The Audit Committee Meeting was held in Council Chambers at Baddeck on April 14, 2025, April 22, 2025, April 29, 2025, and May 5, 2025 with Warden Organ in the Chair.

APRIL 14, 2025

COUNCILLORS PRESENT

District #1 - Donna Matheson-Lefort

District #2 - Perla MacLeod, Deputy Warden

District #4 - Rosella Born

District #5 - Fraser Patterson

District #6 - Tim Donovan

District #7 - Jackie Organ, Warden

District #8 - Wanda Hennick

STAFF PRESENT

Leanne MacEachen, CAO

Alix Redden, CFO

Steff MacLeod, Recorder

Heather Ross, Financial Analyst

ALSO PRESENT

Denise Allen, public member of the Audit Committee

Rob Wadden, Partner, Doane Grant Thorton

ABSENT

District #3 - Jess Kerr

Meeting called to order at 10am.

APPOINTMENT OF CHAIR

Warden Organ called for nominations for Chair of the Audit Committee.

Warden Organ put a motion on the floor to nominate Denise Allen. No other nominations were called.

Councillor Patterson moved for nominations to cease.

On Motion of Warden Organ seconded by Councillor Born to appoint Denise Allen as Chair of the Audit Committee to a two (2) year term.

Motion Carried.

Ms. Allen requested that Warden Organ continue to serve as Chair for the duration of the meeting.

APPROVAL OF AGENDA

On Motion of Councillor Donovan seconded by Denise Allen to approve the Agenda for April 14, 2025.

Motion Carried.

APPROVAL OF MINUTES

On Motion of Deputy Warden MacLeod seconded by Councillor Hennick to approve the Minutes for February 24, 2025.

Motion Carried.

AUDIT STRATEGY – ROB WADDEN, PARTNER, DOANE GRANT THORNTON

Mr. Wadden went over the previously submitted Audit Strategy.

There was some discussion as to why Grant Thornton don't audit Highland Manor as it is owned by Victoria County. Mr. Wadden said that is up to the Board of the Highland Manor and Victoria County to decide. CAO MacEachen said the board would need to take that information back to management.

2025-2026 BUDGET SURVEY RESULTS – CFO REDDEN

CFO Redden went over the Budget Survey results that highlighted areas to improve on, areas for budget considerations and what the County is doing well on.

CFO Redden said the report will be published and available for residents.

RECESS

The meeting was recessed at 11am and scheduled to reconvene on April 22 at 10am.

APRIL 22, 2025

The Audit Committee Meeting held in Council Chambers at Baddeck reconvened on April 22 at 10am.

COUNCILLORS PRESENT

District #1 - Donna Matheson-Lefort

District #2 - Perla MacLeod, Deputy Warden

District #3 - Jess Kerr

District #4 - Rosella Born

District #5 - Fraser Patterson

District #6 - Tim Donovan

District #7 - Jackie Organ, Warden

District #8 - Wanda Hennick

STAFF PRESENT

Leanne MacEachen, CAO

Alix Redden, CFO

Heather Ross, Financial Analyst

ALSO PRESENT

Denise Allen, public member of the Audit Committee

ABSENT

Steff MacLeod, Recorder

BUDGET PRESENTATION – CFO REDDEN

CFO Redden provided an overview of the budget process, highlighting key decision points and areas requiring Council direction.

BACKGROUND

- Limited flexibility in many revenue/expense areas
  - Determined by operations, staffing, policies, collective agreement, and mandatory contributions
- Baseline approach used
  - Starts with last year's budget + known commitments
  - Highlights decision areas for Council input
- Decision areas = new expenses or funding changes based on priorities
- Approach has been used for a few years now
  - Helps build understanding and support decision-making
- Full draft budget to follow after these discussions

KEY REVENUE CONSIDERATIONS

Incremental property tax - $487k driven by assessment changes

NS Power grant-in-lieu (GIL) - $923k increase from LY ($3.797m vs. $2.874m)

Mabel MacEachern investment - $152k transferring to operating reserve ($105k received LY from pension wind-up)

INCREMENTAL TAX REVENUE

*with no tax rate change	Current Rate	Incremental Revenue
Residential	$1.15	500,325
Commercial	$2.09	(25,617)
Less: Seasonal adjustment	$2.09	990
Resource	$1.15	11,712
Additional 2025-26 property tax revenue		**$487,409**

