

WEST HANTS MUNICIPALITY
Committee of the Whole – Budget Meeting Agenda - AMENDED
April 18, 2023, 6:00 p.m.
Sanford Council Chambers 76 Morison Dr, Windsor, NS
(also held via virtual via Zoom and Facebook livestreamed)



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1. Call to Order
 2. Attendance
 3. Announcements
 4. Approval of the Agenda, including additions or deletions
 5. Declaration(s) of Conflict of Interest
 6. 6:00-6:45 Water Utilities
 7. 6:45-7:30 Budget Recap
 8. 7:30-7:45 Break
 9. 7:45-9:00 Council Discussion and Direction
 - ~~10. 9:00-9:45 ~~Motions & Resolutions – Pending Council Discussions~~
 - ~~a. Budget Approval Motion~~
 - ~~b. Taxing Resolution~~
 - ~~c. HMCC Resolution~~
 - ~~d. Property Owners Association Resolutions~~~~
 - ~~11. ~~Public Participation Period~~~~
 12. Next Meeting Date / Adjournment
 - a. April 19, 2023 6 p.m.

WEST HANTS REGIONAL MUNICIPALITY
Special Committee of the Whole (Budget) - Meeting Minutes
April 18, 2023 - 6:00 p.m.



West Hants
something inspiring awaits

1. Call to Order – Deputy Mayor Paul Morton (Chair) called the meeting to order at 6:00 p.m.

2. Attendance
Council

Abraham Zebian, Mayor	Paul Morton, Deputy Mayor Dist. 8
Rupert Jannasch, Councillor Dist. 1 (ZOOM)	Bob Morton, Councillor Dist. 6
Scott McLean, Councillor Dist. 2	Ed Sherman, Councillor Dist. 7
Mark McLean, Councillor Dist. 3 (ZOOM)	John Smith, Councillor Dist. 9
Jeff Hartt, Councillor Dist. 4	Laurie Murley, Councillor Dist. 10
Debbie Francis, Councillor Dist. 5	Jim Ivey, Councillor Dist. 11

Staff

Mark Phillips, CAO	Deanna Snair, Exec. Asst/ Clerk
Shelleena Thornton, Municipal Operations Supervisor	Todd Richard, Dir. Public Works
Kathy Kehoe, Dir. Community Development	Carmen Dewar-Miller, Admin Assistant(ZOOM)
Diana Gibson, Acting Director of Financial Services	Sara Poirier, Dir. Planning and Development

3. Announcements (6:01 p.m.)
Deputy Mayor P. Morton acknowledged that we are in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq People and that this land is governed by the treaties of Peace and Friendship signed in 1726.
Birthday wishes extended to Mayor Zebian and Councillor B. Morton.

4. Approval of the Agenda, including additions or deletions (6:02 p.m.)
Voting occurred by a show of hands.

MOVED BY COUNCILLOR FRANCIS AND MAYOR ZEBIAN THAT THE 2023-04-18 SPECIAL COMMITTEE OF THE WHOLE (BUDGET) AGENDA BE APPROVED. MOTION CARRIED.

5. Declaration(s) of Conflict of Interest (6:01 p.m.) - None

6. Water Utilities (6:03 p.m.)
Acting Director Gibson reviewed the Water Utility budget summaries for both West Hants and Windsor. The West Hants budget looked very different compared to previous budget years. A lot of time was spent to show the utilities in a similar manner to better align the

two utilities and to allow for easier coding for departments as expenses were incurred. The water utility debt does not impact the overall Municipal debt.

West Hants

Revenue: increase was based on actual 2022-23 revenue.

Expense: Salary allocation increased (treatment = 6% and transmission & distribution = 18%). More staff were allocated to the utility this year. Other increases were a result of water, fuel and other expenses rising. A large improvement was seen in the projected deficit.

Discussion Points:

- West Hants Sewer utility rate increase was deferred last year.
- \$4,500 (Bulk water haul station) was separated to identify any expenses for this area.
- Items were moved from the Capital budget to leak detection based on a recommendation from the individuals doing the rate study.
- The decrease noted in sewer was due to reallocation based on actuals. An expense was not being coded to the correct account.
- Although both Windsor and WH expenses decreased, there was an increase in the actuals, not the budget.
- Staff will confirm the revenue from water sales (Commercial sales and Bulk sales).

