

WEST HANTS MUNICIPALITY
Committee of the Whole – Budget Meeting Agenda
May 12, 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. Announcements
 4. Approval of the Agenda, including additions or deletions
 5. Declaration(s) of Conflict of Interest
 6. 5:00-5:30 Review Follow-Up Items from May 06 Meeting
 7. 5:30-6:15 General Government Services Overview
 - a. Administration and Governance
 - b. Emergency Management Office
 - c. Financial Services
 8. 6:15-6:45 Planning and Development Overview
 - a. Planning and Development
 - b. Building Inspection
 - c. By-Law Enforcement
 - d. Climate Action
 9. 6:45-7:00 Community Development Overview
 - a. Cemeteries
 10. 7:00-7:30 Break
 11. 7:30-8:30 Public Works Overview
 - e. Facilities
 - f. Roads
 - g. Solid Waste
 - h. Sewer System

9. 8:30-9:30 Water Utility
 - a. Operating Budget
 - b. Capital Budget
 - c. Reserves Budget

10. 9:30-10:00 Discussion & Direction from Council

11. Next Meeting Date / Adjournment
 - a. Committee of the Whole Budget Meeting Wednesday May 14, 2025, at 5:00 p.m.

For budget materials, please reference the linked agenda package from the 2025-05-06 Special COTW Budget Meeting.

1. Call to Order

Deputy Mayor Francis Called the meeting to order at 5:02 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

Carmen Dewar-Miller, Admin Assistant
Karrie Fougere, Dir. Planning and Development
Kathy Kehoe, Dir. Community Development

Regrets

Deanna Snair, Municipal Clerk

3. 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.

4. Approval of the Agenda, including additions or deletions

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

5. Declaration(s) of Conflict of Interest – None

6. Review of Follow-Up Items from May 06 Meeting

Director Rochon addressed questions and Council direction arising from the May 6, 2025 budget meeting.

Regarding the questions surrounding 2024-25 legal and consulting fees, the Municipality spent \$329,005.49 on legal fees (tax sale costs, recouped through the tax sale process, and two Planning Department appeals) and \$1,622,567.10 between operational and capital consulting fees (project management and design consulting).

As per Direction of Council, Director Rochon provided details on the four proposed /removed new positions, a Funding and Procurement Specialist, Communications Specialist, Recreation Coordinator and a Building and Fire Official.

Director Rochon presented slides highlighting how these four positions would change the budget number and result in an increased need from taxes. The Council-directed \$200,000 increase to Deed Transfer was factored in. Including these positions in the budget would result in a decrease in the contributions to both infrastructure reserves.

The general tax rate would change to 0.8513 (an increase of 0.0008 cents). The West Hants rate would decrease by 0.0040 cents to 0.0860.

Director Rochon then reviewed Budget Adjustments, made per the direction of Council as follows:

- Deed Transfer Tax was increased by \$200,000 to \$2.1 million. This reduced transfer to/from reserves by \$44,300 with a net change to the operating budget of \$155,000.
- The Rand Street Increase Adjustment was updated in the Capital Budget
- Still to be considered when presenting the Fire Budget on May 14, \$1.2 million for the BFD2 Bay Expansion
- Reserve Budget Updates now show a net change (decrease) of \$59,100.75, projected at the end of March 31, 2026
- Operating Budget Results (not including the four positions), shows the \$44,300 change (decrease) in net transfers to reserves as well as change in operating revenue (with reduced taxes and increased Deed Transfer)

Director Rochon reviewed the overall tax breakdown. Based on the changes, the general rate is now 0.8403 and the new proposed West Hants rate is 1.0473. This reflects a 1.5 cent reduction in the overall total for West Hants (and a rate that is 1.5 cents higher than pre-consolidation). There would be no change on the commercial tax side, however Council may want to consider an increase in the West Hants commercial rate. This would make that rate more comparable to

the other commercial area rates but also increase the tax exemption expense related to community halls and increase grants in lieu of any eligible commercial properties.

