



# Special Budget Committee of the Whole

January 21, 2025

8:30 a.m.

Royal Canadian Legion  
310 Main Street, Wolfville

## Agenda

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### Call to Order and Land Acknowledgement

#### 1. Approval of Agenda

#### 2. Declarations of Conflicts of Interest

#### 3. Public Input / Question Period

PLEASE NOTE:

- *Individual members of the public may make comments and ask questions for up to 5 minutes.*
- *The same person may return for up to 5 minutes at the end of the agenda to provide Council with any new information after hearing the reports, which may help in Council in their decision-making.*
- *Questions or comments are to be directed to the Chair.*
- *Comments and questions that relate to personnel, current or potential litigation issues, or planning issues for which a public hearing has already occurred, but no decision has been made by Council, will not be answered.*

#### 4. Staff Reports for Discussion

- IR 003-2025: 2025-26 Budget Process and Accompanying Information
- Review of Operations Plan Outline



**5. Public Input / Question Period**

**6. Regular Meeting Adjourned**

## INFORMATION REPORT 003-2025

Title: 2025/26 Budget Process and Preliminary Information

Date: 2025-01-14

Department: Finance

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# SUMMARY

## 2025/26 Budget Process and Preliminary Information

The purpose of the following Information Report (IR) provides Council with information and recommendations on the Draft Operations Plan and Draft 2025-26 Budget planning processes. Focus on financial metrics, budget pressures, timelines, expected revenues, and planned capital priorities are the goal for the January 21<sup>st</sup>, 2025, Special Committee of the Whole (COW).

At COW, staff shall provide Council with solid foundational information as to the financial health, tax roll information, financial indicators, and relevant budget and operational planning requirements for the upcoming fiscal year 2025-26. For new and returning council members, the budget process has been changed slightly to adapt a new approach that staff wish to use to better prepare Council for the upcoming demands on Town services and future fiscal management. In addition, staff have developed a planning calendar (presented below) to enable Council and residents to have a clear understanding of planning timelines and the importance as well as sensitivity of maintaining and achieving budget milestones in an effort to ensure the budget's final adoption, expected in March 2025. From January through March, Council shall be afforded the opportunity to review, discuss, set decision criteria, and priorities that best align with operational and strategic goals as decided by Council.

Below is a draft copy of the **Operating Plan and Budget Process Timeline**:

- **January 9:** Submission of draft Project Charters to CAO
- **January 13:** Review of draft Project Charters with CAO; circulation to Senior Leadership Team
- **January 16:** SLT Review of draft Project Charters
- **January 20:** Submission of budget templates to Director of Finance & Corporate Services
- **January 21:** Special Budget COW (Agenda: Budget process and Preliminary Discussion)
- **January 22:** Senior Leadership Team to review of draft Operations Plan
- **February 4:** Regular COW (Agenda: Review of Draft Operations Plan)
- **February 11:** Special Budget COW (Agenda: Detailed budget review)
- **March 4:** Regular COW (Agenda: Second review of Draft Operations Plan)
- **March 11:** Special Budget COW (Agenda: Final Budget & Operations Plan Review)
- **March 18:** Regular Council (Agenda: Final Budget Approval & Striking of the Tax Rates)

**Key discussion topics in this IR include:**

- I. [Operations Plan and Budget Processes](#)
- II. [Year-to-date Financial Information \(completed Q2, draft Q3\)](#)
- III. [Financial Condition Indicators \(FCIs\)](#)
- IV. [2025 Tax Roll Changes & Estimated Revenues for Draft 2025-26 Budget](#)
- V. [Draft 2025-26 Capital Investment Plan \(CIP\)](#)

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As expressed at the onset of any budget process, all items will not be finalized in the first draft of the budget. It is important to draw upon many participants and consider new and developing factors prior to completing a budget. Council is the principal driver in developing each iteration of the budget. This preliminary stage of the budget process is meant to brainstorm and allow for an exchange of needs and wants. No financial information presented as an operational or budget item has been finalized. This includes the capital investment plan presented in the latter part of the presentation.

**Also Important to Note: No formal motion of COW/Council is required at this stage.**

Staff shall be seeking consensus from members of Council on overall budget goals as we move towards future COW meetings relating to the Operational Plan and 2025-26 Budget.

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### 1) CAO COMMENTS

The CAO emphasizes the importance of aligning the Town's financial planning with strategic objectives, ensuring fiscal sustainability while addressing inflationary and operational pressures. The 2025-26 budget will require thoughtful consideration of revenue generation, cost management, and long-term capital investments to maintain Wolfville's financial health and service standards.

### 2) REFERENCES AND ATTACHMENTS

- IR 019-2024 Quarter Two Year-to-Date Financial Update for 2024-25 fiscal year
- 2025 Assessment Roll Data
- Financial Condition Indicators (FCI) data issued by Province of Nova Scotia for 2022-23

### 3) DISCUSSION

#### I. Operations Plan and Budget Processes

Over the following eight to ten weeks, Council will participate in multiple Operations Plan and Budget Discussions. The first being a Special Budget COW meetings on January 21<sup>st</sup>. This COW shall focus primarily on current financial results, analytics, financial condition indicators, historical practices, and a draft capital investment plan. A follow-up Special COW, which will tie in working papers for all departments and the water utility in a detailed format shall be presented on February 11<sup>th</sup>, with the expectation of a final detailed budget presentation on March 11<sup>th</sup>, 2025.

Later this month, senior staff shall be completing a Draft Operations Plan, which will also be presented to Council at the February 4<sup>th</sup> Regular COW meeting. A second iteration of the Operations Plan will be presented on March 4<sup>th</sup>, which shall culminate in a final Operations Plan and Budget presentation on March 11<sup>th</sup>.

Staff recommend open discussion of preliminary considerations for operational requirements, service levels and tax rates. Each year it is the desired outcome to plan for enhanced service levels, with no increase tax rates. In theory, this premise cannot always be fulfilled due to the volatility of environmental factors and unpredictable demands on supply chain and servicers. Therefore, it is not always reasonable to principally focus on tax rates without full consideration of future service and capital needs within a focused timeframe.

Staff are looking for general direction from Council on the desired approach for staff in developing the detailed budget (to be presented in February). Definitive answers are not required at this stage, as the budget process envelopes, more data shall become available to allow for better informed decisions. Staff plan to have the majority of all budget data available for the February Special Committee of the Whole when a complete and detailed budget package is to be presented to Council.

