

Cape Breton Regional Municipality

Council Budget Sessions

AGENDA

**THURSDAY, MARCH 6, 2025
10:00 A.M.**

(to be continued March 7th if required)

Council Chambers
2nd Floor, City Hall
320 Esplanade, Sydney, NS

Cape Breton Regional Municipal Council

BUDGET SESSIONS

Council Chambers
Second Floor, City Hall

Thursday, March 6, 2025
10:00 a.m.
(to be continued March 7th if required)

AGENDA ITEMS

Land Acknowledgement

Roll Call

1. **Approval of the Agenda** (Motion required)
2. **Operating:**
 - a) **Amended Policy – Low Income Tax Exemption Policy:** Jennifer Campbell, Chief Financial Officer (See page 4)
 - b) **DRAFT Operating Budget Presentation 2025-2026**
Jennifer Campbell, Chief Financial Officer
(see Budget Binder – separate enclosure)
3. **Capital:**
 - a) **Debt Management Policy and Repeal of Borrowing Policy:** Jennifer Campbell, Chief Financial Officer (See page 6)
 - b) **Infrastructure Prioritization Framework:** Matt Viva, Senior Manager, Engineering Services (See page 8)
 - c) **DRAFT Capital Budget Presentation 2025-2026**
Wayne MacDonald, Director of Engineering and Public Works
(see Budget Binder – separate enclosure)

4. DRAFT Water / Wastewater:

- a) **Waste Water Operating Budget:** Ray Boudreau
(see Budget Binder – separate enclosure)

Adjournment

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- a) **Waste Water Operating Budget:** Ray Boudreau
(see Budget Binder – separate enclosure)

Adjournment

Cape Breton Regional Municipality

“ POLICY ”

Low-Income Tax Exemption Policy

STATEMENT:

The purpose of this policy is to provide a tax exemption for low-income property taxpayers. This policy is adopted under Section 69 of the Municipal Government Act, which permits council to grant a tax exemption for a person whose income is below the amount established in policy.

DEFINITIONS:

- 1.0 “Family” includes persons related by blood or marriage, common law spouses, registered domestic partners and persons related through adoption.
- 1.1 “Family Income” means total income from all sources for the calendar year preceding the fiscal year of the Municipality excluding any allowances paid pursuant to the War Veterans Allowance Act (Canada) or military pension paid pursuant to the Pension Act (Canada) and includes the income of all members of the same family residing in the same household.
- 1.2 “Owner” means:
 - i. The person assessed for the property;
 - ii. A person who holds title, including a part owner, joint owner, tenant in common, or joint tenant of the property;
- 1.3 “Taxes” means residential property taxes, inclusive of area rates applicable to the assessed property.

CRITERIA:

The low- income exemption must be applied for in each taxation year, and is only available to persons who meet the following criteria:

- 2.1 The applicant must be a permanent resident of the Cape Breton Regional Municipality;
- 2.2 The applicant must have legal title to the property;
- 2.3 The property is the applicant(s) primary residence and is assessed in his/her name. Seasonal residences, vacant property, and income properties are not eligible for the low-income exemption.
- 2.4 ~~The applicant's family income is less than \$35,000.~~ The applicant's household income is less than the maximum income threshold as stipulated in the Federal Guaranteed Income Supplement program for a couple receiving full Old Aged Security Pension. This value is updated on an annual basis by the federal government for any cost of living increases.

APPLICATION:

- 3.1 An application form duly completed and sworn or affirmed to, must be submitted on or before December 31 for processing in the then current taxation year. Satisfactory proof of income must be submitted with the application. Failure to supply satisfactory proof of income shall render the application ineligible.
- 3.2 Property owners meeting eligibility criteria above and demonstrating satisfactory proof of income shall be granted a maximum tax exemption of \$300.00 for the taxation year applied.
- 3.3 At no time shall the exemption amount approved exceed the annual taxes levied on the subject property.
- 3.4 Notwithstanding any other provision of this policy, no exemption is conferred from obligations to remedy unsightly or dangerous premises or any other infractions against a statute, regulation or by-law, whether Municipal, Provincial, or Federal and any charges imposed upon a property arising from the enforcement of such provisions shall not be subject to a tax exemption pursuant to this Policy.

Approved by Council June 26, 2018

Amended: April 19, 2022



CBRM

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Cape Breton Regional Municipality

Debt Management Policy

1. Purpose

This policy establishes guidelines for responsible debt management to ensure long term financial stability, support essential municipal services and infrastructure, and maintain compliance with legislative thresholds related to debt and debt servicing metrics.