Two additional slides were included to show examples of how tax calculations work (general and for each area rate). One interactive slide can show how the area rates change depending on what is removed. Slides showing what a penny is worth (more in West Hants than in Windsor and Hantsport) and what a million dollars in borrowing is worth were re-presented for context. An estimated debt servicing forecast was provided.

7. General Government Services Overview

Director Rochon noted that for all departments there are some standard costs that have increased, a part of doing business and not in our control. These include building-related fixed costs (water, sewer, insurance, power, etc.).

Administration and Governance (Appendix 10)

- Committee-related expenses have increased, including an increase in the citizen committee member stipend
- There is an allowance for expenses under new Code of Conduct
- The first full year at new remuneration rates
- Change within Administration line with new staff and an increase in training and development. Also the first full year for the HR professional
- Increases to cost of living, mandated cost increases (CPP, EI, WCB)
- Not a lot of change in former CAO pensions.

Emergency Management Office (Appendix 11)

- There was a slight increase in salary allocation.
- There was a reduction in equipment and purchasing.

Financial Services (Appendix 12)

- There were some pro-rated costs in the previous year, this represents a full year.
- Increase in cost of living and changes to the benefits
- There was a restructuring of IT in 2024-25, with an IT position being moved into the Financial Services Department, so there will be a corresponding decrease on the IT side
- Audit costs have increased based on the 2025-26 contracted amount
- Taxation (tax reductions provided under various by-laws and policies and uncollected taxes) is seeing an 8.1% increase

Other General Administrative Services (Appendix 12)

- Increase is reflective of trends in 2024-25 and historical trends
- Communications have increased (tax and water bills)
- No election this year

- Other is made of up staff appreciation, JOHS, other staff committees, geotechnical, land surveys or other professional services. This line item has been increased to support unhoused initiatives.
- Rebate programs are continuing for sewer and bulk water customers.
- Additional resources have been added to wellness programs and there have been increases in employee training.
- Assessment services are provided by PVSC, have increased by 4.3%.
- Insurance is projected to increase by 7% this year.

IT (Appendix 13)

Larger projects for IT include:

- A phone transition.
- A camera and public Wi-Fi system analysis
- Traffic camera replacements
- A complaint tracking system.

There was ensuing discussion surrounding insurance coverage, the unhoused initiative costs and the complaint tracking system. There was a question regarding some totals within this section not lining up between the slides and corresponding appendix. Director Rochon advised that they were not meant to line up as some items get moved over to another category.

8. Planning and Development Overview (Appendix 14)

Planning and Development

- There was a decrease in staffing due to having a staff person out, otherwise, you would see increases due to the cost of living and mandated payroll benefits
- There is a big increase in mileage and overtime due to the large number of applications being received. These require staff to attend more meetings (Council, PAC/HAC), host more public information meetings and conduct more site visits. As part of the Plan Review, engagement events must be held outside of regular staff hours.
- Professional services increased due to applications becoming more complex, requiring more legal review. Also, an increase in appeals, supports and consultations.

Director Rochon advised that legal fees could be attributed to both volume and complexity. Director Fougere noted that there were a number of more complicated development agreements negotiated last year (i.e.: Irvin Drive). The average cost of an appeal ranges from \$15,000 - \$30,000.

Building Inspection

- Seeing increases in mandated costs and costs of living.
- Increases in staff development to maintain required training, stay on top of regulation changes and purchase updated handbooks.

By-Law Enforcement

- Increases in cost of living and mandated benefits
- Decrease in mileage and fleet due to the new vehicle
- Increase due to some required safety equipment

Climate Action Committee

- Increases in cost of living and mandated benefits
- Increase in staff development, mileage, due to number of site visits, after hours engagement sessions and training.
- Continuation of the Home Flood Protection Program. First round is underway with transfers over from the Operating and Carryover Reserves. Council will have to determine if they want to do a second round of that program – no additional funding has been included for the coming year.

