

WEST HANTS MUNICIPALITY
Committee of the Whole – Budget Meeting Agenda
May 6, 2025, 5:00 p.m.
Sanford Council Chambers 76 Morison Dr, Windsor, NS
(also held via virtual via Zoom and YouTube livestreamed)
Agenda is subject to changes up to and including during the meeting



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1. Call to Order
 2. Attendance
 3. Approval of the Agenda, including additions or deletions
 4. Declaration(s) of Conflict of Interest
 5. Announcements
 6. 5:00-5:15 Introduction and Overview of 2025-26 Budget
Mark Phillips & Carlee Rochon
 7. 5:15-6:30 Operating Budget Overview
 - a. General Revenues and Expenses
 - b. Tax Rate Overview
 - c. Debt Services
 8. 6:30-7:00 Reserve Budget Overview
 9. 7:00-7:30 Break
 10. 7:30-9:45 Capital Budget Overview
 11. 9:45-10:00 Discussion & Direction from Council
 12. Next Meeting Date / Adjournment
 - a. Committee of the Whole Budget Meeting Wednesday, May 12, 2024, at 5:00 p.m.

1. **Call to Order** – Deputy Mayor Francis called the meeting to order at 5:00 p.m., noting quorum was achieved.

2. **Attendance**

Council

Abraham Zebian, Mayor

Rupert Jannasch, Councillor Dist. 1

Scott McLean, Councillor Dist. 2

Crystal Remme, Councillor Dist. 3

Paul Wheadon, Councillor Dist. 4

Bob Morton, Councillor Dist. 6

Debbie Francis, Deputy Mayor Dist. 5

Kayla Leary-Pinch, Councillor Dist. 7

Paul Morton, Councillor Dist. 8 (6:05 p.m.)

John Smith, Councillor Dist. 9

Bonnie Smith, Councillor Dist. 10

Jim Ivey, Councillor Dist. 11 (5:50 p.m.)

Staff

Mark Phillips, CAO

Carlie Rochon, Dir. Financial Services

Todd Richard, Dir. Public Works

Tim Leslie, Manager Building & Fire

Official

Deanna Snair, Exec. Asst/ Clerk

Karrie Fougere, Dir. Planning and Development

Kevin Bennet, Manager of Parks and Facilities

Kathy Kehoe, Dir. Community Development

Tim Bouter, Project Engineer

3. **Approval of the Agenda, including additions or deletions**

As there were no additions, the agenda as presented was accepted.

4. **Declaration(s) of Conflict of Interest** - None

5. **Announcements**

Deputy Mayor Francis acknowledged we are in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq People and this land is governed by the treaties of Peace and Friendship signed in 1726. West Hants Regional Municipality also recognizes that we are all treaty people and have responsibilities to this land and each other. West Hants Regional Municipality also recognizes African Nova Scotians are a distinct people whose history, legacies, and contributions have enriched that part of Mi'kma'ki known as Nova Scotia for over 400 years.

Council and I as Chair are committed to ensuring this meeting and its participants conduct themselves in a respectful and professional manner as outlined in the municipality's Municipal Code of Conduct. Meeting presenters, staff and the public are expected to conduct themselves in an equally respectful manner at all times the meeting is being conducted. I thank you all in advance for your commitment to these important meeting principles.

Congratulations were extended to Andrew Dill of Chef Dilly's on winning Burger Wars for 2025.

Appreciation was extended to all nurses during Nurses week (May 10-17th).

6. **Introduction and Overview of 2024-25 Budget**

Director Rochon introduced the 2025/26 Budget and reviewed the power point presentation.

Revenue - Tax revenue up \$3.6 (12.7%) from 2024/25. Reliance on Deed Transfer Tax increased by \$200,000. Extended Producer Responsibility (EPR) was a new revenue source coming online (December 2025).

Expenses – Expenses before debt servicing and transfers up \$2.8 million (9.3%) over the 2024/25 budget with no decrease to service levels in the proposed budget. There was a 5.7% increase in funding for residents and non-profits since 2024/25, which represented 4.3% of the operating budget. Increase in debt servicing costs of \$731,907. Across the board increases seen in facility costs associated with utilities, insurance and maintenance. Reductions in expenses were related to the MOU which resulted in public health/public housing deficit being removed from the budget. The proposed budget included two (2) seasonal positions for Community Development to support Parks and Grounds and the increase in services and offset seasonal labour shortages. A reduction in provincial taxes (decreased to 14%). In addition, two (2) minimum wage increases were built into the budget. Mandated costs (WCB and through CRA) increased. The proposed budget included a 3% increase for CPI and a 1% pension increase.

Reserves:

Contribution to Operating Reserve increased by \$100,000. Capital Reserve contributions increased by \$50,000. The Province extended the Sustainability Services Growth Funding (must be used by March 31, 2026).

Capital - \$55,882,592 scheduled in projects (including carryover from 2024-25), \$33,535,468 was funded through long term debt. Debt service ratio was projected to be 10.1% (yellow). Not including the water utility, the Capital budget sat at \$36 million, and borrowing was at \$18.5 million.

Director Rochon reviewed the budget prior to the document being released. Adjustments included removal of staff positions (Comms person, Procurement/Grants person, Building Official person and Aquatics Centre weekend staffing availability due to the inability to acquire appropriately trained staff), removal of proposed increase to WFD and SWH Fire Chief honourariums and SWH, extra tools, etc. Decorative lighting was moved to the Capital budget. A total of \$432,780.89 was removed from the budget.

