



**Town of Kentville**  
**2026-2027 Approved Operating Budget**  
**April 13, 2026**

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## Executive Summary

Town of Kentville’s approved 2026–2027 Operating Budget supports Council decision-making and accountability. It highlights the key drivers of change, the budget outlook, and the recommended approach to balance the Operating Budget and set the 2026–2027 tax rates.

The report provides: (1) budget highlights, including what the recommended and approved tax rate change means for typical households; (2) a staffing (FTE) overview; and (3) summaries of major changes in operating revenues and expenditures by service area, with detailed schedules in the appendices.

The 2026-2027 Operating Budget is aligned with Council’s Strategic Priorities Plan (2025–2029), approved October 27, 2025 (*Investing in Kentville’s Future Today*). The budget focuses operating resources on delivering core services while advancing Council’s priorities: supporting reliable infrastructure and municipal assets, strengthening organizational capacity and accountability, enabling growth-readiness work, and advancing inclusion, diversity, equity, and accessibility in service delivery and public spaces.

Without adjusting residential, commercial or resource tax rates, the 2026–2027 Operating Budget totals **\$20,146,010** in operating revenues and **\$20,484,740** in operating expenditures, resulting in a projected shortfall of **\$338,730**. The budget was developed with an emphasis on controlling costs and maintaining operating expenditures at stable levels wherever possible, while ensuring the delivery of essential services. A uniform **4-cent** tax rate increase (per \$100 of assessment) will be implemented to generate sufficient revenue to address the shortfall and adopt a balanced Operating Budget. This adjustment in tax rates results in a 2.8% increase for residential and resource properties and a 1.2% increase for commercial properties.

The approved operating budget prioritizes:

- Aligning roles and resources with the organizational structure presented to Council in January 2026
- Addressing inflationary impacts on compensation and the costs of goods and services
- Meeting external commitments to partner organizations through inter-municipal service agreements
- Increasing transfers to reserve funds to support the Capital Investment Plan and prepare for future needs
- Continuing to deliver high-quality services, programs, and support to residents and property owners

## Strategic Priorities Alignment

The Operating Budget is the primary tool used to resource Council’s strategic direction for the year ahead. Throughout this report, the highlights and service-area summaries describe how 2026-2027 operating resources support the Strategic Priorities Plan “**Investing in Kentville’s Future Today**” through service delivery, organizational capacity, asset stewardship, inclusive community amenities, and disciplined long-term financial planning.

Council’s five strategic priorities for 2025–2029 establish the Town’s key strategic directions; the funded items listed under each priority identify where the 2026–2027 Operating Budget includes targeted investments and resource adjustments to advance these priorities.

Council’s five strategic priorities for 2025–2029 guide targeted budget changes and investments for 2026–2027, as shown by the funded items listed under each priority.

### 1. Investing in Infrastructure

- Public transportation- reliability and enhanced services
- Valley Waste Resource Management – support increased diversion

*What this means:* These funded items support reliable day-to-day services and long-term sustainability through public transportation and regional waste management (increased diversion).

## Strategic Priorities Alignment continued

### 2. Investing in People and Accountability

- Targeted Income Property Tax Exemption improvement
- Public feedback and complaints system

*What this means:* These funded items support improvements to customer service, public feedback processes, and targeted property tax relief, strengthening accountability and responsive service delivery.

### 3. Investing in Growth and Development

- Municipal planning strategy engagement and staff support
- Recreation facilities assessments for operational and planning purposes
- Expanding neighbourhood parks and trails
- Urban Forest grant application

*What this means:* These funded items support growth readiness and community well-being through municipal planning and development support, recreation facility assessments, expanded parks and trails, and urban forestry initiatives that strengthen asset stewardship and climate resilience.

### 4. Investing in Inclusion, Diversity, Equity and Accessibility (IDEA)

- Committee resources to support participation

*What this means:* This funded item supports inclusion and community well-being by reducing barriers to participation so more residents can contribute to local decision-making and have access to public properties.

### 5. Investing in Communication and Partnerships

- KVFD contract renewal with consistent area rate to support capital and operating budget constraints
- Community policing and continuity of service through cadet program
- Climate change and adaptation including HWA control measures
- Restructure of business development support
- Communication improvements via website evaluation and redesign

*What this means:* These funded items support community safety partnerships, climate adaptation work (including HWA control measures), economic development delivery, and improved communication tools such as website evaluation and re-design.

## Budget Highlights

- **Budget position:** With a uniform 4-cent tax rate adjustment for residential, resource and commercial properties, total operating revenues of **\$20,595,007** support total operating expenditures of **\$20,595,007** in 2026–2027.
- **Budget position:** Without adjusting the residential, resource and commercial tax rates Total operating revenues of **\$20.15M** support total operating expenditures of, **\$20.48M** resulting in a projected shortfall of approximately **\$0.34M**. A **uniform 4-cent** tax rate increase (per \$100 of assessment) will be implemented to address the shortfall and balance the Operating Budget.
- **Revenue growth:** Total revenues increase by approximately **\$1.318 (6.8%)** compared with the prior year's approved budget, driven primarily by taxation, including assessment growth, current-year valuation changes across the tax base, tax rate changes for categories except industrial and manufacturing in the industrial park, rural and forest acreage and deed transfer taxes on property sales. Taxes are the Town's largest revenue source. A **4-cent** rate increase helps offset operating cost pressures while maintaining existing service levels.

## Budget Highlights continued

- **Major expenditure growth:** Notable increases are reflected in **Protective Services** (police and fire service costs), **Transportation Services** (public transit, winter operations, and higher debt charges), **Environmental Development** (planning capacity to support growth readiness), and **Financing and Transfers** (higher debt charges and planned reserve contributions).
- **Strategic alignment:** 2026-2027 operating budget reflect Council's commitment to investing in Kentville's future while protecting essential services and maintaining financial stability.
- **Reserves and capital readiness:** The budget includes transfers to reserves totaling **\$1,886M**, an increase of **\$0.389M** compared to last year. This rise mainly reflects greater contributions to the General Capital Reserve, which helps fund capital investment priorities outlined in the companion 5-Year Capital Investment Plan and supports long-term financial stability.

### Taxation Highlights:

**Taxable commercial assessments** increased by 12.41% or \$15.3M. A single large commercial account contributed \$14M or 92% of this growth. Industrial Park properties are classified as either commercial or industrial and manufacturing; those designated as industrial and manufacturing will continue to receive a tax rate reduction according to provincial legislation. Properties that do not meet these classifications will be subject to the Town's general commercial rates beginning in 2026–2027.

**Taxable residential assessments** increased by 7.95%. While this growth in assessment value provides additional revenue, it does not fully cover the increased expenditures resulting from inflationary pressures this year. The Town also made a one-time use of over \$400,000 in reserves last year instead of raising rates, which affects the current year's budget balance.

The **average assessment** of a dwelling in 2026- 2027 is \$265,454, which equates to an average bill of \$3,785.90, excluding area rates. A one cent rate change represents \$26.55 on the average bill and impacts total residential tax revenue by \$70,861. The Town's residential tax rate is lower than that of similar-sized towns with comparable services.

### What a 4-Cent Tax Increase Means for the Average Dwelling/Household

A 4-cent or 2.8% adjustment to the residential tax rate has a modest impact on the average residential account. The tax rate increase on residential assessments balances the Operating Budget and supports the services residents rely on. For the average residential home assessed at \$265,454, the impact is approximately \$106 per year or \$9 per month.