2. Objectives

- 2.1** To promote long term financial stability of the Municipality;
- 2.2** To provide guidelines for the issuance of debt;
- 2.3** To define procedures for the repayment of long-term debt;
- 2.4** To establish measurable guidelines for the management of debt.

3. Definitions

- 3.1 Debt Service Burden** equals the amount of principal and interest that the municipality pays in each fiscal year on all long-term or short term debt;
- 3.2 Own Source Revenue**-means revenues from property taxes, grants in lieu of taxes, sales of services, and any other own source revenues as defined in the Municipal Financial Reporting and Accounting Manual.

4. Policy

- 4.1** The annual debt service burden shall not exceed 10% of own source revenues;
- 4.2** The total debt outstanding at the end of any year shall not exceed 1.5% of total uniform assessment;
- 4.3** The maximum amortization for debentures shall not exceed the lesser of the useful life of the financed assets; and twenty-five years.

5. Debt Monitoring & Reporting

- 5.1** The Chief Financial Officer shall maintain a schedule of all outstanding debt obligations;
- 5.2** Annual reports shall be provided to Council, or a committee designated by Council, as part of the annual operating and capital budget process detailing outstanding debt, repayment schedules, and compliance with debt and debt service burden limits.

6. Policy Review & Updates

- 6.1** This policy shall be reviewed annually and updated as needed to reflect best practices and changing financial conditions.



CBRM

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Borrowing Policy

PREAMBLE:

The CBRM requires a reasonable level of annual capital financing to address infrastructure needs while at the same time achieving a reduction in its overall capital debt and corresponding debt servicing costs.

OBJECTIVE:

Given CBRM's infrastructure needs, it is important to maximize capital investment to the greatest extent possible, while being fiscally responsible. It is the objective of this Policy to manage existing debt by limiting the required borrowing in a fiscal year to an amount less than or equal to the principal repayments in that year. As overall debt decreases, there will be corresponding savings in debt servicing costs. Those savings can then be redirected to fund capital expenditures out of the general operating fund.

POLICY STATEMENT:

It is the policy of the CBRM that the maximum amount of planned borrowing in the Capital Budget in a given year will not exceed the total principal debt repayments in that same budget year.



CBRM

Cape Breton Regional Municipality

March 6, 2025

To: Mayor and Council

Re: CBRM INFRASTRUCTURE PRIORITIZATION FRAMEWORK – AN UPDATE TO THE 2000 “INFRASTRUCTURE NEEDS ASSESSMENT MODEL”

Introduction

This document is a continuation of the memo presented to Council on January 14, 2025. Shortly after amalgamation, in 1996, the Public Services Committee started working on a Capital Prioritization Policy. This initiative quickly evolved into the creation and adoption of the 1998 Infrastructure Needs Assessment Model (The Model) to prioritize capital projects. The Model was later updated in December 2000 but remained solely focused on the prioritizing of capital projects related to roads, water, and sewer infrastructure, and over time it was strictly used for roads only projects. Twenty-Seven years later, the Model has become obsolete with respect to addressing the complexities of today’s contemporary projects and lacks the ability to incorporate multi-variable analysis focused on strategic goals and sustainability. The need for an updated approach is crucial for effective capital planning and ultimately decision-making in our increasingly dynamic environment.