Following the release of the document, additional changes were made to the Operating budget based on updated information. The net change was \$164,906.35 within the Operating budget), taking the proposed tax rate from \$0.010 to \$0.009.

Following the release of the document, additional changes were made to the Capital budget based on updated information received from the Brooklyn Fire Chief, the loop water main was removed (Evangeline to Chestnut), Tremaine Crescent Storm Water Culvert was removed (deferred), an increase to the Avondale boat launch related to the extension, Community Centre structural assessment was reduced to the approved amount and the addition of the contingency for the Causeway trail paving project which resulted in a net change of \$459,091.00. Other items for consideration included the BFD 2 Bay expansion of \$1.2 million (not included in the budget) and Rand Street adjustment increase of \$16,800.75.

Based on the above changes, the Reserve budget was adjusted to accommodate the proposed changes. The spend and addition to Operating Reserves were decreased, utilization of the Canada

Community Building Fund was increased as well as increases to the contributions to the Windsor and Hantsport Infrastructure funds and decreased reliance on the water depreciation reserve.

7. Operating Budget Overview - \$38,104,273 operating budget (increase of 13.2% from 2024/250

a. General Revenues and Expenses

Director Rochon provided a brief overview of the Operating budget. Highlights included:

- Taxes included sewer revenue, tax revenue, deed transfer tax and business properties.
- Sale of Services included wind farms and Community development revenue.
- Services provided to other levels of government included recycling and enforcement, host community fees, administration fees and the Court House.
- Other revenue included interest and penalties for taxes and AR, return on investments and administrative revenue and leases, fines, licenses and building permits.

Expenses

General Government Services includes legislation, administration, financial services, IT services and Municipal buildings.

Protective Services includes RCMP, Fire, EMO, By-Law, Courthouse, building inspection and food banks.

Environmental Development Services includes Planning and Community and Economic Development.

Environmental Health Services includes sewer, waste diversion, waste collection and landfill.

Recreation and Cultural Supports includes Community Development and libraries.

Public Health Services includes cemeteries.

2025/26 Revenue

Shows a 12.7% increase in total tax revenue from 2024-25 to 2025-26, rising from \$28.44 million to \$32.04 million.

Major contributors to the increase included:

- General Rate - Residential: +32.2% (\$3.94M increase), due to assessment increases.
- Taxable Assessments (General Rate - Resource): +30.6%.
- West Hants Sewer Special Assessments: +8.4%.
- HST Rebate: +11.1%.
- Deed Transfer Tax: +11.8%, reflection of the real estate market.

Revenue declines included:

- General Rate - Commercial: - 0.3%, relatively flat.
- Area Rates - West Hants: -15%, a significant drop.
- Area Rates - Hantsport: -7.7%.
- Area Rates - Windsor: -1.4%.

Grants in Lieu of Taxes – funding obtained through various provincial bodies and based on tax rates. As the tax rate changes, these amounts may also change. Highlights included:

- Federal Government and Agencies increased by +1.4%.

- Provincial Property and Supported Institutions increased by +1.5%.
- Crown Timber Lands and Fire Protection – no change

Services Provided to Other Governments & Agencies (host community fees and Court House) saw a 36.2% increase. Revenue will decrease with the Court House closing.

Sales of Services (Community Development programming and Wind farms) saw a 6.1% increase. Wind Farms can only be increased by 1%/year as per the legislative amount permitted.

Other Revenue from own Sources (permits, fines, rentals, returns on investments, penalties and interest on taxes and miscellaneous items) saw an increase of 29.8%.

Unconditional transfers from own governments transfers received from the provincial government based on uniform assessments, such as equalization grant, farm property acreage grant - set rate within the MGA, and the 911 recovery fund.

Conditional transfers from Federal and Provincial governments (estimates on grants that may be received for operational purposes). Equated to \$74,000 from federal and provincial sources (no change from 2024/25).

Conditional transfers from other local governments (Kings County to support Hantsport Fire Department based on call percentages, Glooscap and billing of IT services to Berwick and Kingston).

In summary, there was a \$4,441,960 increase in revenue for 2025/26. Total expected revenue for 2025/26 was \$38,104,273; 84.1% of that was expected to come from taxes.

Discussion Points:

- Last year \$177,000 was generated from wind farms, this year \$179,000 was budgeted for all wind farms in West Hants. Only able to increase by 1% each year based on the wattage produced at the time they come online as per legislation.
- Around \$300,000 was generated as income from late fees associated with taxes. This year there was a small adjustment made to account for prorating interest for the new AR policy.
- \$75,000 was approved to extend the Avondale Boat Launch if needed, this was carried over as it has yet to be determined if it will be needed.
- Recreation Program Coordinator position was a proposed additional position who would support the Recreation Program Supervisor position with expanded recreation opportunities within the region. Adding the Recreation Program Coordinator position would increase service levels.
- Program hourly staff wages were reduced to reflect where the three-year actuals were based on where the budget ended at the end of the fiscal year. Service levels would remain unchanged from the previous year.
- Reduction in weekend staffing for the pool was based on applications received to fill vacancies/positions at the pool. At this time based on the ability to hire/secure staff the pool was expected to be open one day over a weekend period. Capacity to provided pool services was based on the ability to hire/secure staff for the pool.
- The proposed new debt servicing number was \$958,256.