The examples below show the estimated impact on typical residential accounts at different assessment values.

- Home assessed at \$375,000: impact of approximately \$150 per year or \$13 per month.
- Home assessed at \$550,000: impact of approximately \$220 per year or \$18 per month.
- Home assessed at \$700,000: impact of approximately \$280 per year or \$23 per month.

## Operating Expenditures Highlights:

Expenditures of \$ 20,595,007 have been impacted by interest rates, consumer price index, contractual obligations including inter-municipal service agreements, debt, collective agreements, policy and mandatory transfers to name a few influences. The overall \$ 1,317,691 change can be attributed to the following major increases in expenditures:

| Type of expenditure                 | Amount           | Description  |
|-------------------------------------|------------------|--|
| Investment in People                | \$ 436,209       | Remuneration – contractual and policy obligations<br>Budget at full FTE with a two-month vacancy factor for new or converted positions |
| Non – recurring expenditures        | 72,344           | Municipal Planning Strategy<br>Urban Forestry Grant<br>Parks and recreation facilities conditions assessments<br>Web redesign          |
| Debt                                | 191,473          |  |
| External Commitments & Partnerships | 263,141          |  |
| <i>AVRCE</i>                        | <i>157,898</i>   | <i>Education</i>   |
| <i>Public Transit</i>               | <i>130,887</i>   | <i>Kings Transit</i>   |
| <i>Other</i>                        | <i>( 25,644)</i> | <i>PVSC, IMSAs, Inspection, KVFD, Library</i>  |
| General                             | (34,276)         |  |
| Transfers to reserves               | 389,000          | Operating reduction \$10,000 and capital increase \$399,000  |

## Investing in People

Town services are delivered by staff across all departments. The 2026-2027 Operating Budget reflects targeted investments in staffing capacity to support service delivery, respond to operational requirements, and advance Council’s strategic priorities. Staffing levels are presented below in full-time equivalent (FTE) terms to show year-over-year changes in resourcing by program area.

| Staffing summary (FTE)     | Prior year approved | Current year approved | Change<br>Increase (Decrease) |
|----------------------------|---------------------|-----------------------|-------------------------------|
| General Administration     | 17.62               | 18.16                 | 0.54                          |
| Protective Services        | 27.42               | 26.84                 | (0.58)                        |
| Engineering & Public Works | 14.26               | 14.13                 | (0.13)                        |
| Environmental Development  | 4.80                | 6.71                  | 1.91                          |
| Recreation & Cultural      | 21.70               | 21.26                 | (0.44)                        |
| <b>Total</b>               | <b>85.80</b>        | <b>87.10</b>          | <b>1.30</b>                   |

## Key FTE Changes

- **Net change:** The total budgeted staffing rises by approximately **1.3 FTE**, from **85.8 FTE** in the prior year to **87.1 FTE** for the current year, reflecting targeted adjustments across departments.
- **Vacant positions assume a June 1<sup>st</sup> start date** in line with operational planning and recruitment timelines.
- **General Administration:** Internal service delivery is enhanced through increased staffing for information technology and human resources to support organizational growth and improve employee services.
- **Protective Services - Police (Core Program):** The staffing plan reflects the cadet program with resources allocated to support recruitment and training priorities.
- **Environmental Development:** A temporary role has been created to assist with strategic municipal planning efforts and prepare for expected community expansion. Additionally, a business development position has been introduced to support economic and commercial development within the Town.
- **Recreation and Cultural:** Certain seasonal parks positions are being transitioned to permanent roles, while temporary staff reductions are implemented in response to planned program delivery, such as discontinuing the planned expansion of the “Nature Kids” cohort and recalibrating outreach and day camp initiatives due to staffing shortages.

Staffing levels and related costs will be monitored through the year and reflected through regular reporting and forecasting as recruitment and operational needs evolve.

To accompany the Operating Budget summary (Appendix A), budget details by type of revenue and expenditure along with an explanation of associated changes from the prior year’s budget, helps users understand how resources are used. The following schedules focus on significant variances only, with complete details available in Appendix B and C.

## Operating Revenue

Total operating revenues are budgeted at **\$20,595,007** for 2026-2027, an increase of **\$1,317,691** (about **6.8%**) compared with the prior year approved budget. The summary below groups revenue by major source.

| Revenue source                         | 2025–2026<br>Approved | 2026–2027<br>Approved | Change              | %<br>Change |
|--|-----------------------|-----------------------|---------------------|-------------|
| Taxes                                  | \$ 14,504,342         | \$ 16,406,228         | \$ 1,901,886        | 13.1%       |
| Payments in Lieu of Taxes              | 569,364               | 531,050               | (38,314)            | (6.7%)      |
| Services Provided to Other Governments | 228,810               | 235,807               | 6,997               | 3.1%        |
| Sales of Services                      | 1,583,815             | 1,443,700             | (140,115)           | (8.8%)      |
| Unconditional Transfers                | 450,128               | 450,403               | 275                 | 0.1%        |
| Conditional Transfers                  | 183,094               | 145,500               | (37,594)            | (20.5%)     |
| Other Revenue – Own Services           | 1,350,733             | 1,380,119             | 29,386              | 2.2%        |
| Transfers from Reserves                | 407,030               | 2,200                 | (404,830)           | (99.5%)     |
| <b>Total Revenues</b>                  | <b>\$ 19,277,316</b>  | <b>\$ 20,595,007</b>  | <b>\$ 1,317,691</b> | <b>6.8%</b> |

**Summary of Major Variances:** The year-over-year change in operating revenues is primarily attributable to higher taxation revenue. Partially offsetting this increase are reductions in sales of services, conditional transfers, and payments in lieu of taxes, as well as a decrease in the budgeted financing and transfers line compared with the prior year.

The notes below summarize the primary drivers of change by revenue category.

## Operating Revenue (Continued)

### Taxes:

Property taxes are the main way the Town funds local services. This includes things like road and sidewalk work, parks and recreation, fire and police services, and day-to-day municipal operations. Changes in residential and commercial assessments can shift how the overall tax bill is shared across the community. However, increases in assessment do not automatically mean the Town receives the same increase in revenue each year because of the CAP system which reduces the taxable assessable value significantly.

The year-over-year change in taxation reflects assessment changes across the tax base and a number of policy amendments, including: implementation of the rural tax rate for certain residential properties on Harrington Road; applying commercial tax rates to properties in the industrial park that do not meet the criteria for industrial or manufacturing classifications; updates to fire and hydrant area rates based on contract changes and rate-setting assumptions; and a higher allowance for assessment appeals based on the current number of active appeals reported by PVSC.

### Tax Roll Highlights

- Residential/resource taxable assessment: increase of **7.95%** (prior year: 6.32%)
- Provincial CAP CPI: **2.6%** (prior year: 1.5%)
- Dwellings/Homes impacted by CAP: **64%** of dwellings/home (prior year 66%)
- Commercial taxable assessment: increase of **12.41%** (last year: decrease of 0.54%).

### Payments in Lieu of Taxes:

The decrease is primarily due to lower federal payments in lieu of taxes, based on prior-year actual experience; provincial PILT is relatively stable year over year.