Windsor

Revenue: decreased to reflect actual 2022-23 revenue.

Expense: Salary allocation increased. (treatment = 4.6% and transmission & distribution = 11.5 % for salary). Most of the increases were associated with the cost of services increasing for maintenance work required to be done on the utility). A large increase was seen in the expected surplus.

Discussion Points:

- The variances reflected budget to budget comparisons and were accurate to last year's budget. There was an increase in the actuals.
- Three Mile Plains, Wentworth, Dill, WH Underwood and WH service charge were all fees from the WH utility to the Windsor utility for water that was purchased, making up some of the expenses.
- Bulk water was a WH charge. Falmouth carries the revenue and expenses related to bulk water.

Water Utility Reserves – It was recommended (those doing the rate study) that a Sludge Reserve be created for the Windsor Utility.

Discussion Points:

- Reserves were healthy but there was a need to continue building them to ensure capacity for future growth and for repairs due to the aging plants. Projects.
- The water tower is being funded through long term debt (LTD). Should Council decide to fund the tower differently, there was capacity within the Reserves and Gas Tax.

- There were approximately 4000 water bills for the entire region. A breakdown per area will be provided.
- A third process train would allow full filter redundancy targets to be met, in addition to the ability to run at full capacity without issue should an enhancement/replacement be needed. All three Process trains would be in service.
- Capacity for future developments existed within the system. However continued investment in Capital projects was needed to maintain the resiliency/redundancy required for the system.

The 5 yr Capital Plan was reviewed. Projecting almost \$23 million combined in Capital projects for the next 5 years. Most projects were funded through long term debt (LTD), a large portion funded through the Reserves and also hoped to secure funding through Provincial/Federal government grants.

Discussion Points:

- \$3.2 million was the water tower (carry over from the 2022-23 budget). The second year has the third process train for just over \$3 million as well as 50% of the costs (\$1 million each) for the interconnect between Windsor and Falmouth. Other projects include the sluice gate upgrade - \$850,000, Mill Lakes Road connection - \$700,000 and Wentworth Road replacement - \$325,000.
- An additional water haul station was added to Windsor to provide two bulk water locations (install at the Public Works depo and utilize a deadline that exists to help reduce flushing requirements, resulting in a closer location for customers and potentially generate revenue to offset costs). It could be installed at another location at additional costs (securing property, power, etc.) Changing the location of the station or drilling a well would require additional costs outside what was proposed in the budget, the bulk water rate would be regulated by the Utility and Review Board (UARB). The rate study would identify the rate structure.
- Deferred 2021 Three Mile Plains service upgrades costs were service line upgrades from the street to the property line. The No. 1 was upgraded, but there were some leaks that continue to exist on the private property side.
- Water Utility debt was tracked but not utilizing a debt ratio. Project amounts above \$250,000 require UARB approval. It would be valuable to have the debt ratio, staff will explore having this information included in the rate study.

7. ***Budget Recap and Follow up Discussion from previous meeting*** – The suggestions from the last meeting and changes since the budget was presented were incorporated in the updated budget being presented.

Operating Budget updates were reviewed.

Increases were: Inspire West Hants Fund request to increase to \$20,000 (extra \$18,000), BFD Fire Chief Train (\$5,500), Hants Shore Community Centre (\$50,000), WH Grounds Search and Rescue (\$20,000), Walton Fire Services (\$5,000), EMO telephone and insurance (\$3,260), NSP Grant in Lieu (\$25,638), Municipal Grant Capacity (\$562,708).

Decreases made were for Regional Fire and Hantsport Fire EPA (\$2,180), By-Law insurance (\$1,540) and the MGA Farmland Revenue (\$992).

