



West Hants
something inspiring awaits

**WEST HANTS REGIONAL MUNICIPALITY
Audit Committee – Meeting Agenda
June 17th, 2026, 6:00 p.m.
Council Chambers, 76 Morison Drive**

1. Call to Order
2. Declaration(s) of Conflict of Interest
3. Announcements
4. Presentation of Agenda, including additions or deletions
5. Presentation of Minutes
 - a.) February 4, 2026
6. New Business
 - a.) Recommendation Report for Auditing Services
7. Director's Update
 - a.) Financial Update as of February 28, 2026
 - b.) Financial System Update
8. Correspondence
9. Public Comment
10. In Camera
 - a.) In camera minutes June 9, 2025
 - b.) MGA 22(e) Contract Negotiations (If needed)
11. Date of Next Meeting
12. Adjournment



West Hants
something inspiring awaits

**WEST HANTS REGIONAL MUNICIPALITY
Audit Committee DRAFT Meeting Minutes
February 4th, 2026, 6:00 p.m.
Council Chambers, 76 Morison Drive, via Zoom & Livestreamed on YouTube**

Present:	Rupert Jannasch	Councillor, District 1
	Chrystal Remme	Councillor, District 3
	Paul Wheadon	Councillor, District 4
	Jim Ivey	Councillor, District 11
	Nicole Hubley	Resident Member
	Vicki Robertson	Resident Member
	Lauchlin Mackenzie	Resident Member
	Carlee Rochon	Director of Financial Services
	Mark Phillips	Chief Administrative Officer (CAO)
	Chelsea Woodman	Admin Assistant, Financial Services
	Andy Forse	Auditor, Kent & Duffett
	Sonny Macdougall	Auditor, MNP
	Raima Khairi	Auditor, MNP
	Absatou Koita	Auditor, MNP
	Jen Hayes	Auditor, MNP

1. Call to Order – As Mayor Zebian sent his regrets, Councillor Jannasch called the meeting to order at 6:02 p.m.
2. Introductions – The three new resident members were introduced to the committee.
3. Declaration(s) of Conflict of Interest – No declarations
4. Announcements – No announcements
5. Approval of Agenda, including additions or deletion
Approved as presented.
6. Approval of June 9th, 2025, Minutes, including additions or deletions
Moved by Councillors Ivey and Wheadon

7. Presentation

a.) MNP, Water Auditors, Water Operational Audit Presentation

Sonny MacDougall, Jen Hayes, Absatou Koita and Raima Z. Khairi were present via Zoom to represent MNP.

Auditor Khairi introduced herself as the Project Manager and explained that she would be the main presenter. She offered that she would walk the committee through their three main agenda items: Engagement Objectives, Engagement Approach and Project Management.

Auditor Khairi began with the engagement overview. It was noted that WHRM has engaged MNP to conduct an operational review for the two water utilities for Windsor and West Hants for the 2022-2023 fiscal year and current state evaluation of key processes. It was advised that WHRM is undergoing growth which puts added pressure on both the Finance and Public Works Departments. To assist MNP has developed a staffing model to help identify where additional staff is required.

Auditor Khairi then moved on to the next phase project approach. Deliverables from the staff reporting process were drafted narratives four key processes: Operational steps, determine process frequency and identify existing controls, credit issue assessment, and staffing model.

2022-23 Credit Adjustment issue: involving the bulk master meter that tracks water transfers between the Windsor Utility and TMP. The main takeaway is that the overbilling occurred only between the two utilities and did not affect customer billing. The causes have six main themes: meter malfunction and replacement, undetected read error, billing and recording mistakes, year-end cut off, communication and oversight gaps, documentation and transparency gaps.

Auditor Khairi moved on to the timeline of events which is meant to give Council and the Audit Committee the full chronology in one place. Auditor Khairi highlighted key takeaways from the timeline of events: actions were taken and the issues were ultimately eliminated with consolidation reoccurring theme in the record is that clarity reconciliation package and quantification of drivers were not consistent which allow confusion to persist over multiple years.

The current state overview was presented by Auditor Khairi.

- Strengths highlighted: access controls, escalation protocols, UARB compliance, payment collection, monthly reporting to council.
- Key gaps: staff capacity, systems and technology, manual steps and reporting
- Recommendations summary: Improve financial reporting, increase frequency of internal water meter audit and inspection for earlier detection, invest in cross training staff, hire a senior accountant to support the Director of Financial services, and create a Public Works Advisory Committee.

Auditor Koita presented the staffing model that was created. She noted that it provides valuable insight that can be leveraged during the upcoming organization-wide review. The trends indicate emerging capacity pressures in both Public Works and Finance departments. The model incorporates population growth, housing development and operational workload to generate 10- year staffing projections aligned with anticipated service demand. Auditor Khairi added that the key takeaway is it is a tool that can be updated as assumptions change and it is intended to support West Hant's planning as growth continues. It's a dynamic tool for management to change based on the input MNP has entered. The presentation concluded offering time for questions.

A question was asked if the full report that was used to create this presentation was going to be circulated to the committee. The presentation represents the executive summary of the report although the final report has not yet been received. Management staff have only seen a draft; no significant changes are expected. Once the report is finalized it will be released to the committee.

A question was raised how the variance level was measured for the utility billing error. Director Rochon explained from a variance analysis component we would look at quarter to quarter and compare the previous year while looking at year end total and where is it projecting, how the forecast is looking and then comment on anything on the variance method of anything plus or minus 5% making a physical comment on financial updates.

It was noted that West Hant's was annually on water utility but changed to quarterly which looks at the account and while doing the budgeting exercise variance averages are used. It was reported that the Water Utility Clerk picked up on misreads also requiring investigation.