### Services Provided to Other Governments:

The primary factor contributing to the increase is provincial protective services cost recoveries, which are associated with adjustments in salary reimbursement rates.

### Sales of Services:

Sales of services decrease by **\$140,115**, reflecting lower public works recoveries for project work (water and sanitary sewer) based on recent experience, partially offset by program-specific adjustments in recreation revenues and updated internal allocations.

### Unconditional Transfers:

Unconditional transfers are stable and reflect a multi-year provincial commitment.

### Conditional Transfers:

Conditional transfers are projected to decrease by **\$37,594**. This reflects a more conservative approach to budgeting grant revenues, including a reduction in the prior year's estimated "other" grant line, and anticipated decreases in grants due to changes in federal and provincial budget allocations and priorities.

### Other Revenue – Own Services:

These revenues increase by **\$29,386**. Key drivers include higher interest and penalties, release of deferred revenue supporting parks initiatives, and lower rentals, while fines/fees/permits are budgeted flat and return on investments remains unchanged.

## Operating Revenue (Continued)

### Financing and Transfers:

The reduction indicates that the budget no longer depends on reserve transfers to supplement operating revenues for covering expenditures. The operating reserve ratio remains an important factor for ongoing consideration.

## Operating Expenditures

Total operating expenditures are budgeted at **\$20,595,007** for 2026-2027, an increase of **\$1,317,691** or **6.8%** compared with the prior year approved budget. Operating expenditures include salaries and benefits, materials and supplies, professional services, contracts, utilities, technology, and program costs. Budgets are developed using the prior-year budget, year-to-date results, and trend information, with adjustments for one-time items and targeted changes such as inflation, growth, and service demand.

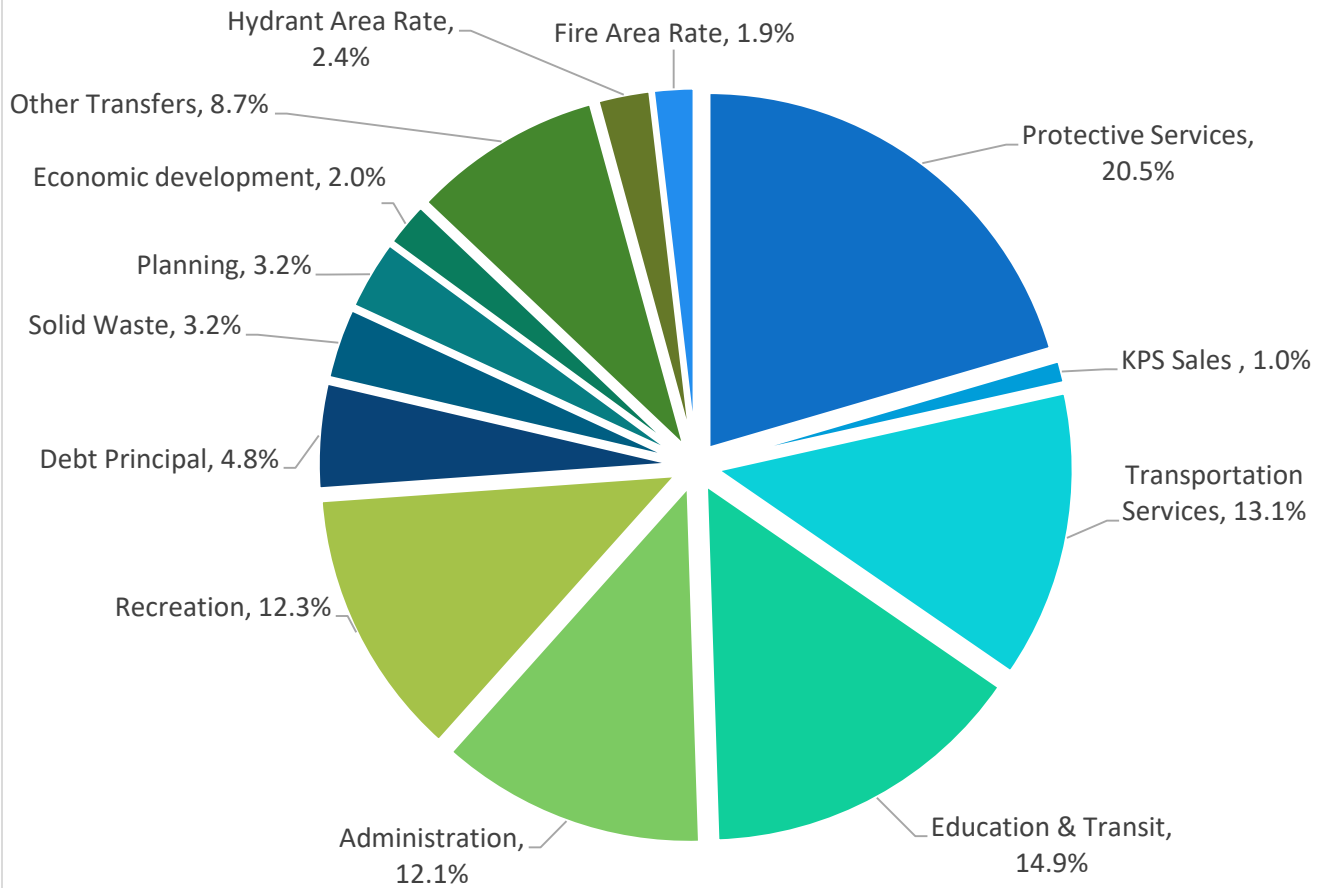
Expenditures are summarized by major service area in the schedule below.

| Expenditure category          | 2025–2026<br>Approved | 2026–2027<br>Approved | Change              | % Change    |
|-------------------------------|-----------------------|-----------------------|---------------------|-------------|
| Administration                | \$ 2,362,522          | \$ 2,481,952          | \$ 119,430          | 5.1%        |
| Protective Services           | 5,021,205             | 5,276,320             | 255,115             | 5.10%       |
| Transportation Services       | 3,039,910             | 3,251,786             | 211,876             | 7.00%       |
| Environmental Health Services | 826,739               | 658,085               | (168,654)           | (20.40%)    |
| Environmental Development     | 909,704               | 1,064,358             | 154,654             | 17.00%      |
| Recreation and Cultural       | 2,421,240             | 2,512,912             | 91,672              | 3.80%       |
| Education                     | 2,324,456             | 2,482,354             | 157,898             | 6.80%       |
| Financing and Transfers       | 2,371,340             | 2,867,240             | 495,900             | 20.9%       |
| <b>Total Expenditures</b>     | <b>\$ 19,277,116</b>  | <b>\$ 20,595,007</b>  | <b>\$ 1,317,891</b> | <b>6.8%</b> |

**Summary of Major Variances:** The largest year-over-year increase is in **Financing and Transfers**, driven by higher transfers to reserves and debt charges. Transportation Services increases reflect higher public transit costs and higher debt charges, along with an increased snow and ice removal budget based on recent experience and contract rate pressures. Protective Services increases reflect police and fire service cost drivers, including dispatch contract rate changes and fire and hydrant area rate obligations. Environmental Development increases reflect added planning capacity and higher operating requirements for planning work. Environmental Health Services decreases primarily due to a lower Valley Waste Resource Management Agreement amount.