Discussion Points:

- Municipal Capacity Grant was doubled, the amount is determined yearly).
- The Walton Fire Dept. made a request to increase the amount they receive to match the increase made by East Hants. Most of their budget is funded by the department's own fundraising efforts.
- Other decreases in Fire budgets pertained to Windsor Fire. A request was made to increase their honorarium amount; an increase was made but not the full amount asked.

Capital and Reserve Budgets Updates were reviewed – savings were seen with the College Road Rehabilitation project (\$1,411,171). An additional expense (\$15,000) was added for Mariner's Dive paving. Within the Reserve budget, additions were made for the Sustainability Services Growth Grant (\$1,047,633), increased the Operating surplus by \$500,000. A decrease was noted in the proposed March 2023 RCMP balance (the retro invoice was received and paid).

Discussion Points:

- Paving from the No. 1 Hwy to town limits was on the Province's Capital list, they were waiting for the highway to be completed first.

Based on the Budget updates made; Council's capacity increased (now \$857,360), long term debt and draw from the CCBF Reserve for College Road decreased. An increase was seen in the proposed total Reserve budget. Based on previous discussions and with the health of the Reserves, some projects could be funded (fully or partially) through the Reserves resulting in decreased long-term debt, should that be the direction Council wanted to proceed.

Roads – Three scenarios were presented for consideration.

100 % General Rated Roads – Proposed WH tax rate would remain the same (normally be an increase but Council capacity would allow it to remain unchanged), Hantsport tax rate would decrease (\$0.2463), and the Windsor tax would decrease (\$0.2136). This scenario resulted in Council's capacity being decreased to \$174,780 and the Capital Reserve contribution would decrease from \$1.6 million to \$809,627.

50 % General Rated Roads – Hantsport tax rate would decrease by \$0.1197, Windsor's tax rate would decrease by \$0.0931, and the West Hants tax rate would decrease by \$0.0297. The Capital contribution remained unchanged, and Council's capacity decreased to \$550,564.

Only Main Roads General Rated would equate to a little more than 50% of the roads in Windsor and Hantsport. The Hantsport tax rate would decrease by \$ 0.1749, Windsor's tax rate would decrease by \$0.1179 and West Hants' tax rate would decrease by \$0.0294. The Capital contribution would remain unchanged, and Council's capacity would decrease to \$448,556.

Discussion Points:

- Road maintenance was an area rated expense based on geographic location. General rating roads would be beneficial to all areas and equally distribute the costs across the tax base for the entire region and alleviating the pressure of the tax rates in the service areas. Everyone uses the roads to access service centres.
- West Hants residents were area rated for RCMP costs, WHRM owned roads and waste collection. Windsor and Hantsport were area rated for cemeteries.
- Concern was raised that with the increase in assessments, it would be difficult to explain to a tax rate reduction for some areas and not all three areas. If one area was seeing a tax reduction, all areas should see a reduction in taxes. Areas should not be penalized because a cent was worth more in one area vs another area.
- The Municipal capacity grant (former equalization grant) enabled Council's capacity. Prior to consolidation, Hantsport received approximately \$124,000 (this ended in 2022) and West Hants never received an Equalization grant. The grant amount for this year was \$1,125,000. This amount would have been what the former town of Windsor (only) would have received. Without consolidation the region would not have received these funds.
- As one region, there was support for moving towards general rating roads (one rate for roads); the question remained with the process and how to quickly to move forward in the process (one step or more than one step). Thoughts were that it would be easier to explain a phased in approach.
- The increase in the Municipal capacity grant (former equalization grant) created enough capacity resulting in no draw required on the reserve for any of the proposed changes/scenarios.
- If roads were 100% General rated the entire cost (West Hants, Hantsport and Windsor) would be added together and then spread evenly across all of the residents.

Take away and bring back after break:

- What would the cost and impact on the Reserve if the West Hants tax rate was reduced by 2.5 cents? Maybe look at a 3 cent decrease as well.
- Consensus was to look at a tax reduction for all three areas (Hantsport, West Hants and Windsor).
- Value in having the modelling for the anticipated/approved development to better understand the projections and future revenue from these projects to determine if General rating roads and a reduced tax rate was sustainable.

8. A break occurred at 8 p.m.

The meeting resumed at 8:30 p.m.

