performance and serve as a benchmark for future comparison, policy direction, and planning.

Respectfully submitted,



Councillor Frank Costa
Chair of Financial Services



Rob Philpott
Director of Financial Services

Summerside City Hall