The **chart** below shows how the 2026–2027 Operating Budget is distributed across major service areas, in other words, where the Town’s operating dollars go. Understanding this distribution helps residents see what services make up the largest share of the budget and why changes in one area can affect trade-offs in another.

## Operating Spending by Area



### Administration

| Administration                   | 2025–2026<br>Approved | 2026–2027<br>Approved | Change            | % Change    |
|----------------------------------|-----------------------|-----------------------|-------------------|-------------|
| <b>Total</b>                     | <b>\$ 2,362,522</b>   | <b>\$ 2,481,952</b>   | <b>\$ 119,430</b> | <b>5.1%</b> |
| Legislative                      | 297,422               | 305,741               | 8,319             | 2.8%        |
| Mayor Remuneration               | 55,592                | 58,509                | 2,917             | 5.2%        |
| Mayor Expense                    | 9,284                 | 5,000                 | (4,284)           | (46.1%)     |
| Council Remuneration             | 183,836               | 190,618               | 6,782             | 3.7%        |
| Council Benefits                 | 22,994                | 25,614                | 2,620             | 11.4%       |
| Council Expense                  | 19,716                | 18,000                | (1,716)           | (8.7%)      |
| Council Other                    | 6,000                 | 8,000                 | 2,000             | 33.3%       |
| General Administration           | 1,928,029             | 2,035,533             | 107,504           | 5.6%        |
| Information Technology           | 349,121               | 441,235               | 92,114            | 26.4%       |
| Operations Expense               | 337,950               | 292,260               | (45,690)          | (13.5%)     |
| Legal and audit                  | 125,000               | 97,000                | (28,000)          | (22.4%)     |
| Programmes                       | 197,715               | 206,868               | 9,153             | 4.6%        |
| Reduced taxes – Section 69/69A   | 16,750                | 18,306                | 1,556             | 9.3%        |
| Reduced taxes – Section 71       | 60,000                | 60,000                | -                 | 0.0%        |
| Transfers to Assessment Services | 94,965                | 102,562               | 7,597             | 8.0%        |
| Debt Charges                     | 7,616                 | 27,127                | 19,511            | 256.2%      |

## Administration continued

Administration expenditures increase by **\$119,430** (5.1%) to **\$2,481,952**. The largest driver remains Information Technology, reflecting increased IT capacity with the addition of an IT analyst position and targeted initiatives such as web re-design and cybersecurity risk testing. Other changes reflect compensation and staffing adjustments aligned with organizational priorities, including implementation steps from a human resources review.

## Protective Services

| Protective Services          | 2025–2026<br>Approved | 2026–2027<br>Approved | Change            | % Change    |
|------------------------------|-----------------------|-----------------------|-------------------|-------------|
| <b>Total</b>                 | <b>\$ 5,021,205</b>   | <b>\$ 5,276,320</b>   | <b>\$ 255,115</b> | <b>5.1%</b> |
| Police-Core Program          | 3,412,349             | 3,514,702             | 102,353           | 3.0%        |
| Fire Protection              | 1,052,596             | 1,163,185             | 110,589           | 10.5%       |
| Law Enforcement              | 148,279               | 171,217               | 22,938            | 15.5%       |
| Police-Sales of Service      | 193,656               | 213,085               | 19,429            | 10.0%       |
| Emergency Measures and Other | 212,205               | 212,205               | -                 | 0.0%        |

Protective Services expenditures increase by **\$255,115** (5.1%) to **\$5,276,320**. Key drivers include police and fire service cost pressures, including dispatch contract rate changes, cadet funding timing (cadet in school in 2026-2027), and fire-related area rate and hydrant obligations and contract-based transfers.

## Transportation Services

| Transportation Services | 2025–2026<br>Approved | 2026–2027<br>Approved | Change            | % Change     |
|-------------------------|-----------------------|-----------------------|-------------------|--------------|
| <b>Total</b>            | <b>\$ 3,039,910</b>   | <b>\$ 3,251,786</b>   | <b>\$ 211,876</b> | <b>7.00%</b> |
| Common Services         | 1,482,448             | 1,444,847             | (37,601)          | (2.50%)      |
| Public Transit          | 437,251               | 568,287               | 131,036           | 30.00%       |
| Road Transportation     | 957,800               | 984,225               | 26,425            | 2.80%        |
| Street Repairs          | 241,400               | 265,937               | 24,537            | 10.20%       |
| Storm Sewer             | 115,000               | 96,500                | (18,500)          | (16.10%)     |
| Snow and Ice Removal    | 245,000               | 268,375               | 23,375            | 9.50%        |
| Street Cleaning         | 35,000                | 33,200                | (1,800)           | (5.10%)      |
| Debt Charges            | 62,411                | 154,827               | 92,416            | 148.10%      |

Spending on Transportation Services rises by **\$211,876** (7.0%) to a total of **\$3,251,786**. This change is driven by higher public transit expenses as set out in the Kings Transit Authority budget approved by its governing body, increased winter operations costs influenced by recent trends and rising contract rates, and greater debt charges. Road maintenance also sees adjustments, with more patch paving planned due to road conditions, though this is partially balanced by reductions in storm sewer budgeting to help manage overall cost pressures.

## Environmental Health Services

| Environmental Health Services     | 2025–2026         | 2026–2027         |                     |                |
|-----------------------------------|-------------------|-------------------|---------------------|----------------|
|                                   | Approved          | Approved          | Change              | % Change       |
| <b>Total</b>                      | <b>\$ 826,739</b> | <b>\$ 658,085</b> | <b>(\$ 168,654)</b> | <b>(20.4%)</b> |
| Valley Waste Resource Management  | 776,539           | 611,160           | (165,379)           | (21.3%)        |
| Solid Waste Collection & Disposal | 43,600            | 40,325            | (3,275)             | (7.5%)         |

Environmental Health Services spending drops by **\$168,654** (20.4%) to **\$658,085**, mainly due to the Valley Waste Resource Management budget approved by its governing body, which includes the Town as a member.

## Environmental Development

| Environmental Development | 2025–2026         | 2026–2027           |                   |              |
|---------------------------|-------------------|---------------------|-------------------|--------------|
|                           | Approved          | Approved            | Change            | % Change     |
| <b>Total</b>              | <b>\$ 909,704</b> | <b>\$ 1,064,358</b> | <b>\$ 154,654</b> | <b>17.0%</b> |
| Planning and Zoning       | 411,848           | 538,000             | 126,152           | 30.6%        |
| Economic Development      | 479,402           | 511,260             | 31,858            | 6.6%         |
| Community Development     | 213,275           | 133,295             | (79,980)          | (37.5%)      |
| Compensation              | 108,402           | 182,612             | 74,210            | 68.5%        |
| Promotions                | 116,448           | 116,505             | 57                | 0.0%         |
| Tourism – Programmes      | 5,500             | 27,900              | 22,400            | 407.3%       |
| Debt Charges              | 18,454            | 15,098              | (3,356)           | (18.2%)      |

Environmental Development spending rises by **\$154,654** (17.0%) to a total of **\$1,064,358**. This growth is mainly due to increased planning capacity aimed at advancing municipal planning strategies and priorities related to future growth, as well as greater operational demands for planning engagement. The budget also includes a possible Urban Forestry grant, which is still awaiting approval from the funding agency. Additionally, the category covers ongoing community development initiatives and continued support for the Visitor Information Centre during its extended operating season. The economic development contract has ended; support will now be managed internally, including a new coordination role, business accessibility grants, business development activities and marketing and promotions aligned the Town's priorities.