BASELINE APPROACH

Baseline Revenue Breakdown	
Taxes	12,422,300
Expenditures as reduction of taxes	(3,323,200)
Grants in lieu of taxes	4,418,600
Services provided to other gov't	22,500
Revenue from own sources – waste	684,500
Revenue from own sources – other	571,000
Transfers from other gov't	613,200
Other revenue	152,000
Total Baseline Revenue	**15,560,900**

Notes:
- No change to current tax rates
- Includes any commitments already made by Council

BASELINE APPROACH

Baseline Expenses Breakdown		
General Government Services	3,372,800	25%
Protective Services	3,313,700	26%
Transportation Services	573,200	4%
Environmental Health Services	4,117,100	31%
Environmental Development Services	842,000	6%
Recreation and Cultural Services	990,500	7%
Financing and Transfers	152,000	1%
Total Baseline Expenses	**13,483,800**	**100%**

2025-26 Baseline Budget	
Baseline Revenues	15,560,900
Baseline Expenses	13,483,800
Surplus Remaining	**2,077,100**

	Operating Reserve	Capital Reserve	CCBF Reserve	TOTAL
Estimated balances at March 31, 2025	10,567,600	10,226,200	3,252,700	24,046,500
Commitments previously made	(4,428,000)	(7,847,000)	(2,600,000)	(14,875,000)
Available Reserve Balance	**6,139,600**	**2,379,200**	**652,700[1]**	**9,171,500**

[1]Excludes future CCBF contributions

SURVEY RESULTS – MUNICIPAL SERVICES (IMPORTANCE RANKED)

1. Emergency services
2. Communication with residents
3. Economic development
4. Community supports
5. Waste management
6. Tourism
7. Seniors' safety
8. Community development & placemaking
9. Active living & recreation
10. Public transit
11. Trails and green space development
12. Upgrading aging infrastructure
13. Water services
14. Green and climate focused initiatives
15. New capital infrastructure
16. Protective services

SURVEY RESULTS – PRIORITIES (RANKED)

1. Access to healthcare services
2. Emergency preparedness and response
3. Affordability of daily living
4. Rural internet/cellular access
5. Mental health services
6. Education and school quality
7. Seniors services and support
8. Economic development/ year-round job
9. Access to nutritious food and food security
10. Affordable housing/ homelessness
11. Public safety and crime prevention
12. Support for local businesses/ entrepreneurs
13. Resident engagement and participation
14. Tourism promotion and development
15. Community growth and vitality
16. Recreation/active living opportunity
17. Transportation options
18. Aging municipal infrastructure
19. Environmental sustainability
20. Availability of childcare services
21. Diversity, inclusion, equity and accessibility initiatives
22. Climate change adaptation and resilience
23. Reconciliation efforts with First Nations

SURVEY RESULTS – SATISFACTION (RANKED)

1. Curbside waste/ recycling/ organics collection
2. Transfer stations and recycling depots
3. Safety and security in your community
4. Response times and availability of local fire services
5. Frequency of heavy garbage
6. Access to municipal Councillors
7. Emergency preparedness and disaster response
8. Green spaces, parks and trails
9. Customer service
10. Municipal communication efforts
11. Recreation and cultural programs
12. Water/ wastewater infrastructure and services
13. Availability of public transportation
14. Public washrooms

DECISION AREAS

- Communication
- Property tax relief programs
- Human resources personnel
- Community grants and supports
- Seniors' safety and accessibility
- Fire departments funding
- Victoria County Transit
- Public works upgrades
- Heavy garbage
- Housing
- Public washrooms
- Trail investments
- Village of Baddeck contribution
- Saving (reserve contributions)

DECISION AREAS

Communications

$20,000 budgeted - tools and resources
(LY budget $30,000; $18,680 spent)

Property tax relief programs

$100,000 budgeted - property tax relief grants
(LY budget $75,000; $100,780 spent)

$35,000 budgeted - low-income property tax rebate
(LY budget $25,000; $31,367 spent)

Human resource personnel

$88,350 budgeted - salary and benefits
(LY budget $0; $0 spent)

Discussions:

- Council discussed individual Councillor newsletters and alternative distribution methods to avoid mailing.
- Property tax relief requests from the Village of Baddeck should be addressed as part of broader negotiations with the Village.
- The number of property tax exemption requests may increase due to rising assessments.
- Council approved the addition of a Human Resources staff position.