- Building Official was proposed for succession planning; a person is required to train for several years prior to being fully certified.

Concern was raised with the removal of staff positions; the desire was to increase services for residents and removal of these supports may hinder that process. In addition, staff have indicated capacity has been a concern at times when asked to increase service levels.

2025/26 Proposed Expenses - total proposed spend increase of \$4,441,960. General Government Services (\$173,507), Protective Services (\$924,732), Transportation (\$292,580), Enviro Health Services (\$489,570), Public Health (-\$202,151), Environmental Development (\$126,651), Recreation and Culture Services (\$428,009), Education (\$666,554) and Debt and Transfers (\$1,542,506).

Expenditures mandated by the Province - increase in mandated expenditure was 7% (\$470,152). No funding increase for regional libraries. A 2% increase for Provincial roads. No changes for the Prosecuting Attorney. Assessments services (PVSC 's annual amount) increased by 4%. Mandatory Education Contribution increased by \$666,554 (12%). The Regional Housing Authority funding was cut, decrease of \$215,000. These expenses represented \$0.03258 on the General Residential rate, and \$0.03574 on the Commercial rate.

General Rated Services included General Government Services (IT, Administration, Legislative, Financial services, Municipal facilities), Protective Services (Fire, By-Law, Building Inspection, Prosecuting Attorney), Roads & Streets (snow/ice removal, maintenance which was all General Rated), Wastewater Management (wastewater and sewer – operate at a net zero), Solid Waste Management (biggest increase as the new regional contract was moved to the General Rate), Planning & Development (Community Economic Development – up by 7%), Regional Economic Development (increased by 2%), Parks & Recreation (increased by 11 %), Debt Principal & Interest (decreased by 57% due to interest being broken out based on where the expense incurred and moved into the debt category).

Net Transfer to Reserves - decrease of 57% as there was more reliance on the reserves to fund projects. n 8.7% increase (\$124,000) for fire protection (water supply and hydrant fees), this was legislated and could not be changed. Windsor Food bank funding was included (approved until March 31, 2026) and the West Hants Dial-A-Ride funding was not represented in the proposed budget as their funding agreement has expired.

Director Rochon reviewed area rates associated with West Hants, Windsor and Hantsport. **West Hants area rate** expenditures for municipal services decreased by 15% as interest for roads, streets and sidewalks as well as wastewater management were included in the debt principal and interest line. Solid waste management amount was move into the General rate.

Hantsport area rate expenditures for municipal services decreased of 5%. This was the last year for the historic debt for Riverbank cemetery and HMCC, moving forward they will it have any area rated debt.

Windsor area rate expenditures for municipal services decreased by 1%. Debt Principal & Interest was associated with historic Town of Windsor debt prior to consolidation. Net Transfer to Reserves totalled \$ 1,278,100.

Director Rochon reviewed Transfers to and from Reserves. A 136.3% decrease.

Discussion Points:

- Former Town of Windsor area rated expenditure (Debt Principal & Interest) was debt servicing costs (principal and interest payments) associated with Stannus and Gray Street Sanitary and Storm, Paving, Curb and Sidewalk and Wentworth Road Phase 3 as well as the sewer treatment plant. This debt will stay historical as they were historic projects.

Proposed Tax Rates

Increase in residential rate assessments for all areas totalling \$150,963,683 (8.3%) from the previous year. Property Services Valuation Cap (PVSC) change was 1.5%, it was estimated they had 2% appeals. Decrease in commercial rate assessments in all areas totalling \$460,300 (0.3%).

Director Rochon reviewed the Percentage of Total Tax Revenue. As more items get moved to being General Rated, areas rates for Hantsport, West Hants and Windsor decrease based on expense items being changed over.

A penny was worth:

General Rate (Residential) – 8.30% (\$196,874.79) increase, (Commercial) – 0.29% (\$15,667.78) decrease.

West Hants Rate (Residential) – 8.30% (\$171,479.33) increase, (Commercial) –5.86% (\$8,957.88) decrease.

Windsor Rate (Residential) –8.31% (\$25,395.46) increase, (Commercial) – 8.25% (\$6,719.90) increase.

Hantsport Rate (Residential) –6.93% (\$8,551.93) increase, (Commercial) - 6.68% (\$1,738.09) increase.

Proposed Tax Rate for 2025/26 – General Residential Rate - \$0.8505 (Hantsport, West Hants and Windsor).

2025-26 Proposed Tax Rates for West Hants was \$1.0623; Windsor was \$1.6464 and Hantsport was \$1.3537.

No changes proposed for the 2025/26 Commercial Tax Rate within all areas. The General Rate for all areas would remain at \$0.98; West Hants would remain at \$1.78; Hantsport would remain at \$3.75, and Windsor would remain at \$3.85.

Mandatory Rate (Department of Transportation for roads, Prosecuting Attorney, Regional Library and Regional School Board). Equates to 36.4% (\$6,648,640 not including PVSC) of the General rate or \$0.3093 on the Residential rate. \$0.3564 on the Commercial Rate.

Proposed Residential Tax rate that fund Municipal Activities: 48.6% within West Hants go towards municipal services, 59.6% within Hantsport go towards municipal services and 56.5% within Windsor go towards municipal services.