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**No formal motion of COW or Council is required at this stage.**

Staff is seeking consensus from members of Council on 2025/26 budget goals and priorities, and for Council to consider the following key questions:

- **Are current service levels the Town offers appropriate?**
- **Does Council wish to see an increase in service levels? If so, in what service area?** Typically, this would be achieved through increased staffing and/or contracted services, accompanying increased operating and capital costs.
- **Does Council wish to see a decrease in service levels? If so, in what service area?**
- **If it is Council’s wish to change service levels, identify what service areas require staff’s attention.**
- **Does Council wish to hold tax increases, reduce taxes, or increase taxes to meet those service levels identified above?**
- **Does Council wish to see expenditure cuts? If yes, in what areas?**

**II. Year-to-date Financial Information (completed Q2, draft Q3):**

In this section, summarized financial information for quarters two and three is presented. As noted in the January 14<sup>th</sup>, 2025, COW, a more detailed financial and variance package was provided in the information report, IR 019-2024 Q2 YTD Financial Update, and presented to the Audit Committee on December 6<sup>th</sup>, 2024. December 31<sup>st</sup>, 2024, results are preliminary and once finalized shall be presented to the Audit Committee on January 31<sup>st</sup>, 2025.

**Town of Wolville  
Summary - Quarterly Variances By Division - Town Operating Fund  
Financial Results for the Period Ended September 30, 2024**

|   | Actual<br>30-Sep-24 | Budget<br>30-Sep-24 | Variance<br>over/(under)<br>Budget |
|---|---------------------|---------------------|------------------------------------|
| Revenues                                    | \$ 12,760,322       | \$ 12,545,577       | \$ 214,745                         |
| Expenditures (Operating/capital & reserves) | 5,947,924           | 7,063,747           | (1,115,823)                        |
| Net Surplus (Deficit)                       | \$ 6,812,398        | \$ 5,481,830        | \$ 1,330,568                       |

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### Key Revenue Highlights for Q2:

Total revenues for the quarter amounted to \$12.8 million, exceeding budget by \$214,745. Key revenue highlights include:

- Taxes and grants in lieu of taxes performed strongly, reaching \$11.28 million, surpassing the budget by \$191,454; this change comes from increased deed transfer tax revenues of \$183,772 over plan.
- Sale of services and other revenue exceeded expectations by \$126,041, reflecting a strong performance in this category. Increased service revenues came from recreational programs as well as interest earned on reserve balances.
- Provincial & Federal Grants were lower than budgeted by \$92,180, though significantly higher than last year.

### Key Expense Highlights for Q2:

Total expenses for the quarter amounted to \$5.95 million, coming in \$1.12 million under budget. The favorable variance was driven by cost-saving measures across several expense categories:

- Salaries and wages were \$117,339 below budget, reflecting timing difference in planned hiring of positions in addition to staffing changes
- Significant under-budget spending was noted in areas like Meetings, Meals, and Travel \$2,142, Legal fees \$28,104, and Building Repairs and Maintenance \$36,909
- Conversely, expenses such as Vehicle Fuel and Vehicle Repairs & Maintenance saw increases due to higher operational needs, with variances of (\$10,335) and (\$19,925), respectively
- Contracted Services were notably under budget, with a variance of \$941,066 YTD, principally due to unplanned reduced policing services of \$539,154 and deferred and/or postponed service contracts for road maintenance of \$297,926.

### Capital Projects & Reserves

- A number of planned capital projects were unable to be started and are projected to be deferred to the 2025/26 fiscal year
- Debenture interest came in under budget by \$76,041. This is due to a prior year interest accrual reversing in April 2024 in the amount of \$76,106. The budget had not taken this reversal into account
- Operating reserves and capital reserves were not allocated in the current quarter.

### Net Surplus

After accounting for capital projects and reserve allocations, the net surplus for the quarter stands at \$6.17 million, exceeding the expected budget surplus of \$4.76 million by \$1.41 million.

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In summary, the quarter ending September 30, 2024, shows a strong financial position, with revenues exceeding expectations and expenses well-controlled. The organization is on track to meet or exceed its annual budgeted net surplus. The positive variances in revenue categories and prudent management of expenses reflect well on the financial health and operational efficiency of the organization.

### Water Utility

The Water Utility's financial results for the period ending September 30, 2024, reflect an operating surplus of \$188,939, \$72,663 better than budget, and a net deficit of (\$252,650), which is significantly higher than the budgeted deficit of (\$9,474).

Capital fund utilization is from various capital expenditures for the Water Utility. The largest capital project expenditures come from the replacement of transmission line to the water treatment plant, \$270,961. Staff shall continue to be diligent to ensure current capital expenditures are fully funded and the balance of 2024-25 operating and capital spending meet the planned financial outcome.

### Key Revenue Highlights for Q2:

Total revenues reached \$774,846, slightly exceeding the budget by \$1,843, 0.2%. Key revenue highlights include:

- Metered Sales: \$488,767, falling short of the budget by \$7,686 due to lower-than-expected consumption.
- Fire Protection Charges: Aligned with the budget at \$248,779.
- Other Revenues: \$37,300, surpassing the budget by \$9,500, 34.2%, contributing positively to the revenue variance.

### Key Expense Highlights for Q2:

Expenses totaled \$585,907, which were \$70,820 below budget. Key variances include:

- Savings in employee benefits (\$4,011), professional development (\$1,295), contracted services (\$6,487), and debenture interest (\$34,770), driven by operational efficiencies and deferred spending.
- Unexpected costs in vehicle repairs and maintenance (+\$2,604) and vehicle insurance (+\$2,128), suggesting unforeseen operational challenges.

The most notable expense was in Operational Equipment & Supplies (\$115,714), which closely matched the budget at \$116,200.



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### Capital Program & Reserves

The capital-related expenditures significantly impacted the bottom line, with total costs of \$441,589, exceeding the budget by \$315,839. Contributing factors include:

- Capital funding allocations to offset Q1 and Q2 capital spending of \$380,262, will be recorded prior to year-end March 31, 2025.
- Increased debenture principal payments of \$61,327, exceeded budget by \$30,677. This is a result of budget error.

### Preliminary Q3 Financial Results:

**Town of Wolfville**  
**Summary - Quarterly Variances By Division - Town Operating Fund**  
**Draft Financial Results for the Period Ended December 31, 2024**

|   | Actual<br>31-Dec-24 | Budget<br>31-Dec-24 | Variance<br>over/(under)<br>Budget |
|---|---------------------|---------------------|------------------------------------|
| Revenues                                    | \$ 13,764,863       | \$ 14,545,269       | \$ (780,406)                       |
| Expenditures (Operating/capital & reserves) | 9,578,902           | 10,984,217          | (1,405,315)                        |
| Net Surplus (Deficit)                       | \$ 4,185,961        | \$ 3,561,052        | \$ 624,909                         |

The Town of Wolfville reports a **net surplus of \$4,185,961**, exceeding the budgeted surplus by \$624,909. This variance is driven by revenue performance surpassing certain expectations, alongside cost management efforts yielding notable expenditure savings.