A suggestion was made to include a more detailed quarterly report including an updated budget, actual and remaining balance for the year. It was advised that it would be very valuable to look at previous reports as a structure for reports for council.

b.) Kent and Duffett, Andy Forse- 2024-25 Consolidated Financial Statement
Presentation

Auditor Forse began his presentation stating their goal is to provide reasonable assurance that the statements are presented fairly. Some key points include:

- in the process they did not encounter any modifications that were not approved by staff and forwarded to the auditors, staff came across a few things in their own review process.
- The revenues were up \$42.4 million up from \$40.7 million the year before. Due to an increase to the tax revenue which went from \$26.3 to \$28.9 million which is a good robust increase to the taxes.
- There were some actual decreases with Canada Community Building Fund (CCBF) in particular with the year before being \$1.9 million and this year \$800,000 which is a factor of how CCBF is recorded. Over \$1 million was received in CCBF funding but can only record revenue of what was spent which was \$867,000 of the CCBF funds on qualified projects. The remainder of the revenue received for CCBF is deferred revenue and deferred CCBF makes up for approximately \$7 million of the deferred revenue total.
- There was a slight decrease in other revenue from services with last year \$3.5 million and this year \$2.7 million. The biggest difference with the Sustainable Services Growth grant received the year before.
- It was consistent across the actual results compared to last year from the revenue side.
- The expenditure side did have increases with most of it in amortization which is noncash. This is a good reflection of the capital investment made this year.
- There were minor increases across the board however nothing significant just natural inflation.
- The largest other change was the appropriation to the school board which is beyond control.
- This summarizes an annual surplus of \$2.6 million.
- There is a consolidated accumulated surplus of \$100 million which is healthy.

- In the statement of financial position there is a net asset position which is positive. The municipality invested approximately \$12-13 million of capital assets in this fiscal year, which is a great investment in capital, however a significant portion was self funded as the only new debt received this year was \$3 million therefore there is a \$9 million funding of the capital asset position from internal sources. The cash balance was \$30 million in 2024 and now it is \$27 million. It was confirmed even though the municipality shows a net financial debt position of \$2.6 million the overall financial picture of West Hants Municipality is incredibly a positive healthy and vibrant with no cause for concern.
- There were a few other variances. The increase to the water fund expenditures was primarily in depreciation which touches upon the investment to the water utility on the capital side. This is a noncash expense. The water utility had a break-even position, but a significant portion of that breakeven analysis would be the increase to the amortization which reflects the capital commitment to that utility. It was highlighted the amalgamation created extra work in terms of opening balances, and transfers. In the end there is one utility which will resolve problems moving forward.
- There is a management letter to report which was sent to the Director of Finance. Auditor Forse explained there are three different comment levels. Both items mentioned were considered minor.
 - He noted that it was found that some of the individual funds were out of balance at year end. However, the entire trial balance did balance. It is best practice to remain balance funds at all times as without it may not be as reliable as it could be. It was felt the issue was minor in magnitude.
 - HST Rebate calculations and reporting was improperly done creating improper amounts. Discovered and corrected by management internally before the audit.

Auditor Forse finished his presentation and asked if the committee had any questions.

Vicki Robertson advised she noticed under revenue that there was a significant other revenue of \$2 million and asked for more clarification. Auditor Forse offered the difference in other would be the grants that come from a capital fund or a reserve fund. He explained in other of the \$1.986 million, \$1.90 million of that is actually a capital grant which was not budgeted and therefore would not be seen on the financials. He advised the other was insurance proceeds that were received throughout the year.

Vicki Roberson noticed that a surplus is budgeted which was exceeded. She indicated the FRAM standard for municipalities requires that any surpluses go into a reserve. She questioned if there are any statements that show accumulated surplus, and if it is in specific reserves and if there is a policy of where the surplus goes.

Director Rochon responded when looking at the consolidated budget it includes everything and that they don't budget per FRAM surplus. She referred to page 26 which reflects the nonconsolidated statement which shows the Municipality follows the FRAM guidelines and budget for zero. She noted you will see the nonconsolidated surplus on page 26 that gets moved into the reserve. Auditor Forse agreed that page 26 is more ideal for information purposes. He advised the budget does go to zero as change in fund balance with \$1.4 million surplus which would be on a cashflow basis.

Director Rochon noted that one of the practices the Municipality implements that may differ is budgeting for debt services in advance. She confirmed as part of the transfer they earmark the difference for the debt servicing projects when they are completed and reduce the borrowing amount from MFD.

Auditor Forse referred to page 37 which shows three separate operating reserves, Windsor, West Hants and Region with a \$1.8, \$2.3 and just under \$1 million closing fund balances in all the reserves combined at the end of the year. Director Rochon stated due to the dissolutions and amalgamation there is duplicate or extra reserves as they have to stay within the former boundaries of the former municipal units but noted they will slowly disappear as the money goes away.

Councillor Ivey asked for clarification on why the financials are later this year. Auditor Forse responded that that he would summarize it into two categories. The first being he felt the water utility audit presentation raised an interesting point in that the Finance Department could benefit from an additional staff member.

He offered that the Director of Finance has a new staff member and suggested that this is a unique accounting setting with different standards. He felt that with the new staff it was delayed getting the information due to the learning curve. He clarified that he did not mean this as any form of criticism as they were taking their time to ensure it was done with high quality. He indicated there were some trial balances that they received later than usual.

Auditor Forse stated the other issue was himself and explained this would be his last time doing this audit due to personal health issues which precluded him from working at his normal pace, to which he apologized. He felt that it should not lead the committee to have less confidence in the Finance staff and suggested it is a very tall task for the Director to have inexperienced staff under her. He estimated the learning curve to be approximately two years, and two months is insufficient for that staff person. He did not foresee it being an issue moving forward as staff gets more experience going into the second audit as a team. He reminded this is a large municipality cautioned about having one person to manage the majority while understaffed.

Councillor Ivey suggested that it may be beneficial if the Audit Committee gave quarterly reports. Auditor Forse agreed this was a good point and in the management letter before they suggested more frequent financial analysis would be beneficial. He felt if there as analytical review process it could identify issues quickly and see the current results.

Councillor Jannasch asked for clarification on the relationship between the net assets and the depreciation expense. Auditor Forse commented usually what would be seen is if you have \$12 million in capital expenditures you would expect to see a significant portion in debt. He offered the fact that to a quarter of it was funded through debt is the reason the net asset went to a net debt position.