Proposed Commercial Tax rate that funds Municipal Activities: 32.1% of the West Hants rate go towards municipal services, 67.8% of the Hantsport rate go towards municipal services and 53.6% of the Windsor rate go towards municipal services.

Director Rochon provided an overview of the estimated increases to average properties (low, medium and high valued homes) based on the 1.5% increase in CAP. Based on PVSC increases alone, average property owners will see an increase in their tax bill.

Director Rochon provided an overview of a six-year tax rate comparison showcasing tax rates prior to consolidation and current proposed tax rates. Windsor's tax rate preconsolidation was \$1.8800; the proposed tax rate for 2025/25 was \$1.6464. Hantsport's tax rate preconsolidation was \$1.6600; the proposed tax rate for 2025/25 was \$ 1.3537. West Hants's tax rate preconsolidation was \$ (1.0323); the proposed tax rate for 2025/25 was \$1.0623.

Discussion Points:

- Property assessment has increased over the years and in response to these increases, Reserves have been used to offset and curve the increases in the West Hants area. To further supplement these decreases; more funds have been taken from Reserves.
- The rationale for the large change to West Hants and no change to the other areas (Windsor and Hantsport) was that West Hants makes up the largest portion and were most impacted by General Rate changes. As Area Rates change (items get moved from being Area Rated to the General Rated) this also impacts the West Hants rate. In the past Reserve funding has been used to help curve the rate to decrease the impact to residents living in West Hants. In order to maintain the Windsor and Hantsport rates, more contributions to their reserves were done to offset and help fund future infrastructure projects.
- Rate (\$0.921) paid to school boards was a set rate within the agreement and based on our uniform assessment.
- Interested in seeing a comparison chart on what has been occurring within the Commercial rates over the past few years. Last year the Commercial Rate increased (\$15 million).
- Based on previous years; Commercial rates are always behind. Development gets partial assessments until it fully comes online.

b. Debt Services

Debts Removed – totalling \$324,283 includes principal and interest. Items removed have been deferred based on direction provided or availability.

Hantsport - Fire Hall Roof \$4,575

Windsor - WB Stephens (HVAC) \$43,432

West Hants - Falmouth STP - Phase 1 \$6,667 and Supply Track Mini-Excavator \$19,179

Regional - Consolidation Employment Cost \$24,586, SWH - Ventilation \$2,559, WFD - Rescue 4 \$96,374, Street Lights @ Wentworth/Payzant \$32,987 and Tremain Crescent - Storm Water Culvert \$43,924.

Interest rates and new debt onboarding resulted in a net variance of \$731,000.

Director Rochon reviewed what a million dollars of borrowing looked like on the Operating budget. Assuming the interest rate was 6.5%; the estimated Debt Servicing for 5 Years was \$219,915.60; for 10 Year was \$118,731.07; for 15 Years was \$85,288.58; for 20 Years \$68,778.88. Buildings were typically funded over 20 years, fire trucks were 15 years, small tools like generators were 5-10 years and public works large equipment were usually 15 years.

Director Rochon highlighted the 2025/26 proposed new debt servicing (HFD - Upgrades to Engine 12 Compartments, Hydraulic Jaws of Lift and 5 VFD Radios), (WFD - Replace Engine 4, Truck Bay Floor Coating and Hose Tower Roof Replacement & Perimeter), (BFD 1 - P/T4 SCBA Replacement (5), Civic Centre Floor, Dump Tank and BFD 2 - Epoxy Coat for Apparatus Floor, Squad 9 Light/Winch), Electrical Outlets on Gerrish Street, Falmouth - Treatment Plant Phase 3 Expansion,

Tregothic Creek Sewer Crossing, Lift Stations - Dedicated Standby Generators, Lagoon Drive - Headworks Connection Study, Lagoon Drive - Blower Replacement, Lagoon Drive - Diffuser Replacement, Lagoon Drive - Disinfection Equipment, Main Street North - Hantsport Road Renewal, Windsor Road Renewal Projects - Payzant to King Street Connection, Windsor Stormwater Cunnabel Creek, Outside Operations Facility - Community Development & Public Works – Design, Replace 2016 Salt/Plow - Dump Truck (Unit 51 - 2016 International), Sidewalk Machine - Replace Unit 68 (2016), Replace 2011 Case 580 Rubber Tire Backhoe, Pipe Crawler Camera and Mulching Head for Excavator. A total of \$958,256 was proposed (includes principal and interest).

Borrowing by Departments - \$55,000 (0.16%) for Community Development, \$1,424,797 (4.25%) for Fire services, \$7,592,312 (22.64%) for Public Works, \$15,032,173 (44.82%) for Water Utility, \$8,647,187 (25.79%) for Capital Renewal projects and \$784,172 (2.34%) for sewer systems. All projects captured within the water utility borrowing were part of the Water Utility study; but estimates may have increased since the study based on inflation.

Director Rochon reviewed the debt ratio estimates. The first two years (2020-21 – 9.4% and 2021-22 – 6.4%) were actuals. Years 2022-23 (7.8%) and 2023-24 (6.8%) were currently under review by the province. The 2024/35 budget included a debt ratio estimate of 9.2%. Outstanding debt as of March 31, 2024 was \$16 million as per the financial indicators; without water it would be \$15 million.