### Key Revenue Highlights for Q3:

- Residential Tax revenues slightly exceeded budget, contributing \$6,815 ahead of planned expectations
- Deed Transfer Tax shows a \$244,941 favorable variance
- HST Offset Grant outperformed budget by \$13,518
- Interest on Investments were significantly higher at \$242,069, yielding \$122,072 above plan
- Miscellaneous revenue includes unbudgeted insurance claims
- Commercial Tax revenue was short by (\$25,681) due to reduced commercial activity
- Federal Grants have not been fully recognized, and these are reflective of match timing of grant revenues and expenses

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### Key Expense Highlights for Q3:

- Salaries and wages show savings of \$132,716 due to vacancies and timing of new hires
- Contracted services to date have been underspent by \$1.1M; the largest contributor to this variance is from reduced policing costs and service work not completed in winter months that will be completed prior to year-end
- Repairs and maintenance underspent by \$56,449 due to deferred maintenance
- Debenture Interest was \$58,158 lower than anticipated, due to a prior year entry related to 2024
- Employee benefits exceeded budget by (\$19,538), reflecting increased plan costs and carrying seasonal employee benefits
- Operational equipment & supplies are over budget by (\$95,778), driven by higher procurement needs

The surplus position in both quarters underscores effective financial management, notably in controlling operational expenses and capitalizing on high-performing revenue streams. Keep in mind that shortfalls in key areas highlight potential risks that will require attention in future budget cycles.

### III. Financial Condition Indicators (FCIs)

In September of 2024, The Department of Municipal Affairs and Housing released Wolfville's draft 2022-23 financial indicators report (please see below chart). Once again Wolfville shows strong financial health, reporting medium risk in only two indicators. All other indicators show low risk and significant positive variances from threshold values.

The two moderate risk indicators, **3 Yr. Change in Tax Base** and the **Residential Tax Effort**, both rely heavily on taxable assessment values, and how the growth our municipality compares to the forty-eight other Nova Scotia municipalities. 3 Yr. Change in Tax Base compares the current tax base uniform assessment and compares it against the same base three-year's previous, in the 2023/24 example that would be against 2020/21. Residential tax effort, measures total residential tax revenue per dwelling unit as a percentage of median household income.

$$\frac{\text{Total residential tax revenue per dwelling unit}}{\text{Median household income}} = \text{Residential Tax Effort}$$

Staff note that in future years, projected capital expenditures could shift debt service ratios into moderate or high-risk categories should the Town not budget sufficient capital reserves and funding that can sustain long-term capital needs.

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| Risk Indicator Color Code   | Financial Condition Indicators |         |         |         |                |
|-----------------------------|--------------------------------|---------|---------|---------|----------------|
|                             | Years 2019-20 through 2023-24  |         |         |         |                |
|                             | Per PNS Publication            |         |         |         | FIR Submission |
|                             | 2019/20                        | 2020/21 | 2021/22 | 2022/23 | 2023/24        |
| Low Risk                    |                                |         |         |         |                |
| Moderate Risk               |                                |         |         |         |                |
| High Risk                   |                                |         |         |         |                |
| Name of Indicator           |                                |         |         |         |                |
| Reliance on Gov't Transfers | 2.0%                           | 3.9%    | 3.3%    | 2.4%    | 1.3%           |
| Uncollected Taxes           | 7.0%                           | 7.0%    | 6.1%    | 8.1%    | 3.5%           |
| 3 Yr change in Tax Base     | 4.60%                          | 6.90%   | 9.60%   | 9.40%   | 13.90%         |
| Reliance on Single Business | 0.6%                           | 0.6%    | 0.6%    | 0.6%    | 0.5%           |
| Residential Tax Effort      | 4.30%                          | 4.50%   | 4.10%   | 4.30%   | 4.90%          |
| # of deficits               | -                              | -       | -       | -       | -              |
| Liquidity Ratio             | 3.6                            | 2.7     | 2.6     | 2.5     | 2.1            |
| Operating Reserves          | 25.1%                          | 30.0%   | 25.8%   | 21.3%   | 22.1%          |
| Combined Reserves           | 46.7%                          | 53.3%   | 51.5%   | 55.4%   | 62.1%          |
| Debt Service Ratio          | 7.3%                           | 7.4%    | 7.6%    | 7.8%    | 7.0%           |
| Outstanding Operating Debt  | 0.0%                           | 0.0%    | 0.0%    | 7.6%    | 6.8%           |
| Undepreciated Assets        | 58.3%                          | 59.1%   | 57.1%   | 56.9%   | 56.9%          |

**III. 2025 Tax Roll Changes & Estimated Revenues for Draft 2025-26 Budget**

**Assessment Changes 2024/25 to 2025/26:**

The Assessment Roll is provided by Property Valuation Services Corporation (PVSC). On an annual basis, PVSC delivers an assessment roll for forty-nine municipalities, over 650,000 assessment notices, and bases their property assessment valuations from internationally accepted valuation methodologies (sales, income, and cost methodologies). PVSC administers the Capped Assessment (CAP) on behalf of the Nova Scotia Government and administers all appeals.

**“Notice of assessments were distributed to property owners on January 13<sup>th</sup>, 2025, for 2025.”**

In 2024-25, property taxes comprised 75% of the Town's total revenues, and as such is pivotal in determining the Town's revenue and subsequent expense capacity. The chart below summarizes the taxable assessment changes for 2025/26. As indicated, residential assessment accounts have increased by 7.70%, commercial accounts have increased by 1.32% and resource has decreased by 20.84% from 2024/25.

The Capped Assessed Program (CAP) rate for 2025 is 1.5, 0.9% lower than COLA. In future budget reviews, staff shall present the impact between these two metrics and their impact to planned revenues and service levels.