## Recreation and Cultural Services

| Recreation and Cultural Services        | 2025–2026           | 2026–2027           |                  | Change      | % Change |
|---|---------------------|---------------------|------------------|-------------|----------|
|   | Approved            | Approved            |                  |             |          |
| <b>Total</b>                            | <b>\$ 2,421,240</b> | <b>\$ 2,512,912</b> | <b>\$ 91,672</b> | <b>3.8%</b> |          |
| Administration                          | 759,376             | 796,300             | 36,924           | 4.9%        |          |
| Cultural Buildings and Facilities       | 141,184             | 165,187             | 24,003           | 17.0%       |          |
| Library                                 | 42,800              | 64,200              | 21,400           | 50.0%       |          |
| Recreation Programmes – Nature Kids     | 192,420             | 125,305             | (67,115)         | (34.9%)     |          |
| Recreation Programmes – Outreach        | 42,850              | 49,019              | 6,169            | 14.4%       |          |
| Recreation Programmes – Summer Day Camp | 33,788              | 36,632              | 2,844            | 8.4%        |          |
| Recreation Programmes – Swimming Pool   | 75,632              | 77,196              | 1,564            | 2.1%        |          |
| Recreation Facilities – Arena           | 423,647             | 448,451             | 24,804           | 5.9%        |          |
| Recreation Facilities – Parks           | 521,898             | 599,090             | 77,192           | 14.8%       |          |

Recreation and Cultural Services spending rises by **\$91,672** (3.8%) to **\$2,512,912**, mainly due to staffing adjustments, increased facility operations costs (with some condition assessments shifting from capital to operating), higher library funding, and program changes such as the Nature Kids cohort not proceeding due to hiring constraints. Parks operations also see more seasonal staff and HWA project support to maintain service levels.

## Education

| Education    | 2025–2026 Approved  | 2026–2027 Approved  | Change            | % Change    |
|--------------|---------------------|---------------------|-------------------|-------------|
| <b>Total</b> | <b>\$ 2,324,456</b> | <b>\$ 2,482,354</b> | <b>\$ 157,898</b> | <b>6.8%</b> |

Education spending increases by **\$157,898** (6.8%). This sum represents the Town's payment to the Annapolis Valley Regional Centre for Education (AVRCE), calculated based on student enrollment and uniform assessment. The rise is due to 29 more students (a 3.3% increase), while the municipality's share of the overall cost shifted from 10.77% last year to 10.27%.

## Financing and Transfers

| Financing and Transfers        | 2025–2026           | 2026–2027           |                   | Change       | % Change |
|--------------------------------|---------------------|---------------------|-------------------|--------------|----------|
|                                | Approved            | Approved            |                   |              |          |
| <b>Total</b>                   | <b>\$ 2,371,340</b> | <b>\$ 2,867,240</b> | <b>\$ 495,900</b> | <b>20.9%</b> |          |
| Debt Charges                   | 874,040             | 980,940             | 106,900           | 12.2%        |          |
| Transfers to Reserves          | 1,497,300           | 1,886,300           | 389,000           | 26.0%        |          |
| Operating Reserve              | 167,200             | 157,200             | (10,000)          | (6.0%)       |          |
| Public Works Equipment Reserve | 215,000             | 158,000             | (57,000)          | (26.5%)      |          |
| General Capital Reserve        | 1,023,100           | 1,490,100           | 467,000           | 45.6%        |          |
| Capital From Revenue – Police  | 92,000              | 81,000              | (11,000)          | (12.0%)      |          |

Expenditures for Financing and Transfers increase by **\$495,900** (20.9%), primarily driven by higher Debt Charges (\$106,900) and larger Transfers to Reserves (\$389,000). Adjustments to reserve contributions relate to removing the election reserve transfer due to sufficient current reserve levels, reallocating \$15,000 from general reserves to the dedicated snow removal reserve, increasing deed transfer allocation and updating general capital reserve funding to include the Industrial Park rate reclassification differential and the recreation truck reallocation. In contrast, Capital From Revenue – Police is decreasing by \$11,000, as the critical incident reserve allocation is eliminated.

## Understanding the Gap: Revenue Growth and Ongoing Costs

The sections above summarize the Town’s key operating revenue and expenditure drivers for 2026–2027. This section provides context for how far year-over-year revenue growth goes once the Town first meets non-discretionary obligations, such as required transfers, allowances for assessment appeals, and external commitments and partnerships. In other words, it shows how much of the “extra” revenue from assessment value changes is available (or not available) to offset broader cost pressures while maintaining current service levels.

As shown, after accounting for these non-discretionary allocations, the remaining net impact on revenues is (\$51,900) year over year prior to a 4-cent tax rate increase. This illustrates a core budget challenge: assessment-related growth alone is not keeping pace with the Town’s cost drivers (e.g., collective agreements, benefit rate changes, inflation, debt charges, and inter-municipal service agreements). The Town cannot rely on drawing down reserves year after year to bridge ongoing operating pressures without replenishing them; doing so reduces flexibility to respond to emergencies and undermines long-term capital readiness. A more sustainable approach requires ongoing revenue growth tools, such as tax rate adjustments, alongside disciplined cost control and planned reserve contributions.

|  | 2025-2026              | 2026 - 2027            | Change                |
|--|------------------------|------------------------|-----------------------|
| <b>Analysis of Revenue and Expenditure Changes</b>     | <b>Approved Budget</b> | <b>Proposed Budget</b> | <b>Year over Year</b> |
| <b>Revenues</b>  |                        |                        |                       |
| Taxes- Assessable Property                             | \$ (12,980,316)        | \$ (14,378,314)        | \$ (1,397,998)        |
| Taxes - Area Rates                                     | (907,356)              | (1,031,079)            | (123,723)             |
| Taxes -Deed Transfer                                   | (600,000)              | (650,000)              | (50,000)              |
| Reserve transfers In                                   | (407,030)              | (2,200)                | 404,830               |
| Other sources  | (4,382,614)            | (4,204,237)            | 178,377               |
| <b>Subtotal</b>  | <b>(19,277,316)</b>    | <b>(20,265,830)</b>    | <b>(988,514)</b>      |
| Transfer to Capital - Deed Transfer Tax                | 600,000                | 650,000                | 50,000                |
| Transfer to Capital -Industrial Park Rate Differential | -                      | 360,000                | 360,000               |
| Allowance for appeals                                  | 18,000                 | 90,000                 | 72,000                |
| <b>Net Revenues</b>                                    | <b>(18,659,316)</b>    | <b>(19,165,830)</b>    | <b>(506,514)</b>      |
| <b>Expenditures</b>                                    |                        |                        |                       |
| Debt, External Commitments & Partnerships              | 5,965,313              | 6,419,927              | 454,614               |
| <b>Net Revenues for Other Cost Pressures</b>           | <b>\$ (12,694,003)</b> | <b>\$ (12,745,903)</b> | <b>\$ (51,900)</b>    |

## Financing, Transfers, and Reserve Contributions

Financing and transfers appear in both the revenue and expenditure summaries and help the Town balance two objectives: maintaining current service levels today and strengthening long-term financial capacity for the future. In 2026–2027, the budget includes planned debt charges and transfers to reserves that support capital readiness, equipment renewal, and prudent risk management, consistent with the Town’s long-term financial sustainability objectives. As reflected in the revenue summary, the budget also reduces reliance on reserve transfers to support operating costs, using targeted adjustments and reallocations instead to help manage cost pressures while protecting reserve balances.