Estimated Debt Servicing Forecast

Director Rochon provided debt forecasting that included separating out Cunnabel Creek as it was a significant project and still requires direction from Council.

Including Cunnabel Creek, the debt forecasting for 2025-26 was 10.1%, 2026-27 was 14.8%, 2027-28 was 20.7%, 2028-29 was 21.8% and 2029-2030 was 23.2%. Without Cunnabel Creek, debt forecasting for 2025-26 was 9.9%, 2026-27 was 12.4%, 2027-28 was 20.7%, 2028-29 was 15.5 and 2029-30 was 16.7%. Many of the larger projects will require partnerships, and grants from other levels of governments; depending on the availability of these grants and funding streams, some projects may need to be deferred or reprioritized.

Discussion Points

- Based on where WHRM's other indicators were located (green except for tax collection, which was yellow), it was unknown if the Province would be present at meetings moving forward. It was suspected there would need to be several red indicators before this would happen. Staff would need to confirm this detail.
- Debt ratio estimates did not include the water utility; these were based on municipal revenue and municipal debt.

8. Reserve Budget Overview

Contribution To Operating Reserves

Operating Reserve increased by \$100,000 (associated with fire equipment reserve and the elections reserve). Capital Reserves increased by \$50,000 (tied to the Reserve Policy), Special Reserves increased by \$232,200 (Windsor and Hantsport Infrastructure Reserves).

Percentage of Reserves by category (water = 8%, Operating = 27%, Capital = 19%, Special = 46%). Special Reserves were restricted and cannot be accessed. Water Reserves can only be used for water.

As part of Bill 55, former reserve balances must be maintained to those former entities (Windsor debt remains within the Windsor Reserve, Hantsport debt remains within the Hantsport Reserve and West Hants debt remains within the West Hants reserve.

Proposed spend for the Operating Reserve included WH - 5% Fund/Land Acquisition (\$10,000), WHRM Fire Services Reserve (\$107,573), Carryover (\$1,205,739), RCMP Reserve (\$650,000), WHRM Operating Reserve (\$1,531,136) and the WH - Operating Reserve (\$1,213,474).

Proposed additions to the Reserve included WH - 5% Fund/Land Acquisition (\$20,000), WHRM Fire Service Reserve (\$100,000), Boundary Reserve (\$12,500), Election Reserve (\$50,000), RCMP (\$400,000), WHRM Operating Reserve (\$400,000) and the WH - Operating Reserve (\$1,042,000). The proposed March 31, 2026 Reserve balance was estimated to be \$3,012,025 (below the Reserve Policy threshold of 10% of the projected operating revenue). The former Town of Windsor Sewer Reserve would be depleted, and the former West Hants Sewer Reserve would have a balance of \$376,999 as of March 31, 2026.

Special Reserves (restricted) were projected to end with \$5,017,334, a proposed spend of \$8,378,056 and \$2,176,923 in additions. \$603 million of this was funded through area rates. \$218,980 was being contributed to the Asset Retirement Obligation Reserve (Court House, 100 King Street, Hantsport Library, an old well in Hantsport and the landfill) for the Court House \$319,000 was set aside for decommissioning.

Canada Community Building Fund estimated spend was \$1,642,628, with a proposed addition of \$1,084,370 and a proposed March 31, 2026 balance of \$2,301,120. The WH Gas Tax (CCBF) proposed spend was \$2,517,537, leaving a March 31, 2026 balance of \$14,536. The Consolidation Reserve has a proposed spend of \$1,455,460, leaving a projected balance of \$917,934. The HNS - Hantsport Infrastructure Reserve has a proposed spend of \$964,126; with a proposed addition of \$262,800, leaving a March 31, 2026 balance of \$604,224. The WIN - Windsor Infrastructure Reserve has a proposed spend of \$301,503, with a proposed addition of \$340,300, leaving a March 31, 2026 balance of \$565,290. The Housing Accelerator Fund has a proposed spend of \$605,000, a proposed addition of \$270,473, leaving a March 31, 2026 balance of \$98,622. The Sustainable Services Growth Fund requires that funds must be used by March 31, 2025; however, approval was provided to extend this funding. This fund will be depleted by March 31, 2026.

Total municipal reserve balance (not including water) was projected to be \$10,167,459 as of March 31, 2026. Total estimated spend was \$15,857,221, with proposed additions of \$5,373,118.

What's next for Reserves

Director Rochon reviewed the direction previously provided to develop a policy creating three different reserves accounts from landfill tipping fees, deed transfer tax and windfarm revenues. It was noted that when funds are removed; the tax rate would be impacted. The Director was looking for specific direction (what percentage would be allocated to the reserves, would the reserves be restricted) before the Reserve policy was updated.

Discussion Points:

- The motion speaks to the year 2025/26. There was not necessarily a timeline but whatever was approved during the budget to take away would impact the tax rate. It may not impact the creating the policy or reserve; but with impacts to the budget direction was needed on how much to set aside for this item. If all items remain unchanged, any revenues removed need to be made up by the tax rate.
- Although it was not captured in the motion, one of the requests was to have a report on what was being done in other municipalities that had similar policies; without that information it was hard to make an informed decision.
- The ability still exists to review and decide. If the direction was to set aside monies now for these reserves, the money can be reallocated as the budget process continues. The policy will follow budget approval; so, staff were aware of the funds they would have to work with.