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| <b>Town of Wolfville</b>                |                       |                       |                      |                 |
|---|-----------------------|-----------------------|----------------------|-----------------|
| <b>2025/26 General Operating Budget</b> |                       |                       |                      |                 |
| <b>Taxable Assessment Change</b>        |                       |                       |                      |                 |
|   | <b>2025/26</b>        | <b>2024/25</b>        | <b>Change</b>        | <b>% Change</b> |
| <b>Total Assessment</b>                 |                       |                       |                      |                 |
| Residential Taxable @ Market            | \$ 290,076,500        | \$ 258,162,200        | \$ 31,914,300        | 12.36%          |
| Residential Taxable @ Cap               | \$ 342,469,200        | \$ 329,139,500        | \$ 13,329,700        | 4.05%           |
| <b>Total Taxable Residential</b>        | <b>\$ 632,545,700</b> | <b>\$ 587,301,700</b> | <b>\$ 45,244,000</b> | <b>7.70%</b>    |
| Taxable Commercial                      | \$ 44,060,100         | \$ 43,487,100         | \$ 573,000           | 1.32%           |
| Taxable Resource                        | \$ 837,100            | \$ 1,057,500          | \$ (220,400)         | -20.84%         |

**Points to Highlight:**

- The large decrease in the resource property category is largely due to the sale of a 4.7 acre parcel on Gaspereau Avenue, which was subsequently reclassified from resource assessment of \$254,800 to a residential assessment of \$763,000.
- Another decrease in the resource category was at 102 Stirling Avenue, as it was reclassified from resource assessment of \$83,000 to residential assessment of \$838,800

Using 2024 tax rates, the increase in revenue using the new taxable assessment result in increased income of **\$680,251**, broke as follows:

- Residential \$663,051
- Commercial \$20,430

**Comparative Year-over-Year Revenues (includes estimated Tax Roll Assessed Increase \$680,251)**

|                                   | <b>Budget Estimate</b> | <b>Budgeted</b>      | <b>Actual</b>        | <b>Actual</b>        | <b>Actual</b>        |
|-----------------------------------|------------------------|----------------------|----------------------|----------------------|----------------------|
|                                   | <b>2026-03-31</b>      | <b>2025-03-31</b>    | <b>2024-03-31</b>    | <b>2023-03-31</b>    | <b>2022-03-31</b>    |
| <b>REVENUES</b>                   |                        |                      |                      |                      |                      |
| Taxes and grants in lieu of taxes | \$13,167,451           | \$12,487,200         | \$11,675,131         | \$10,325,957         | \$10,034,341         |
| Sale of services/cost recoveries  | 1,506,300              | 1,506,300            | 1,298,143            | 1,032,534            | 971,192              |
| Sewer charges                     | 800,900                | 800,900              | 687,784              | 584,374              | 516,429              |
| Provincial & Federal Grants       | 497,800                | 497,800              | 168,065              | 262,475              | 354,687              |
|                                   | <b>\$ 15,972,451</b>   | <b>\$ 15,292,200</b> | <b>\$ 13,829,123</b> | <b>\$ 12,205,340</b> | <b>\$ 11,876,649</b> |
| <b>Growth</b>                     | 4.4%                   | 10.6%                | 13.3%                | 2.8%                 | 4.6%                 |

The above table depicts estimated 2025-26 tax revenues to grow year-over-year by 4.4%. The expected increase in **Taxes and Grant in Lieu of Taxes** from \$12,487,200 in 2024-25 to \$13,167,451 in 2025-26,

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results in an assessment increase without any change in tax rates for 2025 of \$680,251 or 5.4%. This is a significant increase and higher than both CAP and COLA. Once staff have finalized Q3 results and have a clearer forecast of March 31, 2025, year-end, it will be determinable what direction is required for future revenue presentation in the budget process.

**V. Draft 2025-26 Capital Investment Plan (CIP)**

General consensus from Council with regards to initial CIP priorities expressed in the below listing.

| <b>Town of Wolfville</b>  |                        |   |                                    |
|---|------------------------|---|------------------------------------|
| <b>Town Operations - Capital Fund Budget</b>                    |                        |   |                                    |
| <b>For the Fiscal Year April 1, 2024 through March 31, 2025</b> |                        |   |                                    |
|   | <b>Capital Project</b> |   |                                    |
|   | <b>Carry-Forward</b>   |   |                                    |
| <b>Department</b>   | <b>From Prior Yr.</b>  | <b>Project Name</b>   | <b>2025-2026<br/>Planned Costs</b> |
|   | <b>(Yes/No)</b>        |   | <b>(rounded up)</b>                |
| Information Technology  | Yes                    | Server Replacement  | \$41,000                           |
| Information Technology  | Yes                    | Back office (Dykeland) - Switches                               | 23,000                             |
| Fire Services   | Yes                    | Fire Hall - New Facility (design phase, construction phase)     | 200,000                            |
| Fire Services   | Yes and Yr. 1          | Fire Equipment Upgrades   | 60,000                             |
| Fire Services   | No - Yr. 1             | Pumper 3 E-One Cyclone - to new pumper tanker                   | 1,807,525                          |
| Public Works - Vehicles   | No - Yr. 1             | Veh # 51 - PW 2017 Sidewalk Tractor (snow removal)              | 190,000                            |
| Public Works - Vehicles   | No - Yr. 1             | veh # 39 - Parks 2015 JD mower X730                             | 18,000                             |
| Public Works - Streets  | Yes                    | Kent Ave - Sidewalk (500m)                                      | 225,000                            |
| Public Works - Streets  | Yes and Yr. 1          | Crosswalk Assessment, Treatment, Upgrades, and New Crosswalks   | 25,000                             |
| Other Transportation  | Yes                    | Wayfinding  | 40,000                             |
| Other Transportation  | Yes                    | AT Network Projects   | 341,500                            |
| Other Transportation  | Yes                    | Intersection Safety Program                                     | 85,000                             |
| Sewer Operations/Treatment/Collection                           | Yes                    | Sewer Treatment Plant Expansion Ph II                           | 965,000                            |
| Sewer Operations/Treatment/Collection                           | Yes                    | Flood Mitigation @STP   | 50,000                             |
| Sewer Operations/Treatment/Collection                           | Yes                    | Lift Station Upgrade program                                    | 50,000                             |
| Sewer Operations/Treatment/Collection                           | Yes                    | SCADA & Electrical Panel Replacements                           | 65,000                             |
| Sewer Operations/Treatment/Collection                           | Yes                    | Storm Water Mgt - Allowance projects TBD                        | 275,000                            |
| Community Services  | Yes                    | West End Parkland & Trail - Improvements (trail & neighborhood) | 196,000                            |
| Open Spaces & Town Amenities                                    | Yes                    | Reservoir Park - Washrooms/Change Rooms                         | 110,000                            |
| Open Spaces & Town Amenities                                    | Yes                    | Reservoir Park - upgrades around pond area incl. shading        | 30,000                             |
| Open Spaces & Town Amenities                                    | No - Yr.1              | Pickelball Courts (location TBD)                                | 300,000                            |
|   |                        |   | <b>\$5,097,025</b>                 |

The below table presents a summary of the Town’s draft capital investment plan. A graphical illustration of where capital dollars are expected to be spent over the ten-year CIP follows.

Staff ask that Council focus primarily on years one through three, understanding that Council’s 2025-26 budget decision will be for year one only.