DECISION AREAS

Community grants and supports

- $275,000 budgeted– municipal grants
  - (LY budget $275,000; $475,832 spent)
- $76,000 budgeted– district grants
  - (LY budget $76,000; $78,055 spent)
- $150,000 budgeted– special projects of Council
  - (LY budget $150,000; $169,467 spent)

Seniors' safety and accessibility

- $150,000 budgeted– seniors' safety program
  - (LY budget $70,000; $103,468 spent)
- $50,000 budgeted– accessibility initiatives
  - (LY budget $50,000; $120 spent)

Discussions:

- Council requested that District Budgets be increased by $500 per District.
- Council agreed to $150,000 for Special Projects.
  - Discussion on an Internet Grant Program for community spaces.

DECISION AREAS

Fire departments funding

$689,500 budgeted– VFD contribution 5% increase
(LY budget $656,964; $641,358 spent)

$0 budgeted – VFD review study
(LY budget $0; $0 spent)

Victoria County Transit

$100,000 budgeted– VCT contribution
(LY budget $200,000; $200,000 spent)

Discussions:

- Council agreed to VFD increase for total of $689,500
- Discussed volunteer fire department review. Staff to check with Fire Services Coordinator and other municipal units.
- Discussion on potential changes to VCT drivers' rates to encourage recruitment.
    - Suggested funding increase to $150,000.

DECISION AREAS

Public works upgrades

$437,500 budgeted– purchase new sideloader
(LY budget $0; $0 spent)

$20,000 budgeted– new compost building
(LY budget $0; $0 spent)

$128,000 budgeted– security cameras – multiple sites
(LY budget $0; $0 spent)

Heavy garbage

$93,450 budgeted– once per year
(LY budget $85,000; $79,583 spent)

Discussions:

- No further heavy garbage this fiscal year but staff to research buying in-house equipment and complete it ourselves and more regularly.

DECISION AREAS

Housing initiatives

$0 budgeted – water line extension contribution

(LY budget $100,000; $100,000 spent)

Public washrooms

$70,000 budgeted – existing arrangements

(LY budget $70,000; $62,660 spent)

Trail investments

$100,000 budgeted – trail grants

(LY budget $100,000; $86,988 spent)

$500,000 budgeted – trail development

(LY budget $500,000; $364,947 spent)

Discussions:

- Council expressed a desire to allocate funds for potential housing initiatives, suggesting an amount of up to $300,000.
- As public washrooms were identified as a top priority, it requires increased funding. Staff to revise and come back with suggested amounts. Council requested that infrastructure and operating costs related to public washrooms be separated for clarity.

DECISION AREAS

Village of Baddeck contributions

$0 budgeted – direct capital contribution
(LY budget $65,000; $65,000 spent)

$0 budgeted – direct operating contribution
(LY budget $8,000; $8,000 spent)

Saving (reserve contributions)

$0 budgeted – transfer to capital reserve
(LY budget $500,000; $500,000 spent)

$152,000 budgeted– transfer to operating reserve
(LY budget $8,989; $1,305,063 spent)

Discussions:

- Negotiations with Village of Baddeck are ongoing. As a result, no budget allocation has been made at this time. Any financial impacts will be addressed once the process is complete.
- CAO MacEachen recommended transferring incremental increase in NS Power grant-in-lieu ($923k) to the Capital Reserve. Council agreed with the recommendation.

DECISION AREAS - SUMMARY

2024-25 Budget Adjustments	
Initial surplus	2,077,100
Proposed decision areas	1,321,350
Surplus Remaining	**755,750**

DECISION AREAS - SUMMARY

2024-25 Budget Adjustments	
Initial surplus	2,077,100
Proposed decision areas	1,321,350
Surplus Remaining	**755,750**

The discussions and decisions from this meeting will be incorporated into the forthcoming draft of the budget.

RECESS

The meeting was recessed at 12:45pm and scheduled to reconvene on April 29 at 9am.

APRIL 29, 2025

The Audit Committee Meeting held in Council Chambers at Baddeck reconvened on April 29 at 9am.

COUNCILLORS PRESENT

District #1 - Donna Matheson-Lefort

District #2 - Perla MacLeod, Deputy Warden

District #3 - Jess Kerr

District #4 - Rosella Born

District #5 - Fraser Patterson

District #7 - Jackie Organ, Warden

District #8 - Wanda Hennick

STAFF PRESENT

Leanne MacEachen, CAO

Alix Redden, CFO

Steff MacLeod, Recorder

Heather Ross, Financial Analyst

ABSENT

District #6 - Tim Donovan

Denise Allen, public member of the Audit Committee

BUDGET PRESENTATION – CFO REDDEN

CFO Redden resumed the presentation, providing an overview of the draft operating budget, the five-year capital plan, and current reserve fund balances.