9. Break

A break occurred at 7:02 p.m. The meeting resumed at 7:35 p.m.

10. Capital Budget Overview

Projected five-year capital budget was \$259,649,455, average spending of \$51 million/year, with a proposed spend in the amount of \$55,882,592 for 2025/26 (IT = \$493,693, Planning and Development = \$808,464, WH Sports Complex = \$488,139, Windsor Community Centre = \$911,102, Rail Corridor Trail System = \$1,812,325, Community Development = \$5,002,202, Public Works – General = \$31,767,847, Capital Renewal Projects = \$166,243,579, WHRM Sewer System = \$13,183,149, WHRM Water Utility = \$27,496,014 and Protective Services = \$11,442,941.

Over the proposed 5 years; 55.91% of the funding was from long-term debt; 31.17% was from Prov/Fed Funding.

Five Year for Capital for IT, Community Development and By-Law – projected total spend of \$1,302,157. 42.2% was from prov/federal grants, 9.6% from CCBF, 40.0% from reserves, 6.9% from consolidation funds, 3.9% from long term debt and general operations of 1.4%.

Five Year for Capital for Community Development – projected total spend of \$8,213,768. 12.9% was from prov/federal grants, 59.0% from CCBF, 25.6% from reserves, 6.9% from consolidation funds, 1.5% from long term debt and general operations of 1.0%.

Five Year Capital for Sewer – was consolidated as of April 2024 and had a projected total spend of \$13,183,152 (5.1% of 5-year Capital budget). 17.4% was funded through provincial/federal grants, 13.0% funded through Reserves, 1.1% from General Operations, 0.2% for the users and 68.4% funded through long term debt.

Five-year Capital Plan for Public Works – projected spend of \$31,767,847 (12.2% of the 5-year Capital budget), with \$9.1 million being spent in the current year. (24.6% was funded through provincial/federal grants, 64.2% funded through long term debt, 7.8% was funded through CCBF, 3.2% funded through reserves and 0.1% from General Operations).

Five-year Capital Plan for Capital Renewal Projects - projected spend of \$166,243,579 (64% of the 5-year Capital budget), with \$19,221,090 being spent in the current year. (39.5% was funded through Prov/Feb Grant Funding, 1.9% funded through Water Capital, 1.3% funded through

Consolidation funding, 49.5% funded through Long Term debt, 6.0% funded through Reserves and 1.8% funded through CCBF).

Projects identified in the 5-year Capital included:

Cunnabel Creek storm water renewal project with \$2.5 million in 2025/26 for design and then significant increases each year after.

West Hants projects include J-Class Roads (\$500,000 for 2025/26, 2026/27, 2027/28, 2028/29 and \$250,000 for 2029/2030); Shetland Road (\$321,276 in 2025/26); Clover Lane (\$429,980 in 2026/27); Merriweather (Irven to Annie May) (\$ 244,590 in 2027/28); Katie Court (\$146,910 in 2028/29) and Swinamer Drive (\$147,611 in 2029/2030).

Hantsport projects included Riverview Drive (\$4,196,105 in 2025/26); Main Street North (\$2,677,703 in 2025/26); Rand Street (\$70,702 in 2025/26 for design and \$6,748,304 in 2026/27 for construction); Maple Avenue (\$62,316 in 2026/27 for design and \$4,729,784 in 2027/28 for construction); Chestnut Avenue & Pine Street (\$62,316 for design in 2027/28 and \$ 4,192,309 in 2028/29 for construction); Porters Avenue (\$51,930 in 2027/28 for design and \$ 1,707,978 for construction) and Birch St., Cedar Ave. & Alders Ave (\$77,895 in 2028/29 for design and \$5,703,211 in 2029/2030 for construction).

Windsor projects included Nesbitt Street South (\$2,635,916 in 2025/26); Payzant to King Street Connection (\$6,059,738 in 2025/26); Wentworth @ Payzant Drive Traffic Control (\$51,930 in 2025/25 and \$5,736,030 in 2026/27); O'Brien Street (\$207,720 in 2026/27 for design and \$7,309,667 in 2027/28 for construction); King Street (\$207,720 in 2026/27 for design, \$7,215,153 in 2027/28, \$4,041,973 in 2028/29 and \$5,909,117 in 2029/2030); Cobbett Street (\$41,544 in 2027/28 and \$1,373,549 in 2028/29); Fort Edward Street (\$41,544 for design in 2027/28 and \$1,373,549 for construction in 2028/29); Avon Street (\$25,965 in 2029/2030) and Cottage Street (\$41,544 in 2029/2030).

Discussion Points:

- Staff were waiting on direction regarding the Wentworth /Payzant intersection. Wentworth Traffic. This highest estimate (round-a-bout) was included in the budget as staff would like to bring the matter (traffic signals or round-a-bout) back to Council for further discussion and direction.
- Tremaine Crescent was to be included in the 5-year Capital budget, although it was not defined which 5-year plan it was included in. Concern was it was not shown in the proposed plan at all. Part of the scope for the O'Brien Street design was to determine the best avenue for stormwater management and take some of the stormwater from King Street away. The work proposed to be done on O'Brien would reduce stormwater impacting Tremaine. When the RFP for O'Brien Street was released; Tremaine Crescent would be part of that design.
- WHRM submits a list of J-Class Roads to the Province, who review it and match funds (50/50). They decide their funding they can allocate to J-Class roads and based on available funding for the program they determine what roads will be fixed. The provincial funding for these roads has been decreased this year, it has not been confirmed yet what roads, if any in West Hants will be fixed.