Clarification was provided for the first round of Home Flood Protection funding. \$400,000 is coming over through the Carryover Reserve and \$80,000 (through the additional motion of Council), from the West Hants Regional Operating Reserve.

9. Community Development Overview (Cemeteries Only)

Cemeteries (Two operational, area-rated cemeteries; Riverbank Cemetery in Hantsport and Maplewood Cemetery in Windsor. Appendix 15).

Director Rochon reviewed the budget for these cemeteries, with both seeing an increase in Salaries and Benefits. It was noted that Maplewood has different costs due to the excavation work that is included. Operational costs have increased due to keeping up with grounds maintenance, including the levelling of headstones.

11. Public Works Overview

Roads and Streets (Appendix 16)

Director Rochon noted the following:

- This budget has increased by 20.4%
- There has been an increase in the Provincial Department of Transportation Road costs (represents 0.0103 cents on the general tax rate).
- Salary and Benefits have increased due to cost of living, benefits and changes to salary allocations which vary from year to year based on where work is expected.
- These estimates are reflective of increases in insurance, depot costs, and service levels associated with stormwater and snow and ice removal. Increased development adds to stormwater, roads and streets costs.

There was discussion surrounding the 30.2% increase to salaries and benefits and clarification provided on how merit increases, salary increases, municipal development creating additional service requirements and staff allocations work to drive this number up for Roads. Public Works'

cost distribution, a shared cost across all departments, is up. It includes compound costs, insurance costs, all of those things that get allocated to those departments.

Salary and benefits being up does not necessarily mean overtime is up. Public Works does not have staff working specifically in Roads. The allocation is an overall estimate of what we're projecting to cost to the roads portion, which can change from year to year. The increase to Roads would be offset by a decrease in another area of Public Works.

Waste Collection and Disposal (Appendix 17)

Waste Collection and Disposal is recommended to be a general rated cost this year. There are increases in collection, processing and tipping fees based on contract pricing. The allocation for salaries varies from year to year, based on the anticipated work.

Director Rochon took the opportunity to highlight the Extender Producer Responsibility (EPR). Council moved to proceed with the opt-in model which has been included as part of this budget. WHRM will continue to manage the current recycling collection and collection contract, as well as related programs and education. Circular Materials (CM) will provide one payment annually to support recycling initiatives, effective in December 2025. We will see offsetting revenue (an additional 100K for 25% of the contract).

Worked has been done to start separating out recycling processing and move categories around to better match both areas as we move closer to only reporting West Hants combined waste. Director Rochon noted a couple of variances and increases, due to shifting categories.

Landfill tipping fees are split between West Hants and Windsor areas. The West Hants fees are up by \$20,000 since there is more waste from West Hants going across the scales.

It was noted that mileage has increased significantly under Roads. Many staff utilize their own vehicles and charge mileage due to limited supply of municipal fleet. Based on actuals, the estimated budget for this year was increased. The new CET position was also not included in last year's budget – this staff member spends a great deal of time on the road, using their own vehicle.

Closed Landfill (Appendix 18)

Director Rochon advised that there is not much change as this landfill does not impact tax rates. It is funded through the Asset Retirement Obligation (ARO) Reserve, which the Municipality must add to every year. A constant reevaluation process that continues until we dispose of the asset (not likely with this landfill as it is not able to be developed).

Waste Diversion

Waste Diversion does not have an overall impact on the tax rate. Director Rochon has included a pro-rated amount for the CM programs and education for the last quarter of 2025-26 but there is a small risk that we will not receive that amount. CM may wait until the first full year. Administration is up due to the increase in mandated communication and fleet maintenance.