2025-26 Tax Rates (unchanged)	
Residential/Resource	$1.15 per $100
Commercial	$2.09 per $100

2025-26 DRAFT Operating Budget	
Total Revenues	15,560,858
Total Expenses	15,560,858
Surplus/Deficit	-

TOTAL REVENUE	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Taxes	12,422,330	11,930,920	4.12%	11,980,534	3.69%
Expenditures as a Reduction of Taxes	(3,323,197)	(2,961,573)	12.21%	(2,961,573)	12.21%
Grants in Lieu of Taxes	4,418,577	3,443,897	28.30%	3,559,722	24.13%
Services Provided to Other Gov't	22,461	20,000	12.30%	21,559	4.18%
Revenue from Own Sources – Waste	684,500	800,000	(14.44%)	681,396	0.46%
Revenue from Own Sources – Other	571,000	356,000	60.39%	784,129	(27.18%)
Transfers from Other Gov't	613,188	670,000	(8.48%)	772,043	(20.58%)
Collection for Other Gov't	-	-	-	(1,719)	(100%)
Other Revenue	152,000	-	-	185,728	(18.16%)
TOTAL REVENUE	**15,560,858**	**14,259,244**	**9.13%**	**15,021,820**	**3.59%**

TOTAL EXPENSES	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
General Government Services	3,580,146	3,403,733	5.18%	3,595,981	(0.44%)
Protective Services	3,468,898	3,256,904	6.51%	3,305,066	4.96%
Transportation Services	623,150	713,575	(12.67%)	656,616	(5.10%)
Environmental Health Services	4,738,620	3,984,104	18.94%	3,860,274	22.75%
Environmental Development Services	1,321,962	1,006,460	31.35%	857,004	54.25%
Recreation and Cultural Services	995,455	1,320,478	(24.61%)	760,515	30.89%
Financing & Transfers	832,627	573,989	45.06%	1,986,363	(58.08%)
TOTAL EXPENSES	**15,560,858**	**14,256,244**	**9.13%**	**15,021,820**	**3.59%**

GENERAL GOVERNMENT SERVICES
LEGISLATIVE

COUNCIL	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Stipends & Benefits	315,113	296,720	6.20%	287,759	9.51%
Council Expenses	63,500	52,000	22.12%	64,969	(2.26%)
Other Legislative Services	19,000	35,000	(45.71%)	28,151	(32.51%)
Total Expenses	**397,613**	**383,720**	**3.62%**	**380,879**	**4.39%**

Discussion:

- CFO Redden noted a minor discrepancy ($500) in Councillor travel expenses, which will be corrected.

GENERAL GOVERNMENT SERVICES
GENERAL ADMINISTRATION

ADMINISTRATION (OFFICE OF CAO)	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (2 FTE + 1 FT term)	280,312	240,520	16.54%	251,754	11.34%
Training & Development	12,000	6,200	93.55%	10,410	15.27%
Operational Costs	35,200	23,100	52.38%	60,778	(42.08%)
Total Expenses	**327,512**	**269,820**	**21.38%**	**322,942**	**1.42%**

GENERAL GOVERNMENT SERVICES
GENERAL ADMINISTRATION

COMMUNICATIONS	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (2 FTE)	179,114	137,781	30.00%	112,951	58.58%
Training & Development	6,500	5,000	30.00%	1,408	361.59%
Operational Costs	54,000	54,700	(1.28%)	47,987	12.53%
Total Expenses	**239,614**	**197,481**	**21.34%**	**162,346**	**47.59%**

GENERAL GOVERNMENT SERVICES
GENERAL ADMINISTRATION

FINANCAL MANAGEMENT (FINANCE & REVENUE)	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (6 FTE)	504,713	480,334	5.08%	466,572	8.17%
Training & Development	23,000	15,400	49.35%	9,012	155.21%
Operational Costs	96,000	95,000	1.05%	84,734	13.30%
Total Expenses	**623,713**	**590,734**	**5.58%**	**560,318**	**11.31%**