- Council chamber upgrades were to ensure all equipment (sound equipment, audio/visual equipment) used for live streaming meetings was up to date and working as it should. The intent was to recycle out older equipment, more specifically the sound system.
- Splash Pad included in the budget created capacity to have additional splash pads within West Hants. The higher price (\$450,000) was for a non-serviced area outside of the Growth Centre and the lower price was for an area within the Growth Centre serviced areas. Council will need to determine if they want to move forward with a splash pad and where it will be located.
- Community Way Park was an undeveloped parcel of land that abuts Community Way, the intent was to create a park in this area.

2025/26 Capital Budget Funding Sources

Projected 2024-25 Capital budget was \$55,882,592 (CCBF (\$4,035,165), Reserves (\$5,791,094), General Operating (\$46,287), Users (\$69,875), Long-Term Debt (\$33,535,641), Consolidation Funding (\$1,432,654), Water Operating (\$76,653), Water Capital (\$611,281) and Prov/Fed Funding (\$10,283,943).

2025/26 Admin/IT/Planning/By-Law Funding Sources

Within the current year IT proposed a spend of \$145,693, Planning and Development proposed a spend of \$673,464, and Admin and By-Law have no planned projects. Of these projects 60.9% was coming from Prov/Feb Grant Funding, 25.1% from Reserves, 10.9% from Consolidation Funding and 3.1% from CCBF.

Discussion Points:

Concern was raised that all the carry over items within the Capital budget may not get completed. With the Housing Accelerator Fund WHRM has four years to complete any action items or the funding was lost. Within IT, staff change over, and clack of capacity was identified as a challenge. Some items are required to be completed by March 31, 2026.

Thoughts were a decision needs to be made on a municipal building before some projects were approved (EV charger).

2025/26 Community Development Funding Sources Part 1

Within the Community Development proposed spend, \$338,139 was allocated to the West Hants Sports Complex (heat exchanger, sports complex upgrades, exterior LED sign and rubber mats), \$426,102 was allocated to the Windsor Community Centre (foundation repairs and building upgrades, flood protection improvements, and structural assessment), and \$1,612,325 was allocated to the Rail Corridor Trail system (Little River Bridge, Rail Corridor- Part A, Recreation property- AT and Community Trail opportunities and Rail Corridor – Part B). 52.7% of the funding was from CCBF, 17.9% was from Reserves and 29.4% was from Provincial/Federal governments.

Discussion Points:

- The Windsor Community Centre structural assessment has been completed; staff await the final report.
- Little River bridge was fully covered through grants and DFA funding.

2025/26 Community Development Funding Sources Part 2

Proposed spend was \$1,863,702; of that 42.9% was from Reserves, 0.8% was from General Operating, 42.9% was from CCBF, 3.0% was from Long - term debt borrowing and 10.6% was from Provincial/Federal funding.

Discussion Points:

- Staff try to apply thresholds for long term debt borrowing with all Capital projects, as larger projects typically require more support. Recreation/Community Development have opportunities for different funding under provincial programs/grants; however, if there are no funding opportunities for a specific project the only option was to add the expense to the General tax rate or debt service the cost.

2025/26 Sewer System Funding Sources Part 2

Proposed spend of \$1,563,740 (2.8% of the Capital Budget with borrowing of \$784,000). Within that \$312,870 was allocated for the Falmouth - Treatment Plant Phase 3 Expansion, \$260,725 was allocated for the Tregothic Creek Sewer Crossing, \$187,722 was allocated for the Lift Stations - Dedicated Standby Generators, \$156,435 was allocated for the Lift Stations - Panel/SCADA Upgrades, \$83,432 was allocated for a Pipe Crawler Camera, \$75,000 was allocated for the Lagoon Drive - Headworks Connection Study, \$3,003 was allocated for the Lift Stations - Chambers/Piping, \$73,003 was allocated for the Lagoon Drive - Blower Replacement, \$62,574 was allocated for the Lagoon Drive - Diffuser Replacement, \$46,931 was allocated for the Falmouth - Treatment Plant Building & Equipment Upgrades, \$41,716 was allocated for the Windsor - Wentworth Treatment Plant Upgrades, \$39,109 was allocated for Treatment Plants & Lift Stations - SCADA Windows 11 Upgrades, \$31,287 was allocated for Lagoon Drive - Disinfection Equipment, \$20,858 was allocated for New Service Laterals, \$8,343 was allocated for Treatment Plants - Surge Protection and \$7,300 was allocated for Lift Stations - Access Doors.

2025/26 Public Works Funding Sources

Proposed spend of \$9,185,933; with \$750,888 for equipment, \$5,287,503 for facilities, \$365,015 for vehicles and \$2,782,527 for roads. This represents 16.4% of the 2025/26 Capital Budget with a total borrowing amount of \$7.5 million. Director Rochon reviewed the ask within each category.