He confirmed the net asset calculation is the financial assets less your financial liabilities. He noted when increasing the nonfinancial assets which is capital assets and prepaids which is a lot of cash is going out from the reserves and different funds to fund the capital assets additions. He offered that the atomization when from \$4.6 to \$5.8 million which is a very significant increase to the atomization expense in one year. He suggested that often that towns underfund their capital, departments and utilities and funds. He felt it is tremendous to be able to purchase almost \$13 million of capital assets with \$3 million of debt. He commended West Hants for doing some wonderful commitments to their capital infrastructure which should pay dividends long term.

Director Rochon referred to pages 16/17 which shows a breakdown of the tangible capital assets over the year which reconciles to the statements.

Councillor Ivey inquired about the salaries for the elected officials and whether it is changing regarding allocating compensation. He indicated there seems to be a different set of numbers. Director Rochon advised that any expenses as part of remuneration would need to be added which is required to be reported through FRAM and the MGA. She added it would also be from when Council made a motion in 2025 to make a change to the remuneration and as part of the election there was a Deputy Mayor position change, adding that prorated amounts that impact that change halfway through the year.

Councillor Ivey asked about Valley Waste. Director Rochon clarified that she discusses this yearly with the auditor and staff are trying to get everyone caught up. She confirmed they are holding it until confirmation is received from Valley Waste on what they are doing.

Councillor Ivey referred to previous discussion regarding under allocating the correct tax rate amount for the RCMP based on an incorrect allocation in 2023/2024. He questioned if there is something that tracks that this is caught up. Director Rochon confirmed he was talking about the 4-cent increase for West Hants. She offered this was discussed during the budget process and noted the biggest driver of some of the change was increase in waste. She advised 2023/2024 budget had miss estimates which was required to be corrected in the taxing model in the next budget to ensure the \$700,000 that was not captured in the taxing before. She clarified it wasn't all related to RCMP.

Councillor Wheadon asked Director Rochon for clarification on the expenses column if it was councillors expense submitted monthly or during their term. Director Rochon advised this would include training, conferences, etc. required.

Moved by Councillors Wheadon and Remme that Council approve the West Hants Regional Municipality's Audited Consolidated Financial Statements ending March 31, 2025, as presented to the Audit Committee.

Motion Carried.

8. New Business

a.) Directors Update

Director Rochon reported that once Council approves the audited statements, they will be requesting a Special Council meeting to get them sent to the province. She noted staff will then post the RFP for auditing services and that an Audit Committee meeting will be required at the end of March in preparation for the audit presentation. She suggested that there will be more than the four annual meetings. She confirmed once the RFP is posted will a closing date of tentatively early to mid March, following a recommendation to Council.

She confirmed the other item on the agenda is associated to the financial system updates. She noted it is a significant process that is upcoming this year and will require a lot of staff resources and investments. She confirmed staff will be making a recommendation in the upcoming budget year for the new financial system to which she has provided an estimate to Council on that cost. She cautioned there are not a lot of programs that cater to municipal financial operations and therefore there is a limited pool of which to receive quotes.

Director Rochon addressed the report that was circulated for the 2023/2024 Financial Condition Index. She explained the province was behind in issuing these reports, however they have released two. She stated that we have been consistent over the last number of years and remain in a low risk with one yellow category in the tax collection receivable. She pointed out that this is something that is continually worked on however there is a significantly large account they have been dealing with. She offered that she hoped to have updates on this matter soon for Council.

Vicki Robertson inquired if the uncollected taxes is any better. Director Rochon confirmed it was improving however the outstanding account is significant and continues to grow.

Vicki Robertson referenced that West Hants was recently in court trying to force payment and asked if there is a good portion of the 13%. Director Rochon confirmed this to be true.

Councillor Wheadon mentioned in the report he noticed that only 482 people have moved to West Hants in the past 10 years and inquired if that has recently changed, and offered this seemed small for a growing municipality. Director Rochon offered these are prepared by the province and they use the numbers provided by Statistics Canada. She indicated that through preliminary meetings on the integrated resource plan which is seeing similar growth. She added it is also based on two years ago and may not reflect the actual number.

Councillor Ivey suggested that format for council be changed slightly to show how the budget is being allocated throughout the year. Director Rochon appreciated the comments and indicated that she has to prepare that monthly and she wanted to show what has been presented to Council at this time. She confirmed she will have the detailed reports for the quarter end at the next meeting which will include the suggested detail.

She confirmed the March meeting will also include the review of the internal processes, and internal controls. She felt with new committee members the Terms of Reference should be reviewed, noting the role of the Audit Committee has changed over the year. She suggested if Council wishes the committee can make referrals to Council. Councillor Ivey indicated he would very much support this.

9. Correspondence- None
10. Public Comment- None
11. Date of Next Meeting – Early to mid March
12. Adjournment – Councillor Jannasch called for a motion to adjourn the meeting.

Moved by Resident Member Halverson and Councillor Jannasch that the meeting be adjourned.

Motion Carried.

The meeting was adjourned at 7:45 p.m.

X

Committee Chair



WEST HANTS REGIONAL MUNICIPALITY REPORT

Information <input type="checkbox"/>	Recommendation <input checked="" type="checkbox"/>	Decision Request <input type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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To: Audit Committee

Submitted by: Carlee Rochon

Date: June 11, 2026

Subject: Annual Auditing Services, March 31, 2026, to March 31, 2030

LEGISLATIVE AUTHORITY

- Municipal Government Act, Part II – Administration, 42 (1)
- Nova Scotia Regulatory and Appeals Board – Water Utility Accounting and Reporting Handbook – Section 2000

RECOMMENDATION or DECISION REQUEST

Audit Committee recommends that:

Council award a contract to BDO Canada LLP to perform annual auditing services for West Hants Regional Municipality and the Water Utility, and to perform annual financial statement compilation services for Hantsport Fire Department for fiscal year ends March 31, 2026, through to March 31, 2030.

