



**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 REGIONAL MUNICIPALITY
Audit Committee DRAFT Meeting Minutes
June 17th, 2026, 6:00 p.m.
Council Chambers, 76 Morison Drive, via Zoom & Livestreamed on YouTube

Present:	Abraham Zebian	Mayor
	Rupert Jannasch	Councillor, District 1
	Chrystal Remme	Councillor, District 3
	Paul Wheadon	Councillor, District 4
	Jim Ivey	Councillor, District 11
	Scott McLean	Councillor, District 2
	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

1. Call to Order – Councillor Jannasch called the meeting to order at 6:06 p.m. Mayor Zebian attended via Zoom.
2. Declaration(s) of Conflict of Interest – No declarations
3. Announcements – Land acknowledgement
4. Approval of Agenda, including additions or deletion
Approved as presented.
5. Approval of February 4th, 2026, Minutes, including additions or deletions
Approved with one correction to the meeting adjournment.
6. **New Business**
 - a.) Recommendation Report for Annual Auditing Services
Director Rochon reviewed the recommendation report that had been circulated to the committee.

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, with three proposals received from: 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. In compliance with the procurement policy, proposals needed to score at least 56 out of 70 points (80%) in Phase 1 to move forward to the next stage.

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.

Director Rochon opened the floor up for questions on the report.

Resident member Lauchlin Mackenzie questioned the experience and qualifications that BDO has specifically municipal audits.

Director Rochon responded that all the proponents provided experience related to each of the members on the committee. She noted that BDO has experience working on municipal audits in Nova Scotia, New Brunswick, and PEI.

Councillor Ivey noted he was surprised to see such a gap in the pricing between the two companies. He also questioned why the committee could not view the proposals for the bidders and questioned the audit committee's role in the selection process.

Director Rochon explained that there are a few areas along the process, like independence, that is reviewed annually during the audit preparation and planning.

She confirmed that the qualifications are outlined in the RFP which include being registered with the CPA as well as being eligible to be an auditor under that umbrella, including meeting the requirements and being registered through Municipal Affairs as a listed approved auditors for a Municipality.

**Moved by Councillor Ivey and Councillor McLean that the meeting move in camera.
Motion Carried.**

At 6:18 p.m., the meeting moved in camera.

At 6:48 p.m., the meeting moved out of in camera.

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.

Councillor Wheadon made the motion seconded by Councillor Remme.

Discussion:

Director Rochon was asked to provide more detail on the compilation services for Hantsport Fire Department.

Director Rochon explained the Hantsport Fire department is part of the WHRM municipal overall audit, however separate statements are required to send to Kings County. She confirmed the compilation is to prepare Hantsport Fires Financial statements to be submitted to Kings County.

Motion Caried one contrary minded Councillor Ivey.

7. Director's Update
 - a.) Financial Update as of February 28, 2026

Director Rochon reviewed the report that had been circulated.

Key Takeaways:

- As of February 28, 2026, Revenues are 3.3% above budget.
- Expenses are forecasting at 1.4% above budget.
- Based on the variance analysis the general operating fund is predicting a surplus of \$725,188.
- Since the previous reporting period of January 31 to Council the marginal change within the surplus has been 0.1%.
- Compared to the previous period ending February 28, 2025, revenues in 2026 are 9.1% lower and expenses are 22.5% lower.

- Sewer revenues are expected to exceed budget based on performance of the first three quarters.
- Sales of services above budget driven by increase programming activities and higher community centre rentals.
- Services provided to other local governments are expected to exceed budget due to the increase in the host tipping fees as well as circular materials came in higher than anticipated.
- Deed transfer is the unknown and exceeding budget more substantially and resulting in the bigger portion of the 3.3% over budget production reflecting a very high volume in the September to November period more than West Hants has seen in the past.
- Transfers from other local government are projected to exceed our budget this is primarily due to some additional grants that have been received.
- Other revenue is higher due to interest and penalties on outstanding balances.
- Significant outstanding balances which have resulted in higher interest charges to the account.