GENERAL GOVERNMENT SERVICES
GENERAL ADMINISTRATION

TAXATION	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Tax Rebate & Exemptions	135,000	100,000	35.00%	132,147	2.16%
Transfer for Assessment Services	234,646	228,892	2.51%	224,736	4.41%
Other Costs	25,000	40,000	(37.05%)	18,104	38.09%
Total Expenses	**397,646**	**368,892**	**6.98%**	**374,987**	**5.24%**

GENERAL GOVERNMENT SERVICES
GENERAL ADMINISTRATION

OTHER GENERAL ADMINISTRATION

	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Human Resources (1 FTE)	145,352	40,500	258.89%	24,311	497.88%
Common Services	37,800	39,200	(3.57%)	29,044	30.15%
Building & Properties (1 FTE + 1 FT term)	544,896	621,186	(12.28%)	478,841	13.79%
Information Technology	154,000	201,200	(23.46%)	150,119	2.59%
Total Expenses	**882,048**	**902,086**	**(2.22%)**	**682,315**	**29.27%**

GENERAL GOVERNMENT SERVICES
VALUATION ALLOWANCES

VALUATION ALLOWANCES

	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Uncollectable Taxes	10,000	10,000	0.00%	10,000	0.00%
Total Expenses	**10,000**	**10,000**	**0.00%**	**10,000**	**0.00%**

GENERAL GOVERNMENT SERVICES
OTHER GENERAL GOVERNMENT SERVICES

OTHER GENERAL GOVERNMENT SERVICES	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Election Expenses	-	60,000	(100.00%)	36,190	(100.00%)
★ Grants to Organizations	355,000	351,000	1.14%	792,949	(55.23%)
★ Special Projects (1 PT term)	350,000	270,000	29.63%	273,056	28.18%
Total Expenses	**705,000**	**681,000**	**3.52%**	**1,102,194**	**(36.04%)**

Special Projects include:

- Special projects of council - $150k
- Seniors' safety program - $150k
- Accessibility initiatives - $50k

Discussion:

- Special projects of Council increased by $50k to $200k; further discussion noted below.

PROTECTIVE SERVICES

PROTECTIVE SERVICES	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Police Protection	2,269,063	2,100,099	8.05%	2,162,095	4.95%
Fire Protection					
Water Supply & Hydrants	271,874	262,448	3.59%	273,984	(0.77%)
Insurance for Volunteers	45,000	43,000	4.65%	49,360	(8.83%)
Fire Fighting Force	689,500	656,964	4.95%	641,358	7.51%
Fire Support Services (1 PT term)	121,482	118,379	2.62%	114,118	6.45%
By-Law Enforcement (1 PT)	39,588	46,854	(15.51%)	36,121	9.60%
Emergency Management (1 term)	32,391	29,161	11.08%	28,031	15.55%
Total Expenses	**3,468,898**	**3,256,904**	**6.51%**	**3,305,066**	**4.96%**

Discussion:

- Fire Services Association of Nova Scotia is conducting a comprehensive governance review of fire services in Nova Scotia. It was recommended we wait until this is complete before doing our own.
- A request was made to add $10,000 for a dry hydrant in support of fire services.

TRANSPORTATION SERVICES

TRANSPORTATION SERVICES	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Roads & Sidewalks	198,150	203,485	(2.62%)	192,072	3.16%
Street Lighting	275,000	310,090	(11.32%)	264,544	3.95%
Public Transit	150,000	200,000	(25.00%)	200,000	(25.00%)
Total Expenses	**623,150**	**713,575**	**(12.67%)**	**656,616**	**(5.10%)**

ENVIRONMENTAL HEALTH SERVICES

PUBLIC WORKS ADMINISTRATION	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (4 FTE + 1 PT)	340,068	303,519	12.04%	171,835	97.90%
Training & Development	8,500	12,500	(32.00%)	5,126	65.83%
Operational Costs	23,500	30,000	(21.67%)	16,696	40.76%
Total Expenses	**372,068**	**346,019**	**7.53%**	**193,656**	**92.13%**

Victoria County
NATURALLY CONNECTED

ENVIRONMENTAL HEALTH SERVICES

WASTE COLLECTION OPERATIONS	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (7 FTE + 2 FT term)	524,038	470,689	11.33%	480,818	8.99%
Training & Development	3,500	7,000	(50.00%)	1,073	226.20%
Operational Costs	690,000	642,088	7.46%	777,566	(11.26%)
★ Special Projects	473,500	125,000	278.80%	107,139	341.95%
Total Expenses	**1,691,038**	**1,244,776**	**35.85%**	**1,366,596**	**23.74%**

Special Projects include:
- MIP project contribution - $36k
- New sideloader - $437.5k

Victoria County
NATURALLY CONNECTED

Discussion:

- Provincial Municipal Innovation Program (MIP) funding application has been submitted with $36k contribution from Victoria County.