## Conclusion and Tax Rates for 2026-2027

The approved operating budget preserves essential services, advances Council's priorities, and adopts a strategic approach to managing cost pressures by prioritizing targeted investments and reallocations to address critical needs, while maintaining expenditures at current levels wherever feasible.

Some increases remain unavoidable due to collective agreements and other contractual obligations, inflation, debt charges, and inter-municipal service agreements. The approved budget before tax rate adjustments, results in a projected shortfall of \$338,730. A 4-cent residential, resource and commercial tax rate increase per \$100 of assessment is recommended to address the shortfall and adopt a balanced Operating Budget for 2026–2027.

### Tax Rates for 2026-2027

**Residential and Resource** Base Rate of **\$1.4662**, Fire Area Rate of \$0.045, and Kentville Water Utility Hydrant Rate of \$0.0564 per \$100 of assessment and

**Residential Rural** Base Rate of **\$0.853** and Fire Area Rate of \$0.045 per \$100 of assessment for PID#'s 55263586, 55434419, 55248652, 55248645, 55248660; and

**Commercial Base** Rate of **\$3.3362**, Fire Area Rate of \$0.045, Economic Development Area Rate of \$0.115, and Kentville Water Utility Hydrant Rate of \$0.0564 per \$100 of assessment excluding those covered under an *Act Relating to Taxation of Industrial and Commercial Properties in the Annapolis Valley Regional Industrial Park*: and

**Commercial Base** Rate of **\$2.287**, Fire Area Rate of \$0.045, Economic Development Area Rate of \$0.115, and Kentville Water Utility Hydrant Rate of \$0.0564 per \$100 of assessment for **all properties covered under *An Act Relating to Taxation of Industrial and Commercial Properties in the Annapolis Valley Regional Industrial Park***.

|  | 2025-2026            | 2026-2027            | Change              | % Change       |
|--|----------------------|----------------------|---------------------|----------------|
| REVENUES                                     | Approved Budget      | Proposed Budget      | Year over Year      | Year over Year |
| <b>TAXES</b>                                 | \$ 14,504,342        | \$ 16,406,228        | \$ 1,901,886        | 12.9%          |
| Assessable Property                          | 13,869,672           | 15,722,000           | 1,852,328           | 13.4%          |
| Business Property                            | 32,670               | 32,675               | 5                   | 0.0%           |
| Deed Transfer Tax                            | 600,000              | 650,000              | 50,000              | 8.3%           |
| Special Assessments                          | 2,000                | 1,553                | (447)               | -22.4%         |
| <b>PAYMENTS IN LIEU OF TAXES</b>             | <b>569,364</b>       | <b>531,050</b>       | <b>(38,314)</b>     | <b>-6.7%</b>   |
| Federal and Agencies                         | 390,774              | 356,000              | (34,774)            | -8.9%          |
| Provincial and Agencies                      | 178,590              | 175,050              | (3,540)             | -2.0%          |
| <b>SERVICES PROVIDED TO OTHER GOVERNMENT</b> | <b>228,810</b>       | <b>235,807</b>       | <b>6,997</b>        | <b>3.1%</b>    |
| Local Government                             | 98,253               | 99,494               | 1,241               | 1.3%           |
| Provincial Government                        | 130,557              | 136,313              | 5,756               | 4.4%           |
| <b>SALES OF SERVICES</b>                     | <b>1,583,815</b>     | <b>1,443,700</b>     | <b>(140,115)</b>    | <b>-8.8%</b>   |
| General Government -Administration           | 175,880              | 181,030              | 5,150               | -8.8%          |
| Protective services-Police                   | 517,650              | 526,000              | 8,350               | 1.6%           |
| Public Works                                 | 577,100              | 509,470              | (67,630)            | -11.7%         |
| Recreation                                   | 313,185              | 227,200              | (85,985)            | -27.5%         |
| <b>UNCONDITIONAL TRANSFERS</b>               | <b>450,128</b>       | <b>450,403</b>       | <b>275</b>          | <b>0.1%</b>    |
| Province                                     | 450,128              | 450,403              | 275                 | 0.1%           |
| <b>CONDITIONAL TRANSFERS</b>                 | <b>183,094</b>       | <b>145,500</b>       | <b>(37,594)</b>     | <b>-20.5%</b>  |
| Federal                                      | 13,594               | 6,000                | (7,594)             | -55.9%         |
| Other  | 34,500               | 4,500                | (30,000)            | -87.0%         |
| Province                                     | 135,000              | 135,000              | -                   | 0.0%           |
| <b>OTHER REVENUE-OWN SERVICES</b>            | <b>1,350,733</b>     | <b>1,380,119</b>     | <b>29,386</b>       | <b>2.2%</b>    |
| Fines, Fees, Permits                         | 46,700               | 46,700               | -                   | 0.0%           |
| Interest and Penalties                       | 200,000              | 220,000              | 20,000              | 10.0%          |
| Other  | 41,400               | 63,719               | 22,319              | 53.9%          |
| Rentals                                      | 402,633              | 389,700              | (12,933)            | -3.2%          |
| Return on Investments                        | 660,000              | 660,000              | -                   | 0.0%           |
| <b>TRANSFERS FROM RESERVES</b>               | <b>407,030</b>       | <b>2,200</b>         | <b>(404,830)</b>    | <b>-99.5%</b>  |
| <b>TOTAL REVENUES</b>                        | <b>\$ 19,277,316</b> | <b>\$ 20,595,007</b> | <b>\$ 1,317,691</b> | <b>6.8%</b>    |

