

February 24, 2025

To Mayors, Wardens, Village Chairs:

Yesterday, February 23, the Government of Nova Scotia released Budget 2026-27 - Defending Nova Scotia (<https://novascotia.ca/budget>).

Over the past five years, Government has made significant investments in programs and services to improve healthcare, strengthen our communities and support those who need it most.

In the face of continuing global uncertainty and slower revenue growth, we need to manage expenses carefully. Government is undertaking a number of measures including reducing the size of the civil service by 5%, reducing the size of the broader public service by 3% and reducing Government operating costs. We have also made the difficult decision to reduce discretionary grants.

For the Department of Municipal Affairs, the following programs will end:

- Flood Risk Infrastructure Investment Program (FRIIP)
- Provincial Capital Assistance Program (PCAP)
- Municipal Innovation Program (MIP)
- Growth & Renewal for Infrastructure Development (GRID)

Since 2021, this Government has committed nearly \$500 million to municipalities to support critical projects such as drinking water, wastewater, disaster mitigation, accessibility, and transit. Today, the Department continues to support more than 250 active projects in communities across the province, bringing real value and ongoing benefits to municipalities.

I appreciate this may be concerning and I want you to know we continue to be focused on working with municipalities to drive growth.

Many of the projects that would have been eligible under these provincial grant programs will also be eligible for consideration under other programs.

As well, these program changes do not affect funding agreements in place for previous fiscal years. Should you have questions, I encourage you to contact Hardy Stuckless, Executive Director, at hardy.stuckless@novascotia.ca for further information.

Sincerely,



Paul LaFleche
Deputy Minister

c: Chief Administrative Officers
Village Clerk Treasurers
Juanita Spencer, NSFM
Jeff Sunderland, AMANS