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| Town of Wolfville<br>2025/26 Ten Year Capital Investment Plan<br>Fiscal 2025/26 to 2034/35 | BUDGET FOCUS        |                      |                      |                     |                     |                     |                   |                     |                     |                     |
|--|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
|  | Year 1              | Year 2               | Year 3               | Year 4              | Year 5              | Year 6              | Year 7            | Year 8              | Year 9              | Year 10             |
|  | 2025/26             | 2026/27              | 2027/28              | 2028/29             | 2029/30             | 2030/31             | 2031/32           | 2032/33             | 2033/34             | 2034/35             |
| Information Technology   | \$ 64,000           | \$ -                 | \$ 24,000            | \$ -                | \$ 45,000           | \$ 45,000           | \$ -              | \$ 25,000           | \$ -                | \$ -                |
| Municipal Buildings  | \$ 200,000          | \$ 5,125,000         | \$ 9,772,000         | \$ 30,000           | \$ 300,000          | \$ 500,000          | \$ -              | \$ -                | \$ -                | \$ -                |
| Protective Services  | \$ 1,867,525        | \$ 30,000            | \$ 30,000            | \$ 2,230,000        | \$ 1,850,000        | \$ 30,000           | \$ 230,000        | \$ 30,000           | \$ 30,000           | \$ 30,000           |
| Transportation Services  | \$ 924,500          | \$ 2,556,700         | \$ 5,440,100         | \$ 2,375,000        | \$ 339,800          | \$ 2,876,000        | \$ 84,300         | \$ 2,241,000        | \$ 468,950          | \$ 951,050          |
| Environmental Health Services  | \$ 1,405,000        | \$ 5,736,600         | \$ 600,000           | \$ -                | \$ -                | \$ 80,000           | \$ -              | \$ -                | \$ 130,000          | \$ -                |
| Community Infrastructure   | \$ 636,000          | \$ 710,000           | \$ 320,000           | \$ 600,000          | \$ 600,000          | \$ 200,000          | \$ 100,000        | \$ 100,000          | \$ 1,100,000        | \$ 100,000          |
| <b>GRAND TOTAL CAPITAL PROJECTS</b>  | <b>\$ 5,097,025</b> | <b>\$ 14,158,300</b> | <b>\$ 16,186,100</b> | <b>\$ 5,235,000</b> | <b>\$ 3,134,800</b> | <b>\$ 3,731,000</b> | <b>\$ 414,300</b> | <b>\$ 2,396,000</b> | <b>\$ 1,728,950</b> | <b>\$ 1,081,050</b> |
|  |                     |                      |                      |                     |                     |                     |                   |                     | Ten-Year CIP        | \$ 53,162,525       |

Note in the above table, the CIP summarizes for ten-years of projects. This presentation is presented for continuity purposes for returning Council members from prior years’ budget presentations. Funding for a ten-year capital investment plan shall continue to be calculated, however, staff wish to advise Council that given the number of unforeseen variables, a ten-year capital plan is largely moving target. The exercise of a ten-year plan is principally for funding purposes, and Council are asked to focus on CIP funding growth greater versus specific capital projects in year six through ten. The required CIP funding is expected to be grossly underestimated in the above presentation.

Staff feel that presenting a ten-year CIP lends to overpromising a fully funded capital plan, whilst many projects still are yet to be identified and runs the risk of insufficient funding for unforeseen future capital needs. Further discussion will follow on this topic as the operating and budget planning and review continue over the next several weeks. Senior Management will continue to work on existing cost estimates, as well as identifying critical projects that are not yet reflected on the draft CIP.

## INFORMATION REPORT 003-2025

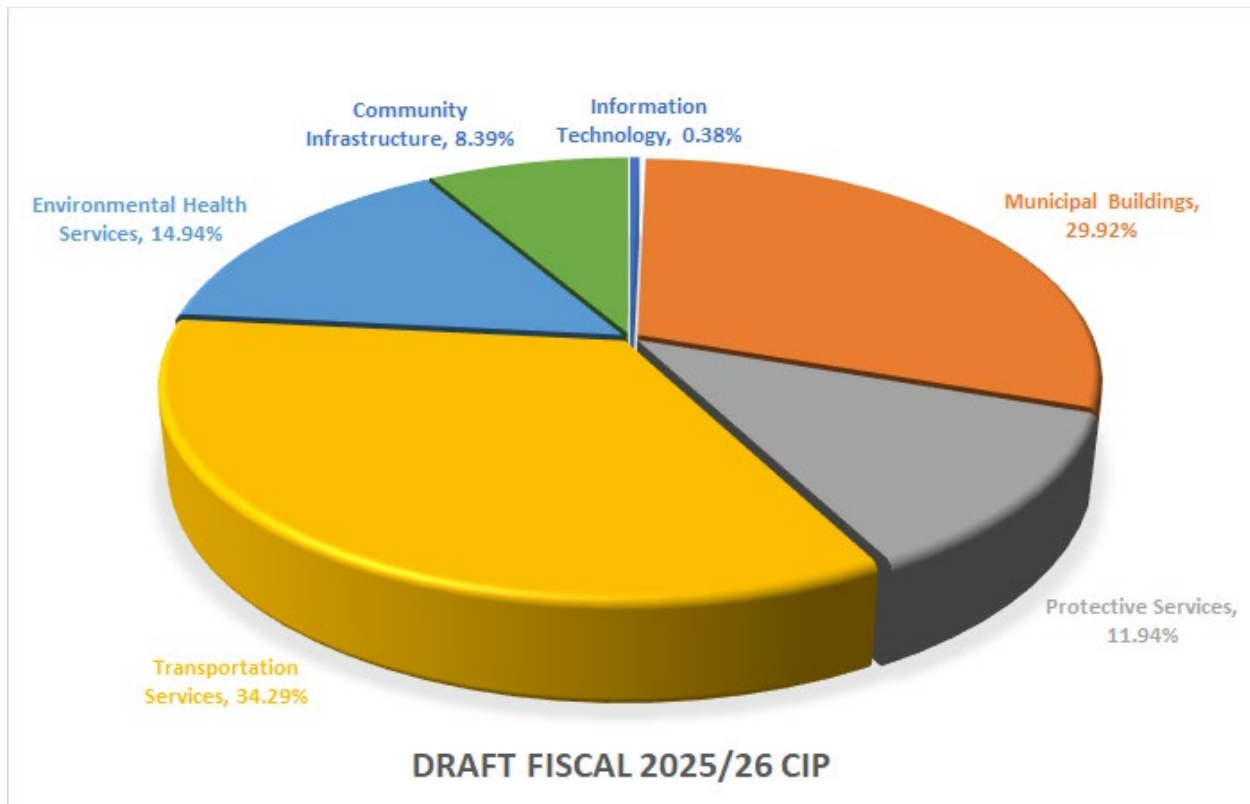
Title: 2025/26 Budget Process and Preliminary Information

Date: 2025-01-14

Department: Finance



The below pie chart represents planned future capital spend allocated over a ten-year period.