Appendix A – Approved Budget by Major Source Continued

|  | 2025-2026            | 2026-2027            | Change              | % Change       |
|--|----------------------|----------------------|---------------------|----------------|
| EXPENDITURES                               | Approved Budget      | Proposed Budget      | Year over Year      | Year over Year |
| <b>GENERAL ADMINISTRATION</b>              | \$ 2,362,522         | \$ 2,481,952         | \$ 119,430          | 5.1%           |
| General Administration                     | 2,065,100            | 2,176,211            | 111,111             | 5.4%           |
| Legislative                                | 297,422              | 305,741              | 8,319               | 2.8%           |
| <b>PROTECTIVE SERVICES</b>                 | <b>5,021,205</b>     | <b>5,276,320</b>     | <b>255,115</b>      | <b>5.1%</b>    |
| Debt Charges                               | 2,120                | 1,926                | (194)               | -9.2%          |
| Emergency Measures and Other               | 212,205              | 212,205              | -                   | 0.0%           |
| Fire Protection                            | 1,052,596            | 1,163,185            | 110,589             | 10.5%          |
| Law Enforcement                            | 148,279              | 171,217              | 22,938              | 15.5%          |
| Police-Core Program                        | 3,412,349            | 3,514,702            | 102,353             | 3.0%           |
| Police-Sales of Service                    | 193,656              | 213,085              | 19,429              | 10.0%          |
| <b>TRANSPORTATION SERVICES</b>             | <b>3,039,910</b>     | <b>3,251,786</b>     | <b>211,876</b>      | <b>7.0%</b>    |
| Common Services                            | 1,482,448            | 1,444,847            | (37,601)            | -2.5%          |
| Debt Charges                               | 62,411               | 154,827              | 92,416              | 148.1%         |
| Other Transportation                       | 100,000              | 99,600               | (400)               | -0.4%          |
| Public Transit                             | 437,251              | 568,287              | 131,036             | 30.0%          |
| Road Transportation                        | 957,800              | 984,225              | 26,425              | 2.8%           |
| <b>ENVIRONMENTAL HEALTH SERVICES</b>       | <b>826,739</b>       | <b>658,085</b>       | <b>(168,654)</b>    | <b>-20.4%</b>  |
| Solid Waste Collection and Recycling       | 826,739              | 658,085              | (168,654)           | -20.4%         |
| <b>ENVIRONMENTAL DEVELOPMENT</b>           | <b>909,704</b>       | <b>1,064,358</b>     | <b>154,654</b>      | <b>17.0%</b>   |
| Other Community Development                | 393,792              | 526,358              | 20,526              | 5.2%           |
| Planning and Zoning                        | 515,912              | 538,000              | 134,128             | 26.0%          |
| <b>RECREATION AND CULTURAL</b>             | <b>2,421,240</b>     | <b>2,512,912</b>     | <b>91,672</b>       | <b>3.8%</b>    |
| Administration                             | 759,376              | 796,300              | 36,924              | 4.9%           |
| Cultural                                   | 141,184              | 165,187              | 24,003              | 17.0%          |
| Debt Charges                               | 44,645               | 40,841               | (3,804)             | -8.5%          |
| Facilities                                 | 1,037,345            | 1,150,431            | 113,086             | 10.9%          |
| Other Programmes                           | 438,690              | 360,152              | (78,538)            | -17.9%         |
| <b>EDUCATION</b>                           | <b>2,324,456</b>     | <b>2,482,354</b>     | <b>157,898</b>      | <b>6.8%</b>    |
| Education                                  | 2,324,456            | 2,482,354            | 157,898             | 6.8%           |
| <b>FINANCING AND TRANSFERS TO RESERVES</b> | <b>2,371,340</b>     | <b>2,867,240</b>     | <b>495,900</b>      | <b>20.9%</b>   |
| Debt Charges                               | 874,040              | 980,940              | 106,900             | 12.2%          |
| Transfers to Allowances and reserves       | 1,497,300            | 1,886,300            | 389,000             | 26.0%          |
| <b>TOTAL EXPENDITURES</b>                  | <b>\$ 19,277,116</b> | <b>\$ 20,595,007</b> | <b>\$ 1,317,891</b> | <b>6.8%</b>    |
| <b>SURPLUS (DEFICIT)</b>                   | <b>\$ 200</b>        | <b>\$ (0)</b>        | <b>\$ (200)</b>     |                |

Appendix B – Approved Revenue Budget Detail

| REVENUES                                     | 2025-2026            | 2026-2027            | Change              | % Change       |
|--|----------------------|----------------------|---------------------|----------------|
|  | Approved Budget      | Proposed Budget      | Year over Year      | Year over Year |
| <b>TAXES</b>                                 | <b>\$ 14,504,342</b> | <b>\$ 16,406,228</b> | <b>\$ 1,901,886</b> | <b>13.1%</b>   |
| <b>Assessable Property</b>                   | <b>13,869,672</b>    | <b>15,722,000</b>    | <b>1,852,328</b>    | <b>13.4%</b>   |
| Residential                                  | 9,299,071            | 10,329,705           | 1,030,634           | 11.1%          |
| Commercial property                          | 3,603,584            | 4,369,501            | 765,917             | 21.3%          |
| Resource                                     | 77,661               | 81,715               | 4,054               | 5.2%           |
| Fire Area Rate (KVFD)                        | 351,348              | 381,894              | 30,546              | 8.7%           |
| Fire Protection Area Rate (Hydrant)          | 414,250              | 489,785              | 75,535              | 18.2%          |
| Economic Development levy                    | 141,758              | 159,400              | 17,642              | 12.4%          |
| Allowance for appeals                        | (18,000)             | (90,000)             | (72,000)            | 400.0%         |
| <b>Business Property</b>                     | <b>32,670</b>        | <b>32,675</b>        | <b>5</b>            | <b>0.0%</b>    |
| Assessment Act- Farm property acreage        | 595                  | 600                  | 5                   | 0.8%           |
| Based on revenue (Bell Canada)               | 32,075               | 32,075               | -                   | 0.0%           |
| <b>Deed Transfer Tax</b>                     | <b>600,000</b>       | <b>650,000</b>       | <b>50,000</b>       | <b>8.3%</b>    |
| <b>Special Assessments</b>                   | <b>2,000</b>         | <b>1,553</b>         | <b>(447)</b>        | <b>-22.4%</b>  |
| <b>PAYMENTS IN LIEU OF TAXES</b>             | <b>569,364</b>       | <b>531,050</b>       | <b>(38,314)</b>     | <b>-6.7%</b>   |
| Federal and Agencies                         | 390,774              | 356,000              | (34,774)            | -8.9%          |
| Provincial and Agencies                      | 178,590              | 175,050              | (3,540)             | -2.0%          |
| <b>SERVICES PROVIDED TO OTHER GOVERNMENT</b> | <b>228,810</b>       | <b>235,807</b>       | <b>6,997</b>        | <b>3.1%</b>    |
| Local Government                             | <b>98,253</b>        | <b>99,494</b>        | <b>1,241</b>        | <b>1.3%</b>    |
| Recreation- Kings County                     | 50,060               | 50,000               | (60)                | -0.1%          |
| Cultural- Kings County                       | 48,193               | 49,494               | 1,301               | 2.7%           |
| Provincial Government -Protective Services   | <b>130,557</b>       | <b>136,313</b>       | <b>5,756</b>        | <b>4.4%</b>    |
| <b>SALES OF SERVICES</b>                     | <b>1,583,815</b>     | <b>1,443,700</b>     | <b>(140,115)</b>    | <b>-8.8%</b>   |
| <b>Own Agencies and Property Owner</b>       | <b>1,583,815</b>     | <b>1,443,700</b>     | <b>(140,115)</b>    | <b>-8.8%</b>   |
| General Government -Administration           | 175,880              | 181,030              | 5,150               | 2.9%           |
| Protective services-Police                   | 517,650              | 526,000              | 8,350               | 1.6%           |
| Public works - Administration                | 234,200              | 264,970              | 30,770              | 13.1%          |
| Public works - Operations                    | 43,100               | 15,000               | (28,100)            | -65.2%         |
| Public works - Water                         | 188,400              | 175,000              | (13,400)            | -7.1%          |
| Public works - Sanitary Sewer                | 106,600              | 50,000               | (56,600)            | -53.1%         |
| Public works - Capital                       | 3,700                | 3,500                | (200)               | -5.4%          |
| Public works - Street Sweeper Rental         | 1,100                | 1,000                | (100)               | -9.1%          |
| Recreation- Pool Revenue                     | 32,000               | 34,000               | 2,000               | 6.3%           |
| Recreation- Nature Kids Revenue              | 216,685              | 118,000              | (98,685)            | -45.5%         |
| Recreation- Summer Outreach Revenue          | -                    | 16,200               | 16,200              | 0.0%           |
| Recreation- Program Revenue                  | 45,000               | 50,000               | 5,000               | 11.1%          |
| Recreation- Community Events                 | 500                  | -                    | (500)               | -100.0%        |
| Recreation- Spike Fund                       | 4,000                | 4,000                | -                   | 0.0%           |
| Recreation- Sport Activation                 | 15,000               | 5,000                | (10,000)            | -66.7%         |