BACKGROUND

Property <input type="checkbox"/>	Public Opinion <input type="checkbox"/>	Environment <input type="checkbox"/>	Social <input type="checkbox"/>	Economic <input checked="" type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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Council is required under Section 42 of the Municipal Government Act (MGA) to appoint a registered auditor to complete an annual audit for the Municipality. In addition, Section 2000 of the Nova Scotia Regulatory and Review Board (NSRRB) Accounting and Reporting Handbook requires that annual audits be completed for the water utilities.

On April 17, 2026, a Request for Proposals (RFP) for auditing services was posted on the Nova Scotia Procurement website. The closing date for submissions was May 28, 2026. Three proposals were received, one from each of the following vendors: MNP LLP, Doane Grant Thornton LLP, and BDO Canada LLP.

The proposals were reviewed by staff, including the Director, the Manager of Accounting and Financial Reporting, and the Municipal Clerk, between May 28 and June 5, 2026.

This was a two-phase evaluation process. In the first phase, the technical details of each proposal were reviewed and scored. The price information (Phase 2) was kept sealed until this step was completed. Proposals needed to score at least 56 out of 70 points (80%) in Phase 1 to move forward to the next stage.

In the second phase, the price portion of the proposals was evaluated. The lowest bid received the full 30 points available, and the other bids were scored based on how their prices compared to the lowest bid.

DISCUSSION

Upon review of Phase 1, the following scores were determined:

Company	Proposal Score
BDO Canada LLP	89.5
Doane Grant Thornton LLP	81.7

The review team found that two proposals met the minimum score required in Phase 1. However, BDO Canada LLP was identified as the strongest overall submission, as it best aligned with the RFP and the Municipality’s needs. This was primarily due to the clear and detailed information provided on each stage of the audit, including the estimated hours required. The proposal also demonstrated a stronger allocation of Partner and Manager time, supported by a larger team assigned to cover all RFP deliverables.

In addition, BDO Canada LLP’s proposal addressed all aspects of the required services, including the Water Utilities and the Hantsport Fire Department.

After the evaluation scores were finalized and agreed upon by the review team, the sealed price envelopes were opened. The following summarizes the total proposed costs for each vendor over the five-year period, excluding applicable taxes.

Company	Audit Year Ending				
	2026	2027	2028	2029	2030
BDO Canada LLP	\$73,000	\$76,750	\$81,000	\$85,250	\$90,000
Doane Grant Thornton LLP	\$91,560	\$96,138*	\$100,852	\$105,512	\$110,798

*Doane Grant Thornton LLP indicated that additional costs may be incurred in 2027 due to Public

Sector Accounting Standard PS 1202. These costs were not included in the pricing table, as the fees are not yet known, but were estimated to be in the range of \$5,000.

Following the review of Phase 2, the final scores were determined (below). Based on these results, and the number of hours outlined in BDO Canada LLP’s proposal, staff are recommending BDO Canada LLP.

Company	Proposal Score
BDO Canada LLP	92.7
Doane Grant Thornton LLP	81.1

NEXT STEPS

Have the five-year contract signed.

FINANCIAL IMPLICATIONS

Tendering Timeline:

Posted to Procurement	April 17, 2026
Closing Date	May 28, 2026
Price Expiry Date	August 24, 2026
Days Remaining	47 Days

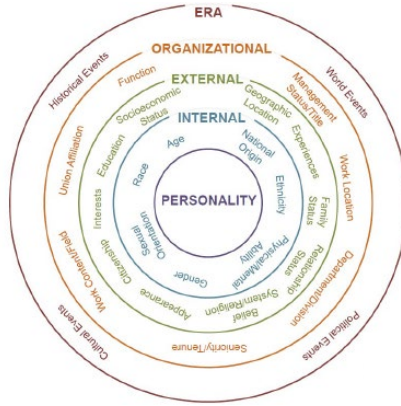
An estimate for auditing services was included in the 2026–27 operating budgets for West Hants, the Water Utility, and the Hantsport Fire Department. The following outlines the cost of the first year of the proposal, including applicable taxes, as well as the corresponding 2026–27 budget figures.

	BDO Canada	Applicable HST (3.86%)	Total	Operating Budget	Variance
West Hants	\$ 57,500	\$ 2,219.50	\$ 59,719.50	\$ 36,225	\$ (23,494.50)
Water Utility	\$ 12,000	\$ 463.20	\$ 12,463.20	\$ 10,000	\$ (2,463.20)
Hantsport Fire Department	\$ 3,500	\$ 135.10	\$ 3,635.10	\$ 3,000	\$ (635.10)
	<u>\$ 73,000</u>	<u>\$ 2,817.80</u>	<u>\$ 75,817.80</u>	<u>\$ 49,225</u>	<u>\$ (26,592.80)</u>

The proposals are expected to result in operating costs exceeding budget estimates, creating a projected shortfall of \$26,592.80. This variance will be monitored throughout the fiscal year.

DIVERSITY, EQUITY, INCLUSION AND ACCESSIBILITY CONSIDERATIONS

Staff reviewed this administrative matter, and no material DEIA impacts were identified.



ALTERNATIVES

1. Council could reject the recommendation and choose to offer the contract to Grant Thornton, this is not recommended.
2. Council could reject both proposals and have the RFP resubmitted, however this would likely result in a need to extend the 2026 audit period.