9. Discussion and Direction

Modeling was provided to showcase the approved development in the next 10 years and the financial implications in terms of revenue the municipality would receive via taxes. Once all development was in place, projected tax revenue was expected to be \$2,801,131.08 per year (based on eight developments at the current tax rate).

Two developments fell within the West Hants rate and the remaining fell in the Windsor rate. Windmill Farms are not charged a tax rate, they were expected to generate approximately \$13,500 per windmill per year in revenue.

Diana reviewed the financial impacts if tax rates were reduced (1 cent - 5 cents) in West Hants. Take aways:

- General rating roads and reducing the tax rate lowers the cost of living, promotes growth and recruitment and expedites projects/development.
- The more growth in the serviced areas the more it helps offset costs for the entire region.
- A tax reduction across the board for all areas was achievable.
- With the increase in property assessments and West Hants having limited services (water, sewer, etc.), the challenge lies with educating and selling the idea to those WH residents.

The direction was to bring back what General Rating roads and a 2.5 cent decrease for the WH rate looked like.

If roads were 100 percent General rated, Council capacity was \$174,000 and the cost to decrease the WH tax rate by 2.5 cents was \$357,683.33, (50% of the support would have to come from a Reserve).

If 50% or only the main roads were General rated, there was more than enough left in capacity to cover the cost without any draw on the Reserve.

Discussion Points:

- Value in seeing a 2.5 cent decrease on the WH rate and the remaining funds be applied to roads (this is the amount that would be General rated) without any impact on the Operating budget.
- There was support to General rate roads if the same tax reduction was seen in all areas. The ability to make tax rates the same (cents) was not possible, there is a core cost in operating a business.
- The Municipal Capacity Grant would cover General rating roads.
- Diana will come back with more information and options for Council to consider. The consensus was that a tax reduction was a positive thing to see.

Deed Transfer Tax – There was value in knowing the comfort level with respect to Deed Transfer. Projected to end the fiscal year at approximately \$2.8 million.

Consensus was that Council was comfortable with \$2 million being the number for Deed Transfer tax.

Dianna will bring back scenarios for the next meeting and further discussions related to roads would continue.

J-Class Roads – increase to \$500,000 this current budget cycle to expedite the process (no effect on the general rate). This amount was not included in the updated budget being presented.

Hants Shore Community Health Centre - \$50,000 Operating grant was supported. This amount was included in the updated budget being presented.

Inspire Fund - increase to \$20,000 and was included in the updated budget being presented. This item was supported.

Ground Search and Rescue funding – Consensus was to support the additional \$20,000. This amount was included in the updated budget presented.

HMCC Memorial Pickle Ball Court Project – the increased ask was not included in the update budget information. Funding would be through CCBF and not have an impact on the Operating budget. This item would be discussed during the Grants process. Due to the project being larger than the original ask, it could be considered and approved outside the grants and contributions policy.

Streetlights – Previous discussions identified a desire for lighting in areas. \$20,000 was identified as a number. A suggestion was made that areas identified by residents should present a request to Council for consideration, a meeting would follow to determine the interest/willingness to have lighting in their area. The money would be in Reserves and could be allocated as needed, resulting in a decision being made at the time vs a decision being made and influencing the tax rate.

Street Sweeper – The previous suggestion was to remove the item from the budget. Director Richard spoke of the benefits and cost savings of having it as part of the fleet. A commercial street sweeper had a full vacuum service capability that increased the quality of the work being done and was more efficient.

Summary Points:

- Cleaner streets equated to safer streets for residents, pedestrians, cyclists and at intersections.
- Cost savings would be seen; one person running the machine compared to a group working on street sweeping. Catch basins, water valves and curb stops can be vacuumed out resulting in less debris entering the system.
- Currently services are contracted out and brought in when available. It takes approximately 3-4 weeks to get a street sweeper which causes a ripple effect and delays impact other projects.
- Currently the sweeper is brought in 3-4 times per year (175 hrs). There was a need/want to have it more, but the availability was not there.
- Proposing that the machine would be operating up to 16 hrs per day during peak times. It could also be rented out or participate in a service exchange agreement to generate income and help offset costs.
- Over \$100,000 was spent during the past 3 years on this service.