Discussion Points:

- \$52,145 equated to four new rapid flashing signals.
- \$12,515 equated to two radar speed signs.
- Sidewalk machines were used for snow removal on sidewalks. It included a salter, sander. This was an additional piece for the fleet.
- Grey to Avon concrete sidewalk was essentially Chestnut Street from Avon Street to Grey Street.
- Salt/Plow Dump Truck was a replacement vehicle. It was a critical piece of equipment used with work done to keep it operational. The vehicle was aging and due for replacement. The hope was the replacement would be available for next snow season, but timing was a concern.
- Halewood Drive has karst topography (gypsum and limestone). This area was susceptible to sink holes, and some have occurred in the past. Geotechnical was being done to determine how to fill these areas to resolve the sink holes from developing.

- Avondale boat launch repairs was the existing approved project and projected to start within the next few weeks.
- Tregothic Creek Storm Water System Upgrades were identified in the Windsor Stormwater study. It encompassed O'Brien Street down through Wentworth Road, behind subway, Cole Drive, that corridor area. This was the first year for the project which included culvert sizing, some Cole Drive upgrade stormwater management ponds. There were asks identified in future years as well.
- Outside operations facility (13,592 sq ft.) would house both Public Works and Community Development, it would house all the equipment and provide a space to do maintenance and a space for offices. The existing structure would be used for maintenance and cold storage of equipment.
- Mulching head for excavator provides the ability to maintain easements, stormwater ditches, side ditches, watershed road maintenance/mulching. The flail mower is used for some roadside ditches, but it was not able to handle more substantial growth and had limited reach.
- Pipe Crawler camera inspects sewer and stormwater pipes and detects inflow and infiltration and performs condition assessments on sewer and storm mains for future projects.
- Backhoe replacement would be used for smaller jobs to save on transport excavators; it would be used for landscaping and in the winter months it loads salt on trucks.

2025/26 Capital Renewal Projects Funding Sources

Proposed spend of \$19,221,090 (34.4% of the 2025/26 Capital Budget with borrowing at \$8.6 million). 45.0% of these projects were funded through Long-term borrowing, 15.9% was funded through Reserves, 1.9% was funded through the Water Capital, 7.0% was funded through Consolidation, 26.5% was funded through Provincial/Federal and 3.7% was funded through CCBF. These projects included Cunnabel Creek Storm Water Renewal Project (\$2,500,000), J-Class Roads (WH) (\$500,000), Shetland Road (WH) (\$321,276), Riverview Drive (Hantsport) (\$4,196,105), Main Street North (Hantsport) (\$2,677,703), Rand Street (Hantsport) (\$70,702), Nesbitt Street South (Windsor) (\$2,635,916), Payzant to King Street Connection (Windsor) (\$6,059,738), Wentworth @ Payzant Drive Traffic Control (Windsor) (\$51,930) and O'Brien Street (Windsor)(\$207,720).

Discussion Points:

- Questions around shared funding with Provincial and Federal levels of government came up and why West Hants has not been successful in receiving any of this funding. Nesbitt Street has ICIP (Investing in Canada Infrastructure Program) Funding. Staff were looking to apply for the Payzant to King Street Connection; that application closes in the fall.

11. Discussion & Direction from Council

Council discussed the proposed budget and potential impact it may have. As presented, there would be a large tax rate increase; this would be difficult to explain to residents and have them understand the rationale behind the increase; especially the rural districts within West Hants. Concerns were raised with the proposed tax increase and the implications this would have; it

could create an “us vs them” (West Hants vs Windsor) environment. Consensus was that expenditures needed to be cut to bring the proposed tax increase down.

The Court House will have implications (operational costs) for the current budget. These implications are unknown at this time as staff were still gathering information to determine the impact of the budget. If the desire was to sell the Court House, the building and lot would need to be deemed surplus by Council. An appraisal would be completed and then placed on the market for sale.

Items to bring back to discuss at the next meeting:

- Would like to see a \$200,000 addition to Deed Transfer.
- Would like to see the implications for each of the proposed additional staff would have on the budget (see a proposed budget with the additional staff and one without the proposed additional staff). See additional information staffing needs (purpose), the role (purpose) and rational/impacts if the position was supported vs not supported.
- Staff revisit proposed new debt serving and look at projects that can be delayed or deferred to another year to decrease expenditures and lower the tax rate.
- Look at areas on the expense side that expenses can be reduced/removed.
- Bring back information on legal costs per department for 2024/25 spend and proposed 2025/26 amounts).
- Bring back information on admin fees (10%) per department for 2024/25 spend and proposed 2025/26 amounts. Admin revenue (water utility, sewer system, Court House, HMCC and Region 6 received represents \$483,538 in revenue.
- Bring back information on consultant fees per department for 2024/25 spend and proposed 2025/26 amounts.
- Look at municipal building and potentially divest of one or two of the unused building. Look at getting addition information to make a decision regarding a municipal complex.

If all expenses stayed the same and all the tax rates stayed the same (as 2024/25) based on the assessment change, WHRM would only generate \$1.7 million in additional tax revenue.

12. Next Meeting Date / Adjournment

The next Special Committee of the Whole Budget meeting will be Monday, May 12, 2025, at 5:00 p.m. The next regular meeting will be May 13, 2025 Council, 6 p.m.

With no further business to discuss the meeting adjourned at 9:42 p.m.

Deputy Mayor Debbie Francis

Deanna Snair, Municipal Clerk