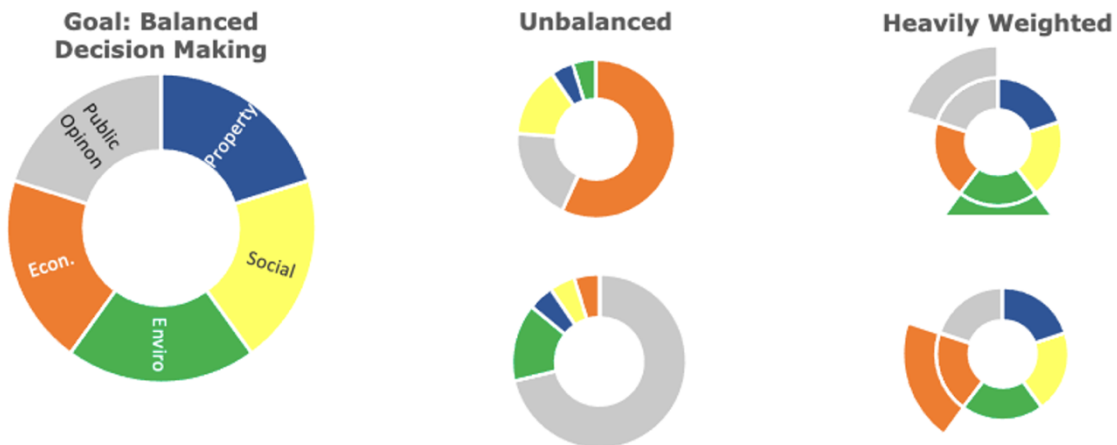
ATTACHMENTS

N/A

CHIEF ADMINISTRATIVE OFFICER REVIEW

N/A

Council has been provided with a reference taken from the Meeting and Committee Procedural Policy , Appendix C “Decision Making by Council and Committee of the Whole” as a reminder of the principles highlighted for good decision making.



Report Prepared by: _____
Chelsea Woodman,
Financial Services, Administrative Assistant

Report Reviewed by: _____
Carlee Rochon,
Direction, Financial Services



WEST HANTS REGIONAL MUNICIPALITY REPORT

Information <input checked="" type="checkbox"/>	Recommendation <input type="checkbox"/>	Decision Request <input type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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To: Audit Committee

Submitted by: _____
Carlee Rochon, Director, Financial Services

Date: June 17, 2026

Subject: Financial Update – Month Ending February 28, 2026

LEGISLATIVE AUTHORITY

Municipal Government Act, Part II, Administration, Section 31 (c)

RECOMMENDATION or DECISION REQUEST

Not Applicable

BACKGROUND

Property <input type="checkbox"/>	Public Opinion <input type="checkbox"/>	Environment <input type="checkbox"/>	Social <input type="checkbox"/>	Economic <input checked="" type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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As a recap, the 2025-26 Municipal Operating budget was passed on June 16 and June 24, 2025.

- 2025-26 Operating Budget of \$37,188,959
- 2025-26 Capital Budget of \$45,882,316

WHRM Council provides overall governance of Municipal funds while the Chief Administrative Officer is responsible for the administration of the budget after adoption.

The intent of this report is to provide a summary view of what is currently recorded on the Municipal Operating Fund. Municipal departments are responsible for overseeing the day-to-day activity of their budget areas.

Financial projections are developed using a combination of historical financial results, established averages, and assumptions based on what has been formally approved by Council, ensuring that

the outlook is both evidence-based and aligned with strategic direction. These projections are then regularly reviewed and refined through three key types of analysis: budget vs. actual, which compares real performance against the original plan; variance analysis, which explains the reasons for any differences; and forecast vs. budget, which assesses how current expectations for the remainder of the period compare to the approved budget. Together, these approaches provide a comprehensive view of financial performance and expected outcomes, supporting informed decision-making.

DISCUSSION

Please refer to the attached Actual vs. Budget Variance Reports for the period ending February 28, 2026. The projections are based on currently available information and historical trends. As the fiscal year end progresses, some variability in the projections should be expected as results are realized.

As of February 28, revenues are projected to be 3.3% above budget, while expenses are forecasted at 1.4% above budget. Based on this variance analysis, the General Fund is projecting an overall surplus of approximately \$725,188. Since the previous reporting period, the projected surplus has remained relatively stable, with a marginal change of 0.1%.

Compared to the same period ending February 28, 2025, revenues in 2026 are 9.1% lower, while expenses are 22.5% lower.

Key revenue variances include the following:

- Sewer revenue is projected to exceed budget based on performance in the first three quarters.
- Sales of services are forecasted above budget, driven by increased program activity and higher community centre rental revenue.
- Services provided to other governments are expected to exceed budget due to increased revenue from host tipping fees and Circular Materials.
- Deed transfer tax revenue is trending above budget, reflecting a higher volume of property sales between September and November.
- Transfers from other levels of government are projected to exceed the original budget, primarily due to the receipt of additional grants.
- Other revenue is higher than anticipated, largely due to increased interest and penalties on outstanding balances.
- Grant funding is currently under review, as some anticipated provincial grants have not yet been received.

Key expenditure variances include the following:

- Environmental Health Services expenses are projected to exceed budget, primarily due to increased costs related to sewer operations, administration, and waste collection.
- Net transfers are higher than budget due to adjustments related to the reassessment of the asset retirement obligation.

Please note that if revenues and expenditures were incurred evenly throughout the year, approximately 91.7% of the budget would be utilized by this point. This percentage serves as a general guideline when reviewing the information above. However, it is important to recognize that variances—both positive and negative—will occur over the course of the fiscal year due to seasonal activities and year-end timing of accounting entries. For example, seasonal activities such as summer programming, facility maintenance, and winter snow removal result in expenditures that are not incurred uniformly. In addition, items such as transfers from reserves typically occur later in the fiscal year and will impact budget-to-actual comparisons as they are recorded.

NEW ITEMS

Not Applicable

FINANCIAL IMPLICATIONS

As the fiscal year is nearing completion and we are currently at the end of the eleventh month, these projections are subject to refinement as final results are confirmed. Based on the current variance analysis, the General Fund is projecting an overall surplus of \$725,188.