ENVIRONMENTAL HEALTH SERVICES

TRANSFER STATION & RECYCLING OPERATIONS	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (19 FTE + 3 FT term)	1,217,366	1,109,867	9.69%	1,030,979	18.08%
Training & Development	28,500	27,000	5.56%	16,640	71.28%
★ Operational Costs	798,950	728,503	9.67%	709,880	12.55%
★ Special Projects	630,697	527,938	19.46%	542,523	16.25%
Total Expenses	**2,675,513**	**2,393,309**	**11.79%**	**2,300,021**	**16.33%**

Special Projects include:

- Water Utility employee benefits - $53k
- Transfer trucking between sites - $300k
- Landfill capital - $150k
- Security camera upgrades - $128k

ENVIRONMENTAL DEVELOPMENT SERVICES

ENVIRONMENTAL DEVELOPMENT SERVICES	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Planning & Zoning	174,879	173,251	0.94%	172,117	1.60%
Economic Development	125,000	126,000	(0.79%)	114,999	8.70%
★ Special Projects	550,000	170,000	223.53%	162,660	238.13%
Total Expenses	**849,879**	**469,251**	**81.11%**	**449,776**	**88.95%**

Special Projects include:

- Housing initiatives - $300k
- Public washrooms support - $80k
- Public washroom investment - $170k

Discussions:

- Council reduced Housing allocation from $300,000 to $150,000 pending a clearer strategy for its use.
- Public washroom funding was updated; Council approved the revised amounts.

ENVIRONMENTAL DEVELOPMENT SERVICES

TOURISM & COMMUNITY DEVELOPMENT

	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (2.5 FTE + 2 FT term)	209,833	203,609	3.06%	148,508	41.29%
Training & Development	6,250	5,500	13.64%	1,751	256.99%
Operational Costs	136,000	133,100	2.18%	114,367	18.92%
Special Projects	120,000	195,000	(38.46%)	142,603	(15.85%)
Total Expenses	**472,083**	**537,209**	**(12.12%)**	**407,229**	**15.93%**

Special Projects include:

- Placemaking initiatives - $110k
- Cabot Trail 100 - $10k

Victoria County
NATURALLY CONNECTED

Discussions:

- North Highlands Nordic request of $100,000 was discussed and Council requested $50,000 be put into Special Projects. The $50,000 can be used for any project; it was not strictly earmarked for North Highlands Nordic.
- The Film Industry suggestion from Destination Cape Breton to hire a photographer to create a photo database for potential film productions. Council agreed that it should be an Island-wide initiative and would not be part of this budget.

RECREATIONAL & CULTURAL SERVICES

RECREATION & ACTIVE LIVING	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Salaries & Benefits (1.5 FTE + 3 FT Term)	157,505	136,057	15.76%	130,916	20.31%
Training & Development	3,750	3,500	7.14%	1,485	152.53%
★ Operational Costs	164,000	140,000	17.14%	107,536	52.51%
★ Special Projects	600,000	933,333	(35.71%)	451,936	32.76%
Total Expenses	**925,255**	**1,212,890**	**(23.71%)**	**691,872**	**33.73%**

Special Projects include:

- Trail grants - $100k
- Trail development $500k

RECREATIONAL & CULTURAL SERVICES

LIBRARIES	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Regional Library	36,000	58,288	(38.24%)	48,000	(25.00%)
Local Libraries	34,200	49,300	(30.63%)	20,643	65.68%
Total Expenses	**70,200**	**107,588**	**(34.75%)**	**68,643**	**2.27%**

Discussion:

- Need additional amount added for North of Smokey library cleaning

FINANCING & TRANSFERS

FINANCING & TRANSFERS	Draft Budget 2025-26	Approved Budget 2024-25	YOY Budget Change	Forecast Actual 2024-25	Budget to PY Actual Change
Transfer to Village of Baddeck	-	65,000	(100.00%)	65,000	(100.00%)
Transfer to Capital Reserve	923,000	500,000	84.60%	500,000	84.60%
Transfer to Operating Reserve	(90,373)	8,989	(1105.37%)	1,305,063	(106.92%)
Total Expenses	**832,627**	**573,989**	**45.06%**	**1,986,363**	**(58.08%)**