Questions for Council related to the Capital Investment Plan with focus on year one:

- Are there projects carried forward from 2024-25 that Council wishes to postpone or eliminate?
- Would Council like to further discuss facility priorities and options?
- Does Council wish to see more or less emphasis on road infrastructure? Note road infrastructure in this perspective includes sidewalks and underground structures.
- What projects have not been captured in the 2025-26 CIP?

#### 4) FINANCIAL IMPLICATIONS

The proposed 2025-26 budget must address significant financial pressures:

- Rising operational costs linked to the Cost of Living Adjustment (COLA) and inflation
- Escalating capital project costs, particularly in infrastructure
- Balancing long-term debt management with immediate capital needs

Staff recommends budgeting an 8% annual growth in capital funding capacity to align with five-year forecasted funding requirements for future capital investments. The draft Capital Investment Plan (CIP) is



## INFORMATION REPORT 003-2025

Title: 2025/26 Budget Process and Preliminary Information

Date: 2025-01-14

Department: Finance

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fully funded for the required five-year period, however, as presented by the previous Director of Finance, for realistic capital planning, this period was tested and found to be too short to adequately manage future funding requirements and a funded ten-year capital investment was introduced as the new CIP measure for sustaining required infrastructure and future growth for the Town. For presentation purposes, projects shall only be identified for years one through five, and funding planned for years six through ten.

### 5) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

No specific references are to be provided at this stage of the budget process. Financial representation Council's Strategic Plan as more fully detailed in the Operations Plan.

### 6) COMMUNICATION REQUIREMENTS

The Wolfville Blooms platform shall continue to allow discussion with the community on the budget process. Similar to other Bloom topics, conversations and other feedback will aid staff and council in the budget process. To the extent that staff resources allow, staff plan to host an open house/engagement session for the Operations Plan and Budget (a date is to be determined).

### 7) FUTURE COUNCIL INVOLVEMENT

Council will play a critical role throughout the budget process with ultimate decision-making authority. It is intended that the operational plan and budget process follow the timeline presented in the IR Summary on page 1 of this document.

Important to note again, staff and Council should strive to have an approved budget before April 1<sup>st</sup>, 2025. Ensuring this deadline can be met provides the catalyst for staff to commence the new fiscal year with authorization on key projects already set, allowing for continuity of partnership funding, service levels, and early queuing of tendered projects, which improves the Town's chances of timely execution and a fulsome season for competitive bidding with servicers and contractors.



# Town of Wolfville Operations Plan

2025/26



A cultivated experience for the mind, body, and soil

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# Introduction

One page

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# Council's Strategic Plan

In February 2021, Council adopted a Strategic Plan to guide priorities throughout the 2020-2024 Council term. Key highlights of the plan include:

**VISION:** *A vibrant, progressive town at the centre of a thriving and sustainable region, where residents, visitors, businesses, and university thrive and grow.*

The vision identifies four elements (residents, visitors, businesses, and the university) that operate in harmony and provide mutual support and benefit. All must be healthy and stable for this vision to be achieved. None is expendable or more important than the other. The vision also references the Town's symbiotic relationship with the surrounding region.

**MISSION:** *To provide leadership and collaborative governance for the responsive and responsible allocation of public resources for the greater good of Wolfville.*

This mission outlines the purpose of Council. It's decisions will be made understanding our role is the responsive and responsible management and expenditure of public funds.

## KEY PRINCIPLES

1. **Sustainability:** Decisions will be made with a view to long-term viability of the Town.
2. **Transparency:** Decisions will be made openly and in public.
3. **Accountability:** Decisions are a function of the whole of Council, which is responsible for their impacts.
4. **Well-Communicated:** Decisions and the decision-making process will be well communicated.
5. **Evidence-Based:** Decisions will be based on factual evidence, the importance of an issue to the community, and other realities of our community life.

## STRATEGIC DIRECTIONS

The Strategic Directions found in the Municipal Planning Strategy (Economic Prosperity, Social Equity, Climate Action, and Community Wellness) have been adopted by Council as primary or strategic focuses for the Town's services. Decisions will be made with consideration of these broader goals.

## PRIORITY INITIATIVES

Priority Initiatives reflect the highest priorities of the community, as expressed to the Council by residents. They hold a special place in the operations and resource allocation of the Town.

Council's Priority Initiatives for 2021-2024 were:

1. Priority Area 1 - Multi-purpose regional complex to include at minimum an aquatic facility. May also include other recreation and cultural indoor facilities.
2. Priority Area 2 - Clear plan to address, in a timely manner, the revitalization and maintenance of road, sidewalk, crosswalk infrastructure and traffic management including addressing the issue of the 4-way stop.

3. Priority Area - Economic sector growth and support for commercial, business and entrepreneurial opportunities including retention and attraction of new economic opportunities.
4. Priority Area 4 - Climate management related initiatives to reduce carbon emissions, support local transportation, local food security and environmental protection.

While the priority initiatives factor into the Town's annual Operations Plan, they are not the only things that the Town will achieve. Core service delivery is a major component of each annual budget. These, and other projects for which need and/or opportunity arises during the term of Council, will be incorporated as appropriate in each annual Operations Plan and Budget.

In the spring of 2025, Council will review and renew its Strategic Plan. This renewed plan will provide strategic direction for the Town for the duration of the 2024-2028 Council term.

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## Wolfville: A Cultural Gem in the Annapolis Valley

Nestled in Nova Scotia's Annapolis Valley, Wolfville is a charming university town where historic architecture meets contemporary cultural vibrancy. Home to approximately 5000 residents and the prestigious Acadia University, this dynamic community has cultivated a unique identity that draws visitors and residents alike to its tree-lined streets.

Since 1838, Acadia University has been at the heart of Wolfville's identity. The institution's historic red-brick buildings create a seamless blend with the town's architecture, while its student population brings diverse perspectives and energy to the community throughout the academic year.

Wolfville's cultural scene flourishes through signature events like the Deep Roots Music Festival and Devour! Food Film Fest, Atlantic Canada's largest food and film festival. The restored 1920s Acadia Cinema's Al Whittle Theatre serves as a cultural cornerstone, hosting independent films and live performances that enrich community life.