Municipal Facilities (Including Revenue and Expenses)

Director Rochon highlighted revenue generated from 100 King Street, directly and through the general rate. Numbers are based on time allocated for the buildings. With Council's discussion on May 6, these numbers may change slightly. Council direction could include delaying related projects. Under the King Street location, not a huge change, most associated to salaries and benefits. 2025-26 estimates reflect increases in building maintenance, utility and cleaning costs.

Libraries

We have two libraries, Windsor and Hantsport, which receive a small allocation of Public Works' salaries for building maintenance and operations. Building operations are being impacted by increases to insurance, maintenance and utility costs. There are also requests for security cameras, with costs incorporated here and in the IT budget.

Courthouse

**The courthouse budget has not been adjusted as staff are still working the details out as to what will happen with this facility in 2025-26.*

Some costs will have to continue including a small staff allocation, heating, water and insurance. Building maintenance will be removed. Director Rochon noted that the courthouse is currently a net zero impact on the tax rate. Once the Department of Justice vacates the building, we will no longer have that revenue but will have the ongoing costs, resulting in an increase to the general tax rate.

Sewer System

Council approved to consolidate the two sewer systems. The supporting rate study was completed in 2024-25 with new rates approved until 2026-27. Salary and Benefits have increased based on the salary allocations, along with COL and benefit changes increases. Sewer treatment and disposal is up due to increases in power costs and operational supplies. Administration is up due to the Kings County costs associated with wastewater treatment in Hants Border. The sewer is proposed to take on debt servicing of \$152,275, associated with capital work.

There was discussion surrounding the sewer deficit and where the funds come from to support the sewer systems. An internal accounts receivable has been set up. The deficit gets covered through the general fund, which we pay back.

At 6:35 p.m. the committee took a half-hour break.

9. Water Utility (background on rate schedule and places to reference)

As of October 1, 2024, the West Hants and Windsor Water Utilities consolidated into one entity, the West Hants Regional Water Utility. We now have the first budget for this new utility. As in previous years, we use the supporting, UARB-approved rate study (reference Schedule "B") as complement to the budgeting process.

The water utility is projecting a 0.1% increase in revenue from the previous year. We have rate increases but we also have revenue sources when we do a budget comparison from year to year that are in the former year but not in the current year (the sale of water from one utility to the other). Other Revenue includes Glooscap administration costs and bulk water station costs,

which is seeing a slight increase this year. Source of supply is seeing a decrease from previous years due to the non-internal billing between West Hants and Windsor water utilities. Water treatment costs have increased. There are increases in Transmission and Distribution related to mains and fleet maintenance, fuel costs, leak detection and labour. Operational labour and supervision have increased. Administration has increased due to auditing fees attributed to the operational audit. There are also required technological upgrades such as Windows 11.

Director Rochon will get into expenditures related to the non-operating revenue and non-operating expenditures later.

There are several Public Works vehicles that may not appear to be utility vehicles but have a portion allocated to the water utility.

Director Rochon reviewed the outstanding debt for the West Hants Water Utility, which currently sits at \$1,101,776. There are two debts with balloon payments totaling \$146,580 that are scheduled to retire in 2025-26 (non-operating expense). Debt servicing represents 7.3% of the total operating budget. (Appendix 22, p. 120, 121)

There was discussion surrounding debt servicing for the new water tower being built. We don't debt service until the project is done. It is included in the capital projects with 50% being funded through the Municipal Capacity Grant.

QA/QC in Appendix 22 stands for Quality Assurance/Quality Correction. The water utility is a heavily regulated agency, requiring annual, five-year and ten-year testing of certain parameters. This category also includes 3rd party recertification of all analytical equipment.

The increase in Fleet Fuel can be attributed to the increased capability to track vehicle usage using the asset management software. Director Richard noted that there are five vehicles allocated to the water utility but that they are also allocated to water distribution and wastewater treatment.