Discussions:

- Council agreed to leave the Transfer to Village at $0 until negotiations with the Village are done with the understanding that contributions can be taken out of reserves.
- Council agreed to $923,000 to Capital Reserve tied to NSPI grant in lieu increase.
- Council agreed to $152,000 to Operating Reserve related to Mabel MacEachern pension wind-up. Transfer from the Operating Reserve will be updated based on decisions confirmed today.
- Council agreed to defer the $8,600 waiver requested from Baddeck Waterfront. The amount will still be billed, and the final actual total should be confirmed. This may be addressed as part of ongoing negotiations with the Village of Baddeck.

UPDATED FIVE YEAR CAPITAL PLAN

FIVE YEAR CAPITAL PLAN
FISCAL 2025-26

CAPITAL PROJECT	TOTAL COST	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	ANTICIPATED FUNDING SOURCE(S)
Public Works - New C&D Cell	1,000,000	1,000,000	-	-	-	-	Operating Reserve
Public Works - Collections Sideloaders (2)	1,312,500	437,500	875,000	-	-	-	General Operations; Intermunicipal Project
Public Works - Transfer Station Misc. Annual Capital Upgrades	450,000	150,000	75,000	75,000	75,000	75,000	General Operations
Public Works - Ingonish Wastewater (+ Ingonish Sidewalks)	15,106,760	7,553,380	7,553,380	-	-	-	Debt, MCGP, Operating Reserve, CCBF
Recreation - Trail Connection	790,000	500,000	290,000	-	-	-	CCBF
Public Works - New North Transfer Station (+ waterline extension)	5,000,000	1,000,000	4,000,000	-	-	-	Debt, Operating Reserve
TOTAL	**23,659,260**	**10,640,880**	**12,793,380**	**75,000**	**75,000**	**75,000**	

CAPITAL SPENDING BY SOURCE

CAPITAL PROJECT	2025-2026 COST	General Operations	Federal and/or Provincial Grants	Capital/CCBF Reserve	Operating Reserve	Long-term Debt
Public Works - New C&D Cell	1,000,000	-	-	-	1,000,000	-
Public Works - Collections Sideloaders (2)	437,500	437,500	-	-	-	-
Public Works - Transfer Station Misc. Annual Capital Upgrades	150,000	150,000	-	-	-	-
Public Works - Ingonish Wastewater (+ Ingonish Sidewalks)	7,553,380	-	7,553,380	-	-	-
Recreation - Trail Connection	500,000			500,000	-	-
Public Works - New North Transfer Station (+ waterline extension)	1,000,000			-	1,000,000	-
TOTAL	**10,640,880**	**587,500**	**7,553,380**	**500,000**	**2,000,000**	**-**

RESERVE BALANCE REVIEW

	Operating Reserve	Capital Reserve	CCBF Reserve	Total
Forecasted balance March 31, 2024	8,921,653	9,737,776	2,944,722	21,604,151
Changes from operating budget - 2024-2025	1,305,063	500,000	323,734	2,128,797
Changes from operating budget - 2025-2026	(90,373)	923,000		
Annual CCBF funding - 2025-2030	-	-	2,167,000	2,167,000
Recreation - Trail Connection 2025-2027			(790,000)	(790,000)
Public Works - Ingonish Waterline Extension 2024-2025		(500,000)		
Public Works - New North Transfer Station (+ waterline extension)	(2,000,000)	-	-	(2,000,000)
New C&D cell	(1,000,000)			(1,000,000)
Public Works - Ingonish Wastewater (+ Ingonish Sidewalks)	(171,000)	(7,347,038)	(2,000,000)	(9,518,038)
Recreation - Rink Facility Contribution	(1,000,000)			(1,000,000)
Mabel MacEachern Project	(257,000)			(257,000)
Available Reserve Fund Balance	**5,708,343**	**3,313,738**	**2,645,456**	**11,334,910**

POTENTIAL RECOMMENDATION

Recommendation to approve the following tax rates for fiscal 2025-26:

- Residential and resource tax rates of $1.15 per $100 of assessment
- Commercial tax rate of $2.09 per $100 of assessment

Recommendation to approve Victoria County's Operating Budget for fiscal 2025-26 with revenues of $15,560,858 and expenses of $15,560,858.