Expenditures:

- 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.

Director Rochon pointed out that anything that is highlighted in red in the report are under review and may change during the next projection.

Director Rochon concluded her overview and proceeded to answer questions from the committee.

There were questions on the topics below:

HST Offset Grant

Resident member Lauchlin McKenzie inquired about the HST offset grant and the associated figures. Director Rochon advised that this account was recently reviewed and staff identified that a GST remittance had been incorrectly posted to this account, which impacted the reported balance.

Windsor Courthouse

Mr. McKenzie inquired about the Windsor Courthouse. Director Rochon explained that following year-end adjustments (either positive or negative) are made based on actual annual operations.

She advised that the courthouse was previously rented by the Department of Justice however it is no longer operational. She indicated as part of the year-end process, West Hants Regional Municipality submits the prior year's operating information to the province. The province then reviews the financials, as they are responsible for the full operating costs, and makes any necessary financial adjustments to reconcile amounts paid to the Municipality.

Municipal Capacity Grant

Director Rochon noted that the Municipal Capacity Grant is part of the province's Municipal Operating Agreement. The grant is calculated using uniform assessment values along with other qualifying factors to determine the funding received to support municipal operations.

Expenditures - Policing and Fire Services

In response to a question about why expenditures for policing and firefighting are not evenly distributed throughout the year. Director Rochon explained that some costs occur at specific times rather than monthly. For example, policing services are invoiced quarterly, resulting in expenditures being recorded in four larger installments rather than evenly across all months.

Acronyms

CAC- Climate Action Committee

VCFN- Valley Communication Fibre Network

VREN- Valley Regional Enterprise Network

Fiscal Services

WHRM is required to budget during the fiscal services for valuation allowance in that field. Director Rochon advised that it is not always used and confirmed that it hasn't been used in the last few years, adding it would be considered a write off if something was incurred. She noted that it typically occurs when there are adjustments received from previous years assessments.

Commercial Taxes

Director Rochon noted that this section would not necessarily represent collections that would sit in AR rather it would represent items that have been billed out. She confirmed that larger adjustments have come down from PVSC that have impacted certain commercial accounts. A question was asked when recognizing revenue is it periodically or for the year. Director Rochon confirmed that it is at the time it is billed. We forecast our surplus or deficit thorough out the year and periodically wouldn't impact the forecast.

Tax Agreements

Industrial Park, developer items fall under special tax items, with some dictated by assessment value.

Deed Transfer Tax

Deed Transfer Tax is going directly into operating there is no special fund that is set up. It has previously been discussed through Council and the idea to potentially set aside some of the host community fees or deed transfer tax but has yet to be a formal decision of Council.

Farm Property Acreage:

WHRM receives a grant in lieu of farm property, it is amount per acre that's set by the province.

Surplus

A surplus of \$725,000 compared to an overall municipal budget of about \$37 million accounting for the unknown revenue coming in associated to the deed transfer tax which is almost \$500,000 of that.

b.) Financial System Update

Director Rochon gave an update on the new Enterprise Resource Program (ERP) for WHRM's new financial system software. She added that the current software is at the end-of-life and that the Finance Department team are reaching the end of the procurement process.

She is planning to bring a report to Council before they break for the summer. She confirmed that staff have begun their preparation, initial meetings as well as project management meetings. She advised staff have begun extra auditing, consolidating accounts and are documenting workflows.

Director Rochon added that this will be a significant project to which she will provide additional updates once the recommended vendor is chosen by Council.

Resident member Nicole Hubley recommended from past experiences to engage with counterparts throughout the selection process to hear real feedback and experiences with the different companies being considered.

8. Correspondence- None
9. Public Comment- None
10. Date of Next Meeting – TBD July or August

11. Adjournment

The meeting was adjourned at 7:40 p.m.

X

Committee Chair