Five Year Capital Budget – Water Utility

The Water Utility represents 10.6% of the five-year Capital Budget. A total of \$27.4 million is projected over the five years with 81.3% (\$22.3 million) coming from long-term debt. We have \$3.6 million coming from the provincial and federal governments through the Municipal Capacity Growth (MCG) Fund as well as the Sustainable Communities Fund (SSGF). Both grants will be utilized this year.

Within the current year, the water utility represents 34.8% of the Capital Budget with borrowing at \$15 million. The WHRWU total capital budget is \$19 million (some from water capital, some from water operating, provincial and federal funding and a little bit from the users). Director Rochon reviewed the list of projects for 2025-26 and their associated funding sources.

There was discussion surrounding the carryover of projects from last year and whether they will be completed this year. Per Director Rochon, many of these projects are contingent on using the funding by March 31, 2026. Progress may have been affected by cost increases, capacity, staffing, and consultant availability.

Director Richard noted that there is a need to identify these projects for Council approval while also maintaining service levels and keeping up with development. Consolidating the utilities has also changed the scope.

5year Water Capital Reserve Balance

Director Rochon reviewed items related to this reserve balance. The Municipality will see a decrease in this balance from March 31, 2025 to March 31, 2026 of almost \$500,000.

Water Utility Reserves

The Municipality will see an overall decrease in these balances from March 31, 2025 to March 31, 2026 of approximately \$2.3 million.

10. Discussion and Direction from Council

At this point, Director Rochon addressed Council regarding direction. She noted that the current year's debt servicing amounts were highlighted and reviewed. Public Works has identified some possible items for delay (lift station generators, sidewalk machine, rubber tire backhoe). The Tregothic Creek stormwater system upgrade could be reduced in year one to \$600,000 (from \$1.2 million). Cunnabel Creek could be reduced in year one to \$250,000 for design.

Discussion items included:

- A reiteration of consulting and legal costs
- A request for the total cost of supporting the unhoused (including staff time not calculated as part of the budget). This could possibly be included as an Admin Fee line item in future budgets.
- The possibility of using the projected \$400,000 surplus to offset the West Hants area rate increase. There is already \$1,125,000 being utilized from the reserve to help bring this rate down. Pending Council Direction, more can be taken from reserves which will impact the threshold (already below 10%).
- Consideration given to hiring our own lawyer and or shopping around for competitive legal support (fees). There are challenges here based on the types of legal support the Municipality might require (property, litigation, etc.).
- Hesitation surrounding giving direction due to not having the entire budget picture presented yet. Time is required to digest information.
- Giving Councillors time to revisit the information provided thus far, consider wants versus needs and prioritize. Bring their ideas and suggestions to the next budget meeting.
- Comparing pre-consolidation and current West Hants tax rates with a reminder of investment, increased service levels, rebates, infrastructure improvements and the work done to move items to the general rate, since consolidation.
- Considering Gas Tax grants and capacity over the next five years.
- The utilization of reserves over the last five years has led to diminished capacity.
- Looking at the possibility of reductions in the Protective Services (RCMP and Fire) budgets.
- Revisiting the commercial assessments and tax rates.

- Revisiting three of the four previously removed staff positions (Communications, Procurement and Building Inspector).
- Taking time before the next budget meeting to review the proposed list of (mostly Public Works) items that could be adjusted (debt servicing changes).

In closing, Director Rochon provided a preview of the agenda for the next meeting on Wednesday, May 14, which includes Policing and Fire Protection Services and Community Development. She asked Council to keep in mind that the \$1.2 million bay extension for Brooklyn Fire Station 2 is not currently included in the capital budget and will need to be discussed.

11. Next Meeting Date / Adjournment

There is a regular meeting of Committee of the Whole tomorrow, Tuesday, May 13 at 6:00 p.m. The next Special Committee of the Whole Budget Meeting will be held Wednesday May 14, 2025, at 5:00 p.m.

With no further business to discuss, the meeting adjourned at 8:42 p.m.

X

Deputy Mayor Debbie Francis

X

Deanna Snair, Municipa Clerk