Recommendation to approve Victoria County's five-year Capital Budget for fiscal 2025-26 of $23,659,260.

Discussions:

- Council agreed to maintain current tax rates: $1.15 for residential/resource and $2.09 for commercial
- Budget approval was deferred to allow for incorporation of changes made during the meeting.

RECESS

The meeting was recessed at 12:00pm and scheduled to reconvene on May 5 at 10am.

MAY 5, 2025

The Audit Committee Meeting held in Council Chambers at Baddeck reconvened on May 5 at 9am.

COUNCILLORS PRESENT

District #1 - Donna Matheson-Lefort

District #2 - Perla MacLeod, Deputy Warden

District #3 - Jess Kerr

District #4 - Rosella Born

District #5 - Fraser Patterson

District #7 - Jackie Organ, Warden

District #8 - Wanda Hennick

STAFF PRESENT

Leanne MacEachen, CAO

Alix Redden, CFO

Steff MacLeod, Recorder

Heather Ross, Financial Analyst

ABSENT

District #6 - Tim Donovan

Denise Allen, public member of the Audit Committee

BUDGET PRESENTATION – CFO REDDEN

CFO Redden resumed the presentation with an overview of revisions since the previous meeting, a recap of the operating and capital budgets, and a recommendation for Council's consideration.

Budget revisions from April 29, 2025		
TRANSFER TO (FROM) OPERATING RESERVE	**(90,373)**	**per April 29 DRAFT**
	(500)	Correction of D6 travel error
	(5,500)	Ingonish library cleaning
	(10,000)	Dry hydrant
	(50,000)	Special projects of Council
	150,000	Housing initiatives
	(6,373)	Revised
TRANSFER TO (FROM) OPERATING RESERVE	**(6,373)**	**per May 5 DRAFT**

2025-26 Tax Rates (unchanged)	
Residential/Resource	$1.15 per $100
Commercial	$2.09 per $100

2025-26 DRAFT Operating Budget	
Total Revenues	15,560,858
Total Expenses	15,560,858
Surplus/Deficit	-

UPDATED FIVE YEAR CAPITAL PLAN

FIVE YEAR CAPITAL PLAN
FISCAL 2025-26

CAPITAL PROJECT	TOTAL COST	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	ANTICIPATED FUNDING SOURCE(S)
Public Works - New C&D Cell	1,000,000	1,000,000	-	-	-	-	Operating Reserve
Public Works - Collections Sideloaders (2)	1,312,500	437,500	875,000	-	-	-	General Operations; Intermunicipal Project
Public Works - Transfer Station Misc. Annual Capital Upgrades	450,000	150,000	75,000	75,000	75,000	75,000	General Operations
Public Works - Ingonish Wastewater (+ Ingonish Sidewalks)	15,106,760	7,553,380	7,553,380	-	-	-	Debt, MCGP, Operating Reserve, CCBF
Recreation - Trail Connection	790,000	500,000	290,000	-	-	-	CCBF
Public Works - New North Transfer Station (+ waterline extension)	5,000,000	1,000,000	4,000,000	-	-	-	Debt, Operating Reserve
TOTAL	**23,659,260**	**10,640,880**	**12,793,380**	**75,000**	**75,000**	**75,000**	

RECOMMENDATION

Recommendation to approve the following tax rates for fiscal 2025-26:

- Residential and resource tax rates of $1.15 per $100 of assessment
- Commercial tax rate of $2.09 per $100 of assessment

Recommendation to approve Victoria County's Operating Budget for fiscal 2025-26 with revenues of $15,560,858 and expenses of $15,560,858.

Recommendation to approve Victoria County's five-year Capital Budget for fiscal 2025-26 of $23,659,260.

Discussions:

- Warden Organ made a recommendation to approve the following tax rates for fiscal 2025-2026:
  - Residential and resource tax rates of $1.15 per $100 of assessment
  - Commercial tax rate of $2.09 per $100 of assessment

- Councillor Kerr made a recommendation to approve Victoria County's Operating Budget for fiscal 2025-2026 with revenues of $14,259,244 and expenses of $14,259,244.
- Councillor Hennick made a recommendation to approve Victoria County's five-year Capital Budget for fiscal 2024-25 of $25,515,302.

ADJOURN

Motion to adjourn at 9:30am.