



Council Begins Review of 2025/26 Budget Proposals

April 30, 2025

At the April 29, 2025 Committee of the Whole meeting, Council held its first review of the proposed 2025/26 Capital and Operating Budgets for the Town, Water Utility, and Electric Utility.

- A full recording of the April 29 presentation is available here: <https://youtu.be/p0Xvldg9eis>
- The presentation slides from the meeting are available here: <https://townoflunenburg.ca/council-highlights/1896-draft-25-26-budget-presentation.html>
- The full budget documents are available here: <https://townoflunenburg.ca/council-2025/2025-council-committee-of-the-whole-agendas/1887-04-29-2025-committee-of-the-whole-budget-agenda/file.html>

A high-level break down of each budget is available below:

Draft 2025/26 Town Operating Budget

The Town is proposing a balanced operating budget of \$11.32 million for the 2025/26 fiscal year.

No Property Tax Increase

There are no proposed changes to property tax rates this year. If approved as presented, the residential rate will remain at \$1.376 per \$100 of assessment, and the commercial rate will stay at \$3.358 per \$100.

Although the Town is not proposing any changes to property tax rates this year, some residents may still notice a change in their tax bill. This is because property taxes are based on two parts:

- Property assessments are set by the Property Valuation Services Corporation (PVSC), a provincial agency that determines the market value of properties annually.
- Property tax rates are set by the Town and applied to the assessed value to calculate the tax bill.

Mandatory Expenses

Over \$2.4 million of the Town's operating budget goes toward mandatory services the Town is required to fund, including:

- Education contributions: \$1.24 million
- RCMP policing services: \$1.12 million
- Assessment services: \$50,900

Key Highlights of the Proposed Town Operating Budget

- Sewer rates are proposed to increase by 2.3% to help cover rising costs associated with operating and maintaining the Town’s wastewater system. For residential customers, this means an increase of approximately \$16.53 per year, from \$718.85 to \$735.38.
- Other major spending areas include:
 - Transportation services (road maintenance, fleet, and street lighting): \$1.59 million
 - Environmental health services (wastewater and garbage): \$1.75 million
 - Recreation and cultural programs: \$1.07 million

Draft 2025/26 Capital Budget

The Town is proposing a \$4.69 million capital budget for 2025/26.

A few projects planned for this year include:

- Repairs and upgrades to key town buildings, including the Town Hall and Lunenburg Academy.
- Street and sidewalk improvements, such as the complete reconstruction of Pelham Street and design work for a new sidewalk near the new daycare location on Starr Street.
- Restoration of the Bandstand, including new accessibility features.

Draft 2025/26 Water Capital Budget

The Town is proposing a \$2.2 million water capital budget for the 2025/26 fiscal year, focused on maintaining safe, reliable water service and investing in critical infrastructure upgrades.

Major Projects Included in This Budget

- Dares Lake Dam and Spillway Upgrade – \$1.319 million
Approved by Council on April 22, 2025, this project involves replacing the deteriorated spillway at Dares Lake—Lunenburg’s primary water source. The upgrade is essential for protecting water quality and managing lake levels safely.
- Town-wide Water Meter Rollout – \$600,000
Ongoing installation of individual residential water meters, enhancing water usage monitoring and billing accuracy. This multi-year project was approved by Council in 2022.

Draft 2025/26 Water Operating Budget

The Town of Lunenburg is proposing a water operating budget of \$1.78 million for the 2025/26 fiscal year. This reflects a 1.4% increase over the previous year—an overall change of \$24,700. This budget reflects a slight inflation-related increase in operational costs.

Draft 2025/26 Electric Utility Budget

The Town is proposing a \$3.24 million capital budget for its electric utility in 2025/26.

Of that total, \$2.373 million was pre-approved by Council on March 11, 2025, to move forward with two major infrastructure projects:

- Feeder 81W-233 Upgrade to Dufferin Street – \$1.721 million
- Green Street Double Circuit Installation – \$652,000

These upgrades will improve grid reliability, support new developments like Harbour View Haven and medical housing on Knickle Road.

Draft 2025/26 Electric Operating Budget

The proposed electric operating budget for 2025/26 totals \$8.51 million.

The budget reflects increased costs for delivering electricity and is based on current rates, with new rate approvals to be considered by the Nova Scotia Energy Board (formerly the Nova Scotia Utility and Review Board) at a public hearing on July 22, 2025.

More details on the electric capital budget is scheduled to be presented at the May 13, 2025 Council meeting.

Next Steps & Public Input

Council will continue reviewing the budgets at the May 13 and May 27 meetings (both at 6:00 p.m. at Town Hall). These meetings will include an opportunity for public input.

Can't attend in person? You can submit your feedback to kbyrne@townoflunenburg.ca.

If timing allows and you request it, your comments can be included in the public agenda package.

Otherwise, all feedback will still be shared with Council and relevant staff.