The town's Main Street exemplifies Maritime hospitality, with locally-owned shops and restaurants housed in heritage buildings. As Canada's first Cittaslow (Slow Food) community, Wolfville honors its agricultural roots while embracing innovation through its thriving farmers' market and farm-to-table dining scene. This harmonious blend of preservation and progress makes Wolfville one of Nova Scotia's most distinctive communities, where every corner tells a story of the past while actively shaping the future.

## Town Operations

The Chief Administrative Officer (CAO) is the senior appointed official of the municipality providing organizational leadership to municipal staff and is the sole employee of Council. This position is responsible to Council for administration and coordination of the delivery of services to the municipality's residents and businesses in a manner that will ensure the effective utilization of the human, financial and physical resources of the municipality.

The Chief Administrative Officer is responsible for the proper administration of all the business affairs of the Town in accordance with the bylaws, policies, and plans, approved and established by the Council and responsibilities as legislated by the Province of Nova Scotia.

All town programs and services are delivered by a dedicated and talents staff team of between 65 and 80 employees, depending on the season. Staff are divided into four departments: the Office of the CAO, Finance & Corporate Services, Public Works & Engineering, and Planning and Economic Development. More than 2/3 of the Town's staff are in roles providing service directly to Town residents. Public Works and Parks operations are completed by members of SEIU Local 2.

Org Chart Appended

## Financial Condition, Taxation & Expenditures

Two-pages

Includes key financial condition indicators, rates & levies, assessment trends, revenue and expense trends, etc...

Describes notable changes from previous year or one-time / project-based revenues.

Abbreviated versions of operating and capital budgets appended.

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# Municipal Programs & Service Delivery

## One-page

Description of the various ways the Town provides its programs & services:

- Departments
  - o Daily operations.
- IMSAs,
  - o Joint IMSA Pilot Project (Valley Waste and Kings Transit)
  - o Valley Community Fibre Network (VCFN)
  - o Annapolis Valley Trails Coalition (AVTC)
  - o Kings Point to Point
  - o Regional Emergency Management Advisory Committee (REMAC)
- Strategic Partners
  - o Wolfville Business Development Corporation (WBDC)

Lead into Departmental Ops Plans.

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## Office of the CAO Administrative Services

Brief description of department, people, mandate. Key operational details. Description of operational priorities.

Charters for approved projects and operational priorities:

| <b>Project Charter Template</b>                |                   |               |                 |
|--|-------------------|---------------|-----------------|
| <b>Project Title</b>                           |                   |               |                 |
| <b>Description</b>                             |                   |               |                 |
| <b>Activities &amp; Key Milestones</b>         |                   |               |                 |
| <b>Link to Critical Services or Priorities</b> |                   |               |                 |
| <b>Human Res.</b>                              | <b>Owner</b>      |               |                 |
|  | <b>Lead</b>       |               |                 |
|  | <b>Other</b>      |               |                 |
| <b>Financial Res.</b>                          |                   | <b>Budget</b> | <b>Activity</b> |
|  | <b>FY 2025/26</b> |               |                 |
|  | <b>FY 2026/27</b> |               |                 |
|  | <b>FY 2027/28</b> |               |                 |
| <b>Key Relationships</b>                       |                   |               |                 |
| <b>Risks</b>                                   |                   |               |                 |
| <b>Comms Consid.</b>                           |                   |               |                 |
| <b>Performance</b>                             | <b>Measure</b>    |               |                 |
|  | <b>Target</b>     |               |                 |

# Financial & Corporate Services Department

Brief description of department and its mandate. Key operational details. Description of operational priorities.

Charters for approved projects and operational priorities:

| <b>Project Charter Template</b>                |                   |               |                 |
|--|-------------------|---------------|-----------------|
| <b>Project Title</b>                           |                   |               |                 |
| <b>Description</b>                             |                   |               |                 |
| <b>Activities &amp; Key Milestones</b>         |                   |               |                 |
| <b>Link to Critical Services or Priorities</b> |                   |               |                 |
| <b>Human Res.</b>                              | <b>Owner</b>      |               |                 |
|  | <b>Lead</b>       |               |                 |
|  | <b>Other</b>      |               |                 |
| <b>Financial Res.</b>                          |                   | <b>Budget</b> | <b>Activity</b> |
|  | <b>FY 2025/26</b> |               |                 |
|  | <b>FY 2026/27</b> |               |                 |
|  | <b>FY 2027/28</b> |               |                 |
| <b>Key Relationships</b>                       |                   |               |                 |
| <b>Risks</b>                                   |                   |               |                 |
| <b>Comms Consid.</b>                           |                   |               |                 |
| <b>Performance</b>                             | <b>Measure</b>    |               |                 |
|  | <b>Target</b>     |               |                 |

## Engineering & Public Works

Brief description of department and its mandate. Key operational details. Description of operational priorities.

Charters for approved projects, capital investments and operational priorities:

| <b>Project Charter Template</b>                |                   |               |                 |
|--|-------------------|---------------|-----------------|
| <b>Project Title</b>                           |                   |               |                 |
| <b>Description</b>                             |                   |               |                 |
| <b>Activities &amp; Key Milestones</b>         |                   |               |                 |
| <b>Link to Critical Services or Priorities</b> |                   |               |                 |
| <b>Human Res.</b>                              | <b>Owner</b>      |               |                 |
|  | <b>Lead</b>       |               |                 |
|  | <b>Other</b>      |               |                 |
| <b>Financial Res.</b>                          |                   | <b>Budget</b> | <b>Activity</b> |
|  | <b>FY 2025/26</b> |               |                 |
|  | <b>FY 2026/27</b> |               |                 |
|  | <b>FY 2027/28</b> |               |                 |
| <b>Key Relationships</b>                       |                   |               |                 |
| <b>Risks</b>                                   |                   |               |                 |
| <b>Comms Consid.</b>                           |                   |               |                 |
| <b>Performance</b>                             | <b>Measure</b>    |               |                 |
|  | <b>Target</b>     |               |                 |

## Planning & Community Development

Brief description of department and its mandate. Key operational details. Description of operational priorities.