Background

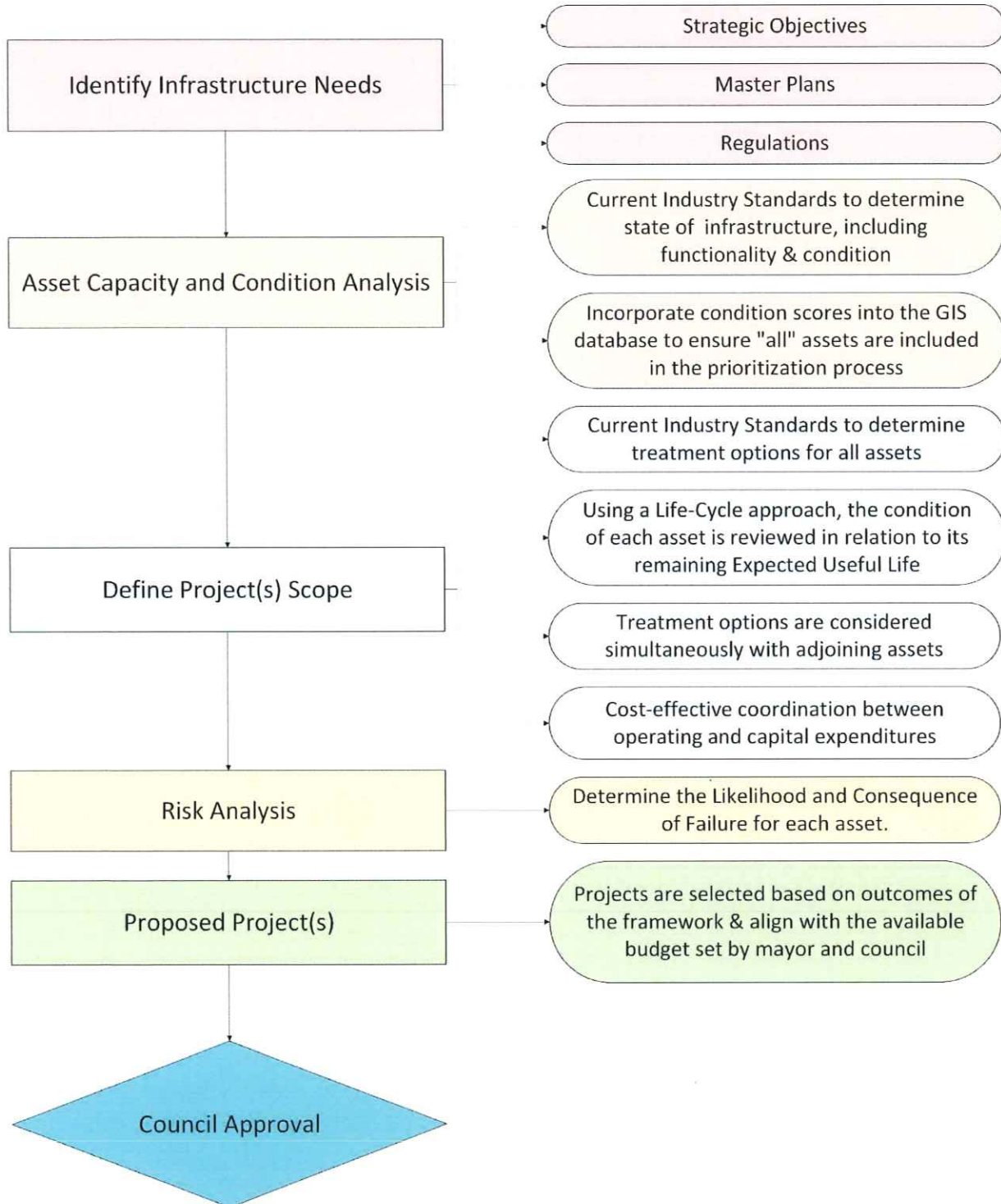
The existing model is a simplistic binary assessment tool, restricting the prioritization process to yes-or-no answers concerning narrowly defined project characteristics and excludes the ability to evaluate broader infrastructure interdependencies and condition ratings based on industry standards. As our community faces multifaceted challenges including budget constraints, infrastructure demands, service sustainability, and climate change, a more refined and adaptable framework is essential to simultaneously evaluate assets and incorporate modern industry standard practices to inform decision-making.

Proposed Changes

The following framework is proposed to replace the current needs assessment model.



CAPE BRETON REGIONAL MUNICIPALITY
INFRASTRUCTURE PRIORITIZATION
FRAMEWORK



Key Benefits of the Update

- **Shifting Strategic Goals:** Allowing for adaptability in response to evolving community and council priorities.
- **Service Level Objectives:** Aligning projects with desired service levels and community expectations.
- **Risk and Safety Considerations:** Evaluating the potential risks associated with projects, ensuring safety is a top priority.
- **Cross-Departmental Functionality:** Facilitating collaboration among various departments to create an integrated approach to project prioritization.
- **Optimizing Budget Allocation:** By understanding the timing of repairs, replacements, and upgrades, CBRM can align infrastructure spending with overall budget cycles.
- **Increased Transparency:** A clear and structured prioritization process will enhance transparency and build public trust in CBRM decision-making.

Conclusion

Updating the Infrastructure Needs Assessment Model is imperative to sustain our critical services. The proposed CBRM Infrastructure Prioritization Framework will enable a more comprehensive, adaptive, and transparent process for decision-making. This initiative will enhance the capital planning process and position our municipality as a leader in asset management.

Recommendation

It is recommended that Council adopt the CBRM Infrastructure Prioritization Framework as the official replacement of the 2000 Infrastructure Needs Assessment Model.

Original Signed by _____

Matt Viva, P.Eng
Senior Manager, Engineering Services