Discussion Points:

- There was no concern for surge if debris was removed from around catch basins. Certain catch basins have flow restrictors in place to reduce water flow to prevent surge. The intent was to prevent catch basins from being clogged with leaves and debris. Public works did not have the resources or equipment to clean catch basins.
- The weeds growing between the curb and asphalt were a result of not being able to clean/remove the debris.

- The material/dirt collected goes into a hopper in the truck and would be taken to a fill site and dumped in a confined area, the garbage would be sifted and taken away.
- There were no costs associated with floating, the Commercial unit can drive on highways/secondary roads.
- Concern was raised that \$350,000 was a lot to spend, was a secondhand unit explored.

A vote occurred via a show of hands to determine if the item would remain in the budget. Eight (8) voted in favour of the item remaining in the budget. Nays: Ivey, S. McLean, Hartt and Jannasch

Bulk water rate discussion and what we do with post consolidation funding – These discussions still need to occur.

Bulk Water Station – The station’s location was currently in the budget for Windsor at the Public Works depo. There was a desire to see the station in a different location (Three Mile Plains was identified) for it to be closer to those who use/need the service.

Discussion Points:

- The costs would be more than the \$75,000 identified within the budget if the location was moved. Additional costs would include securing land and getting power to the area. Staff can explore and research scenarios for Three Mile Plains.
- Getting the water closer to those who need the service would result in decreased fuel and trucking costs for delivery.
- If the station moved to Three Mile Plains, it would switch Utilities and would be approved in the Windsor utility not the WH utility.
- Value in having a larger discussion regarding potential subsidizing and or donating the station to help offset costs to bulk water users.
- Any amount under \$250,000 was a Capital expenditure on the West Hants water Utility; UARB approval was not required.
- Consensus was to explore a station in Three Mile Plains and staff will provide additional information on this.

Drone - would be used for enforcement (By-Law complaints, livestock at large, Dangerous or Unsightly properties that cannot be seen or for any illegal dumping sites. This was a previously budgeted item that was removed last year from the budget.

Discussion Points:

- Adds a layer of safety when accessing remote sites and helps alleviate conflicts between bylaw officers and difficult situations.
- As written in the budget (\$25,000), the drone had GPS capability allowing data to be input into the Planning Dept.’s mapping software that allowed the mapper to Geo-reference the footage taken. The footage is downloaded directly to the office computer system.
- A drone without GPS capabilities would be less efficient, the footage would need to be downloaded, reviewed and the Geo-reference locations would need to be input manually. was used the information would need to be manually.

- Kings County did have a drone, but they no longer use it. They contract the service out when it is required.
- Depending on the drone purchased, specialized training and licensing was required to operate it. Ideally there would be three (3) Planning Dept. staff trained to operate the drone. It could be utilized within other departments by those trained to use it.
- Consensus was that Council were in favour of acquiring a drone but the cost was the concern. The item was not debt serviced; it was being funded from Reserves.
- The Direction was Planning would return to Council with a report identifying what they needed for a drone, provide a variety of drones (price point and capabilities) up to a price point of \$25,000. Council would then discuss the item further prior to anything being purchased.

Windsor Township employee – The original ask was for \$60,000.

Discussion Points:

- Seen as part of Community Development and growth.
- There was concern that the position was similar to what VREN does. The township was ore localized and boots on the ground for the area.
- Would like to see accountability with the position. A one-year trial period and have a report provided on the efficiency of the position and accomplishments. Areas outside of Windsor need to benefit from this position as well.
- There would be value in knowing the difference between the programming already happening and what the programming would be like with the additional staff person and how the funding would be spent.
- The township already receives \$41,000 in funding for programming, an additional \$30,000 would equate to \$71,000 in total funding.
- Consensus was that more information was needed to make an informed decision. A request for the Township to present at the next meeting will be sent to provide clarity.

Security Cameras at all entry and exit points – Value in having the request go to the Police Advisory Board to determine from an RCMP perspective on where they are needed/wanted and what the benefits would be.