ALTERNATIVES

Not Applicable

ATTACHMENTS

- Actual vs Budget 2025-26 – Month Ending February 28, 2026

CHIEF ADMINISTRATIVE OFFICER REVIEW

Report Prepared by: _____
Carlee Rochon, Director, Financial Services

Report Reviewed by: _____
Mark Phillips, Chief Administrative Officer

**2025-26 WEST HANTS REGIONAL OPERATING BUDGET UPDATE
ELEVENTH MONTH ENDING FEBRUARY 28, 2026**

REVENUE	2025-26 BUDGET	% OF THE BUDGET	FORECAST MARCH 31, 2026	VARIANCE % (BASED ON FORECAST)	VARIANCE (BASED ON FORECAST)	ACTUALS FEBRUARY 28, 2026	BUDGET UTILIZATION %
TAXES	\$ 26,504,112	71%	\$ 26,016,390	-1.8%	\$ (487,722)	\$ 26,010,128	98.1%
SEWER	\$ 2,427,776	7%	\$ 2,909,563	19.8%	\$ 481,787	\$ 2,576,840	106.1%
BUSINESS PROPERTY / DEED TRANSFER TAX	\$ 2,531,417	7%	\$ 3,110,749	22.9%	\$ 579,331	\$ 3,134,160	123.8%
GRANTS	\$ 251,659	1%	\$ 208,056	-17.3%	\$ (43,603)	\$ 145,095	57.7%
SERVICES PROVIDED TO OTHER GOVERNMENTS ¹	\$ 1,502,983	4%	\$ 1,582,933	5.3%	\$ 79,950	\$ 829,368	55.2%
SALES OF SERVICES	\$ 977,499	3%	\$ 1,177,365	20.4%	\$ 199,866	\$ 1,069,261	109.4%
OTHER REVENUE ²	\$ 1,031,805	3%	\$ 1,402,391	35.9%	\$ 370,586	\$ 1,312,747	127.2%
UNCONDITIONAL TRANSFERS	\$ 1,623,314	4%	\$ 1,623,319	0.0%	\$ 5	\$ 819,569	50.5%
TRANSFERS FROM FED OR PROV GOVT.	\$ 74,000	0%	\$ 124,329	68.0%	\$ 50,329	\$ 119,986	162.1%
TRANSFERS FROM OTHER LOCAL GOVERNMENTS	\$ 269,393	1%	\$ 269,458	0.0%	\$ 65	\$ 85,460	31.7%
TOTAL	\$ 37,193,959	100%	\$ 38,424,552	3.3%	\$ 1,230,594	\$ 36,102,614	97.1%
EXPENSES							
GENERAL GOVERNMENT SERVICES ³	\$ 4,720,543	13%	\$ 4,582,290	-2.9%	\$ (138,253)	\$ 4,009,343	84.9%
PROTECTIVE SERVICES ⁴	\$ 10,803,577	29%	\$ 10,753,444	-0.5%	\$ (50,133)	\$ 7,304,001	67.6%
TRANSPORTATION	\$ 1,939,110	5%	\$ 1,897,597	-2.1%	\$ (41,513)	\$ 1,570,495	81.0%
ENVIRONMENTAL HEALTH SERVICES ⁵	\$ 4,445,586	12%	\$ 4,922,836	10.7%	\$ 477,250	\$ 4,256,588	95.7%
PUBLIC HEALTH SERVICES ⁶	\$ 90,607	0%	\$ 90,607	0.0%	\$ -	\$ -	0.0%
PLANNING	\$ 1,742,266	5%	\$ 1,675,113	-3.9%	\$ (67,153)	\$ 1,065,783	61.2%
RECREATION	\$ 3,955,805	11%	\$ 3,921,933	-0.9%	\$ (33,872)	\$ 3,400,901	86.0%
EDUCATION	\$ 6,278,180	17%	\$ 6,278,180	0.0%	\$ -	\$ 4,707,648	75.0%
PRINCIPAL INSTALLMENTS	\$ 2,485,686	7%	\$ 2,510,686	1.0%	\$ 25,000	\$ 2,420,528	97.4%
NET TRANSFERS	\$ 727,599	2%	\$ 1,066,679	46.6%	\$ 339,080	\$ -	0.0%
TOTAL	\$ 37,188,959	100%	\$ 37,699,365	1.4%	\$ 510,405	\$ 28,735,287	77.3%
SURPLUS / DEFICIT	\$ -		\$ 725,188	2.0%		\$ 7,367,327	

LEGEND:

- 1 - SERVICES PROVIDED TO OTHER GOVERNMENTS INCLUDES: RECYCLING/ENFORCMENT, HOST COMMUNITY FEES, ADMINISTRATION FEES, COURTHOUSE
- 2 - OTHER REVENUE INCLUDES: INTEREST AND PENALTIES, RETURN ON INVESTMENTS, ADMINISTRATIVE RENTALS AND LEASES, FINES, LICENSES AND PERMITS
- 3 - GENERAL GOVERNMENT SERVICES INCLUDES: LEGISLATIVE, ADMINISTRATION, FINANCIAL SERVICES, FACILITIES, LIBRARIES
- 4 - PROTECTIVE SERVICES INCLUDES: RCMP, FIRE, EMO, BY-LAW, COURTHOUSE, BUILDING INSPECTION
- 5 - ENVIRONMENTAL HEALTH SERVICES INCLUDES: SEWER, WASTE COLLECTION, WASTE DIVERSION, LANDFILL
- 6 - PUBLIC HEALTH SERVICES INCLUDES: CEMETERIES, PUBLIC HOUSING