Charters for approved projects and operational priorities:

| <b>Project Charter Template</b>                |                   |               |                 |
|--|-------------------|---------------|-----------------|
| <b>Project Title</b>                           |                   |               |                 |
| <b>Description</b>                             |                   |               |                 |
| <b>Activities &amp; Key Milestones</b>         |                   |               |                 |
| <b>Link to Critical Services or Priorities</b> |                   |               |                 |
| <b>Human Res.</b>                              | <b>Owner</b>      |               |                 |
|  | <b>Lead</b>       |               |                 |
|  | <b>Other</b>      |               |                 |
| <b>Financial Res.</b>                          |                   | <b>Budget</b> | <b>Activity</b> |
|  | <b>FY 2025/26</b> |               |                 |
|  | <b>FY 2026/27</b> |               |                 |
|  | <b>FY 2027/28</b> |               |                 |
| <b>Key Relationships</b>                       |                   |               |                 |
| <b>Risks</b>                                   |                   |               |                 |
| <b>Comms Consid.</b>                           |                   |               |                 |
| <b>Performance</b>                             | <b>Measure</b>    |               |                 |
|  | <b>Target</b>     |               |                 |

## Wolfville Police Services – Royal Canadian Mounted Police

Wolfville had its own police force until 2000 when a decision was made to switch to the Provincial police force, the RCMP. From 2000 until 2024, Wolfville contracted RCMP service through the Provincial Police Services Agreement. In 2024, when Wolfville's population of full-time residents surpassed 5000, the Town moved to a Municipal Police Services Agreement, which is a direct contract with Public Safety Canada for RCMP service. By utilizing this existing arrangement, Wolfville enjoys a 70/30 cost split with the federal government on the total RCMP costs.

The RCMP police 36 municipalities in nova scotia through the PPSA, and ten have direct MPSA contracts. Ten municipalities have their own police force.

The RCMP in Wolfville are part of the larger Kings County detachment, which provides flexibility in staffing for major events in Wolfville beyond the dedicated compliment. The officers assigned to Wolfville include 1 Sergeant, 8 Constables and 1 Detachment Assistant.

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## Wolfville Fire Department

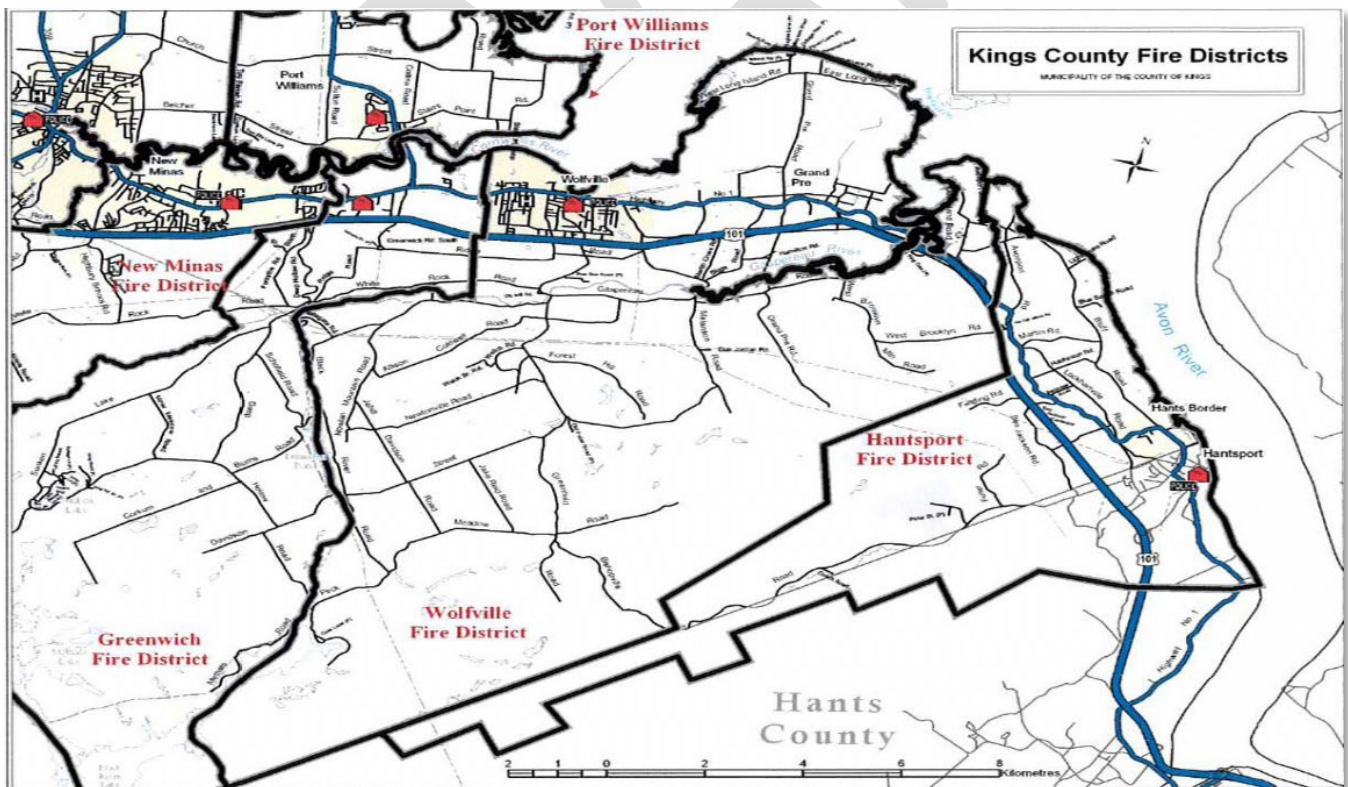
The Wolfville Fire Department (WFD) was established in 1890. While in many communities the Fire Department is established as a separate non-profit society, the WFD is a department of the Town and all of the major assets are owned by the Town.

The Town employs an Operator/Mechanic to service the Fire Department. The Department is overseen by a Chief and two Deputy Chiefs. It consists of four Captains, two Lieutenants and approximately forty Firefighters. In 2023, Wolfville's volunteer firefighters gave over 8,005 hours of service... **Include # of calls.**

who provide not only the 'usual' firefighting duties but in concert with neighboring departments (Kentville and New Minas Volunteer Fire Departments), have developed a special team to provide Hazardous Materials Emergency Response service across Kings County. The Department is subject to all Town policies but otherwise, the operation is autonomous.

An Intermunicipal Fire Services Agreement with Kings County sees the WFD provide fire services in surrounding communities and provides funding for that service. The WFD provides fire services to a total area of 167 sq/km and contributes members and apparatus in emergency situations throughout Kings County through mutual aid agreements.

## Wolfville Fire Department District Service Area Map



## Committees of Council & Regional Boards

### One-page

Describe the Committees, their mandate and relationship to Council.

**Annapolis Valley Regional Library Board**

**EKM Health Centre Liaison Team**

**Diversity Kings County**

**Bishop-Beckwith Marsh Body**

**Grand Pré Marsh Body**

**Western Regional Housing Authority (WRHA)**

**Town and Gown**

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**Appendix 1: Organizational Chart**

**Appendix 2: 2025/26 Operational Budget & Water Utility Budget**

**Appendix 3: 2025/26 Capital Investment Plan**