Diana shared information that IT was able to provide:

- Several different approaches have been taken when setting up cameras throughout the region. The previous approach was through the hard wire network (clearer video, people or vehicles can be seen). Low resolution can produce fuzzy pictures.
- Standalone cameras have a sim card, resulting in high overhead costs due to needing bucket trucks to switch out cards. Sim cards also require the information to be reviewed and can only hold specific amounts of data.
- Cameras connected to wireless networks tend to result in system jamming, they use a high portion of wireless bandwidth on the mobile networks and run constantly.

- IT would encourage sticking with a hard-wired approach, it does take longer to get in place and additional costs upfront, but the cameras produce better results.

A report will be provided next month re: Phase 3 for camera development (includes improvements in the downtown area and on Wentworth Road). Phase 4 has been identified and focuses on getting to the Chester Road extension by extending along King Street. Phase 5 looks at getting cameras further down Wentworth Road towards Hwy 215 and the Brooklyn and Newport intersections. Phase 6 would take it to Garlands Crossing. The Phase 3 hold up was not having the availability of the Fibre Networks to come and extend the network. Quotes were recently received.

Discussion Points:

- Frustration was expressed with the timeframe to get to this point as Phase 3 was initially introduced in Windsor in 2019. In the interest of crime reduction, it was important that we have a connection (even if it was not through VCFN). Important that this item not be passed over again for another budget year.
- Phase 3 was removed from the budget last year at the direction of Council. Phase 3 was in the Capital budget for this year at \$30,000, it was flexible how it could be implemented.
- Neighbouring municipalities have taken a residential approach using cameras with a cloud-based data retrieval and storage (not connected to a network) and SIM card approach. More cost effective.

BFD Fire Chief training seminar – Leadership training was supported; however, concerns were raised as to whether an international conference was the right place to receive this training.

Discussion Points:

- The addition of a WHRM Human Resource employee could be beneficial in assisting the volunteer services with human resource issues as well.
- Other Fire departments have attended similar leadership courses offered in the province.
- There was money available outside of Municipal funding to cover training. The province provided each department with \$10,000.
- Important to look at training with cost savings in mind, look at training as a group or in-house vs individual member training. Could support if for all Chief and done at a reasonable rate. We are a Regional Fire Service.
- Every department had training in their budgets. Other departments accessed equivalent training within the province.
- Supervisor Thornton clarified the conference was equally available to all Fire Chiefs, some we chiefs have a higher level of experience. Chief Richard is new to the position, the other seasoned chiefs may have already taken leadership courses.

A vote occurred by show of hands to support adding the costs of the international training conference for the BFD Chief. In favour of supporting the training were S. McLean, M. McLean, Hartt, Ivey and B. Morton. The vote was defeated.

Canada Community Building Fund (CCBF) and the Sustainability Services Growth Fund (SSGF) were discussions for a later date.

Residential Tax Assistance Program – Adding the increase to the residential tax assistance program (up to \$46,000 plus CPI per household income and the \$400 rebate tax assistance across all areas within WHRM) was supported.

Staff will bring back the changes/impacts on the budget at the next meeting. Projections can be shown based on a number or how many people apply and what that number would look like in dollar figures. The tax exemption line could be increased to account for any changes/impacts. Council supported the policy change for this year and going forward. The effective date could be retroactive as the previous deadline identified was June 30th.

Capital items – Value in reviewing the request for pre-approval items included in the Supplementary information section of the budget at the next meeting.

There was value in seeing what a percentage point equated to with respect to debt. Like to see Staff will provide options/scenarios for Council to review. some options, i.e. what a million dollars looks like in borrowing with respect to debt. Scenarios will include the dollar value as well.

10. Next Meeting Date / Adjournment – Next meeting will be Committee of the Whole Budget Meeting April 19, 2023, at 6p.m.

**MOVED BY COUNCILLORS IVEY AND SMITH THAT THE MEETING
ADJOURN AT 10:43 P.M. MOTION CARRIED**

Mayor Abraham Zebian

Deanna Snair, Municipal Clerk