West Hants Regional Municipality
Budget vs. Actuals
February 28, 2026

	2025-26 Budget	YTD Actual 2/28/2026	Remaining Funds	Act./Bud. Percentage	Forecast March 31, 2025
TOTAL REVENUES					
TAXES					
RESIDENTIAL	14,920,388	14,835,062	85,326	99.4%	14,834,390
COMMERCIAL	1,536,423	1,458,911	77,512	95.0%	1,458,911
RESOURCE	538,796	503,004	35,792	93.4%	503,004
SPECIAL TAX AGREEMENT	96,147	43,056	53,091	44.8%	40,480
WEST HANTS AREA RATES	4,646,980	4,595,998	50,982	98.9%	4,595,998
HANTSPORT AREA RATES	522,087	516,531	5,556	98.9%	516,093
HMCC AREA RATES	112,321	110,451	1,870	98.3%	110,399
WINDSOR AREA RATES	4,120,970	3,947,115	173,855	95.8%	3,947,115
TOTAL	26,494,112	26,010,128	483,984	98.2%	26,006,390
SEWER UTILITY REVENUE					
SEWER REVENUE	2,420,776	2,568,384	(147,608)	106.1%	2,900,557
OTHER SEWER REVENUE	7,000	8,456	(1,456)	120.8%	9,006
TOTAL	2,427,776	2,576,840	(149,064)	106.1%	2,909,563
BUSINESS PROPERTY					
MT&T (BELL ALIANT)	72,716	82,796	(10,080)	113.9%	82,796
NS POWER	258,269	258,269	-	100.0%	258,269
HST OFFSET GRANT	100,432	889,374	(788,942)	885.5%	136,688
TOTAL	431,417	1,230,439	(799,022)	285.2%	477,753
OTHER					
DEED TRANSFER TAX	2,100,000	1,903,721	196,279	90.7%	2,632,996
5% SUBDIVISION	10,000	-	10,000	0.0%	10,000
TOTAL	2,110,000	1,903,721	206,279	90.2%	2,642,996
TOTAL TAXES	31,463,305	31,721,128	(257,823)	100.8%	32,036,702
GRANTS-IN-LIEU					
FEDERAL	118,562	144,958	(26,396)	122.3%	144,958
PROVINCIAL	133,097	137	132,960	0.1%	63,098
TOTAL	251,659	145,095	106,564	57.7%	208,056
SERVICES PROVIDED TO OTHER GOVERNMENTS & AGENCIES					
ENVIRONMENTAL HEALTH SERVICES	84,152	-	84,152	0.0%	90,439
LANDFILL TIPPING FEES	716,030	804,134	(88,104)	112.3%	804,134
COURTHOUSE	23,736	(21,953)	23,736	-92.5%	(21,953)
CIRCULAR MATERIALS	100,000	47,187	100,000	47.2%	141,562
CLOSED LANDFILL - TFR FROM RESERVE	58,332	-	58,332	0.0%	48,018
ADMINISTRATION REVENUE	520,733	-	520,733	0.0%	520,733
TOTAL	1,502,983	829,368	698,849	55.2%	1,582,933
CONDITIONAL TRANSFERS - OTHER LOCAL GOVERNMENT					
IT SERVICES (TOWN & VILLAGE)	2,000	160	1,840	8.0%	2,080
KINGS COUNTY FIRE GRANT	127,700	-	127,700	0.0%	127,173
GLOOSCAP FIRE GRANT	7,065	-	7,065	0.0%	7,065
CAPITAL FIRE GRANT - KINGS	132,628	85,300	47,328	64.3%	133,140
TOTAL	269,393	85,460	183,933	31.7%	269,458
REVENUE FROM OWN SOURCES					
OTHER GOVERNMENT REVENUE	136,310	373,871	(237,561)	274.3%	412,591
FINES	42,000	71,230	(29,230)	169.6%	73,869
LICENCES	99,144	87,212	11,932	88.0%	101,601
RETURN ON INTESTMENT	275,000	324,475	(49,475)	118.0%	324,475

West Hants Regional Municipality
Budget vs. Actuals
February 28, 2026

	2025-26 Budget	YTD Actual	Remaining Funds	Act./Bud. Percentage	Forecast March 31, 2025
INTEREST & PENALTIES	357,533	423,849	(66,316)	118.5%	457,445
RENTALS					
RENTALS	85,318	3,300	82,018	3.9%	3,600
LEASES	36,500	28,183	8,317	77.2%	28,183
TOTAL	1,031,805	1,312,120	(280,315)	127.2%	1,401,764
SALES OF SERVICES					
WIND FARMS	179,207	178,757	450	99.7%	178,757
COMMUNITY DEVELOPMENT					
RECREATION	14,000	18,098	(4,098)	129.3%	18,248
PROGRAMS	178,838	188,385	(9,547)	105.3%	206,219
FACILITIES - POOL	82,954	82,424	530	99.4%	88,352
FACILITIES - SPORT COMPLEX	480,500	479,757	743	99.8%	553,999
FACILITIES - CENTRES	42,000	121,840	(79,840)	290.1%	131,790
TOTAL	977,499	1,069,261	(91,762)	109.4%	1,177,365
SERVICES & MUN RELATIONS					
MUNICIPAL CAPACITY GRANTS	1,514,504	710,754	803,750	46.9%	1,514,504
FARM PROPERTY ACREAGE	102,383	102,383	-	100.0%	102,383
911 COST RECOVERY	6,427	6,432	(5)	100.1%	6,432
TOTAL	1,623,314	819,569	803,745	50.5%	1,623,319
OTHER GRANTS					
FEDERAL GOVERNMENT GRANTS	24,000	20,605	3,395	85.9%	24,948
PROVINCIAL GOVERNMENT GRANTS	50,000	99,381	(49,381)	198.8%	99,381
TOTAL	74,000	119,986	(45,986)	162.1%	124,329
OTHER FUNDS GENERAL	-	627	(627)	0.0%	627
TOTAL REVENUE	37,193,959	36,102,614	1,116,579	97.1%	38,424,552

West Hants Regional Municipality
Budget vs. Actuals
February 28, 2026

	2025-26 Budget	YTD Actual	Remaining Funds	Act./Bud. Percentage	Forecast March 31, 2025
TOTAL EXPENDITURES					
LEGISLATIVE					
MAYOR	73,815	66,134	7,681	89.6%	73,783
COUNCIL	461,397	413,457	47,940	89.6%	462,828
COMMITTEE OF COUNCIL EXPENSES	10,000	5,827	4,173	58.3%	8,000
OTHER LEGISLATIVE	55,000	30,980	24,020	56.3%	55,000
TOTAL	600,212	516,398	83,814	86.0%	599,611
GENERAL ADMINISTRATION					
ADMINISTRATIVE MANAGMENT	588,117	424,743.00	163,374	72.2%	506,508
FINANCIAL MANAGEMENT	1,226,468	1,013,343.00	213,125	82.6%	1,191,090
TAXATION	291,702	250,661.00	41,041	85.9%	250,661
REBATES	35,000	17,970.00	17,030	51.3%	23,759
OTHER GENERAL ADMIN					-
PROFESSIONAL SERVICES	75,500	36,200.00	39,300	47.9%	107,572
SAFETY, WELLNESS, AND APPRECIATION	28,500	25,118.00	3,382	88.1%	27,898
OFFICE ADMIN	161,745	170,056.00	(8,311)	105.1%	185,516
COMMUNICATIONS	36,724	24,413.00	12,311	66.5%	28,356
FACILITIES	338,025	352,804.00	(14,779)	104.4%	437,136
LIBRARIES	61,697	71,935.00	(10,238)	116.6%	80,184
DATA SERVICES	426,815	333,990.00	92,825	78.3%	364,353
INSURANCE	319,057	251,284.00	67,773	78.8%	251,284
OTHER	37,733	32,280.00	5,453	85.5%	35,215
TOTAL	3,627,083	3,004,797	622,286	82.8%	3,489,531
PROTECTIVE SERVICES					
POLICE	6,405,764	4,904,571	1,501,193	76.6%	6,423,626
BY-LAW ENFORCEMENT	226,682	180,797	45,885	79.8%	210,149
FIRE FIGHTING	3,441,963	1,682,169	1,759,794	48.9%	3,451,963
EMERGENCY MANAGEMENT OFFICE	78,311	10,613	67,698	13.6%	12,550
BUILDING INSPECTION	489,790	371,397	118,393	75.8%	474,954
PUBLIC SAFETY GRANT FUNDING	37,770	30,270	7,500	80.1%	33,022
FOOD BANKS	52,090	46,815	5,275	89.9%	57,504
TOTAL	10,732,370	7,226,632	3,505,738	67.3%	10,663,768
TRANSPORTATION					
ROADS & STREETS - ADMIN	1,939,110	1,535,827	403,283	79.2%	1,846,090
DIAL-A-RIDE GRANT FUNDING	-	34,668	(34,668)	0.0%	51,507
TOTAL	1,939,110	1,570,495	368,615	81.0%	1,897,597
ENVIRONMENTAL HEALTH SERVICES					
<i>WEST HANTS SEWER</i>					
ADMINISTRATION	1,361,494	1,316,899	44,595	96.7%	1,724,514
OPERATING COSTS	605,460	596,421	9,039	98.5%	687,869
LONG TERM DEBT	460,821	503,852	(43,031)	109.3%	497,223
SUB-TOTAL	2,427,775	2,417,172	10,603	99.6%	2,909,606
<i>GARBAGE & RECYCLING</i>					
GARBAGE & WASTE - WEST HANTS	1,495,038	1,470,228	24,810	98.3%	1,603,885
GARBAGE & WASTE - WINDSOR	380,289	245,092	135,197	64.4%	270,888
CLOSED LANDFILL	58,332	41,194	17,138	70.6%	48,018
WASTE DIVERSION	84,152	82,902	1,250	98.5%	90,439
SUB-TOTAL	2,017,811	1,839,416	178,395	91.2%	2,013,230
TOTAL ENVIRO HEALTH SERVICES	4,445,586	4,256,588	178,395	95.7%	4,922,836
ENVIRONMENTAL DEVELOPMENT SERVICES					

West Hants Regional Municipality
Budget vs. Actuals
February 28, 2026

	2025-26	YTD	Remaining	Act./Bud.	Forecast
	Budget	Actual	Funds	Percentage	March 31, 2025
PLANNING	1,055,673	785,241	826,486	74.4%	1,002,889
WELCOME CENTRE	41,514	32,714	25,610	78.8%	32,714
CAC/VCFN/VREN	632,137	227,234	568,473	35.9%	618,352
INDUSTRIAL PARK LIGHTS	4,006	2,858	3,453	71.3%	3,421
HANTS SHORE COMMUNITY HEALTH CENTRE	50,450	50,450	50,000	100.0%	50,450
TOTAL	1,783,780	1,098,497	1,474,022	61.6%	1,707,827
RECREATION & CULTURAL SERVICES					
ADMINISTRATION	416,056	363,313	52,743	87.3%	400,173
RECREATION SITES & MAINTENANCE PROGRAMS	690,446	683,722	6,724	99.0%	716,391
PROGRAMS	594,747	396,876	197,871	66.7%	462,205
GRANTS	351,000	177,253	173,747	50.5%	343,476
POOL	208,524	236,852	(28,328)	113.6%	258,384
COMMUNITY CENTRE	292,566	337,588	(45,022)	115.4%	376,239
SPORT COMPLEX	763,267	565,636	197,631	74.1%	699,001
COMMUNITY ECONOMIC DEVELOPMENT	425,364	395,285	30,079	92.9%	448,502
HMCC	172,321	211,662	(39,341)	122.8%	184,848
MAPLEWOOD CEMETERY	56,927	-	56,927	0.0%	56,927
RIVERBANK CEMETERY	33,680	-	33,680	0.0%	33,680
TOTAL	4,004,898	3,368,187	636,711	84.1%	3,979,826
FISCAL SERVICES					
VALUATION ALLOWANCE & BAD DEBTS ASSESSMENT	5,000	-	5,000	0.0%	5,000
REGIONAL LIBRARY	353,748	353,748	-	100.0%	353,748
EDUCATION	134,500	134,400	100	99.9%	134,400
TOTAL	6,278,180	4,707,648	1,570,532	75.0%	6,278,180
COURTHOUSE	71,207	77,369	(6,162)	108.7%	89,676
LONG TERM DEBT	2,485,686	2,420,528	65,158	97.4%	2,510,686
TRANSFER TO RESERVES	727,599	-	727,599	0.0%	1,066,679
TOTAL EXPENDITURES	37,188,959	28,735,287	8,453,672	77.3%	37,699,365
SURPLUS/(DEFICIT)	-	7,367,327	2,653,731		725,188