Appendix B – Approved Revenue Budget Detail Continued

|                                   | 2025-2026            | 2026-2027            | Change              | % Change       |
|-----------------------------------|----------------------|----------------------|---------------------|----------------|
| REVENUES                          | Approved Budget      | Proposed Budget      | Year over Year      | Year over Year |
| <b>UNCONDITIONAL TRANSFERS</b>    | <b>450,128</b>       | <b>450,403</b>       | <b>275</b>          | <b>0.1%</b>    |
| Province                          | 450,128              | 450,403              | 275                 | 0.1%           |
| <b>CONDITIONAL TRANSFERS</b>      | <b>183,094</b>       | <b>145,500</b>       | <b>(37,594)</b>     | <b>-20.5%</b>  |
| <b>Federal</b>                    | <b>13,594</b>        | <b>6,000</b>         | <b>(7,594)</b>      | <b>-55.9%</b>  |
| Federal-Canada Summer Jobs        | 6,594                | 6,000                | (594)               | -9.0%          |
| Federal-Parks & Recreation Assoc. | 7,000                | -                    | (7,000)             | -100.0%        |
| Other                             | 34,500               | 4,500                | (30,000)            | -87.0%         |
| Province                          | 135,000              | 135,000              | -                   | 0.0%           |
| <b>OTHER REVENUE-OWN SERVICES</b> | <b>1,350,733</b>     | <b>1,380,119</b>     | <b>29,386</b>       | <b>2.2%</b>    |
| Fines, Fees, Permits              | 46,700               | 46,700               | -                   | 0.0%           |
| Interest and Penalties            | 200,000              | 220,000              | 20,000              | 10.0%          |
| Other                             | 41,400               | 63,719               | 22,319              | 53.9%          |
| Rentals                           | <b>402,633</b>       | <b>389,700</b>       | <b>(12,933)</b>     | <b>-3.2%</b>   |
| General                           | 36,633               | 38,500               | 1,867               | 5.1%           |
| Recreation                        | 366,000              | 351,200              | (14,800)            | -4.0%          |
| Return on Investments             | 660,000              | 660,000              | -                   | 0.0%           |
| <b>FINANCING AND TRANSFERS</b>    | <b>407,030</b>       | <b>2,200</b>         | <b>(404,830)</b>    | <b>-99.5%</b>  |
| <b>TOTAL REVENUES</b>             | <b>\$ 19,277,316</b> | <b>\$ 20,595,007</b> | <b>\$ 1,317,691</b> | <b>6.8%</b>    |

Appendix C – Approved Expenditure Budget Detail

| <b>EXPENDITURES</b>                             | <b>Approved Budget<br/>2025-2026</b> | <b>Proposed Budget<br/>2026-2027</b> | <b>Change<br/>Year over Year</b> | <b>% Change<br/>Year over Year</b> |
|---|--------------------------------------|--------------------------------------|----------------------------------|------------------------------------|
| <b>ADMINISTRATION</b>                           | <b>2,362,522</b>                     | <b>2,481,952</b>                     | <b>119,430</b>                   | <b>5.1%</b>                        |
| <b>Legislative</b>                              | <b>297,422</b>                       | <b>305,741</b>                       | <b>8,319</b>                     | <b>2.8%</b>                        |
| Mayor Remuneration                              | 55,592                               | 58,509                               | 2,917                            | 5.2%                               |
| Mayor Expense                                   | 9,284                                | 5,000                                | (4,284)                          | -46.1%                             |
| Council Remuneration                            | 183,836                              | 190,618                              | 6,782                            | 3.7%                               |
| Council Benefits                                | 22,994                               | 25,614                               | 2,620                            | 11.4%                              |
| Council Expense                                 | 19,716                               | 18,000                               | (1,716)                          | -8.7%                              |
| Council Other                                   | 6,000                                | 8,000                                | 2,000                            | 33.3%                              |
| <b>General Administration</b>                   | <b>1,928,029</b>                     | <b>2,035,533</b>                     | <b>107,504</b>                   | <b>5.6%</b>                        |
| Remuneration                                    | 783,613                              | 804,573                              | 20,960                           | 2.7%                               |
| Benefits  | 174,208                              | 185,472                              | 11,264                           | 6.5%                               |
| Vacation and Sick Leave Accrued Expense         | 55,000                               | 55,000                               | -                                | 0.0%                               |
| Allowance for Doubtful Accounts                 | 3,000                                | 3,000                                | -                                | 0.0%                               |
| Heritage Society Building                       | 19,806                               | 19,998                               | 192                              | 1.0%                               |
| Information Technology                          | 349,121                              | 441,235                              | 92,114                           | 26.4%                              |
| <b>Operations Expense</b>                       | <b>337,950</b>                       | <b>292,260</b>                       | <b>(45,690)</b>                  | <b>-13.5%</b>                      |
| Advertising and promotion                       | 7,500                                | 7,500                                | -                                | 0.0%                               |
| Bank charges                                    | 11,000                               | 11,000                               | -                                | 0.0%                               |
| Consulting fees                                 | 20,000                               | 5,000                                | (15,000)                         | -75.0%                             |
| Convention and travel                           | 15,000                               | 15,000                               | -                                | 0.0%                               |
| Dues and fees                                   | 12,000                               | 12,000                               | -                                | 0.0%                               |
| Equipment lease                                 | 6,000                                | 3,894                                | (2,106)                          | -35.1%                             |
| Expenses-CAO                                    | 7,000                                | 7,000                                | -                                | 0.0%                               |
| Insurance                                       | 48,950                               | 52,866                               | 3,916                            | 8.0%                               |
| Legal and audit                                 | 125,000                              | 97,000                               | (28,000)                         | -22.4%                             |
| Other administration                            | 28,500                               | 25,000                               | (3,500)                          | -12.3%                             |
| Postage   | 10,000                               | 11,000                               | 1,000                            | 10.0%                              |
| Stationary and office supplies                  | 15,000                               | 14,000                               | (1,000)                          | -6.7%                              |
| Tax collection expense                          | 500                                  | 500                                  | -                                | 0.0%                               |
| Telephone                                       | 25,000                               | 24,000                               | (1,000)                          | -4.0%                              |
| Training  | 6,500                                | 6,500                                | -                                | 0.0%                               |
| <b>Programmes</b>                               | <b>197,715</b>                       | <b>206,868</b>                       | <b>9,153</b>                     | <b>4.6%</b>                        |
| Grant-Contingency                               | 26,000                               | 26,000                               | -                                | 0.0%                               |
| Reduced taxes-Section 69/69A                    | 16,750                               | 18,306                               | 1,556                            | 9.3%                               |
| Reduced taxes-Section 71                        | 60,000                               | 60,000                               | -                                | 0.0%                               |
| Transfers to Assessment Services (PVSC)         | 94,965                               | 102,562                              | 7,597                            | 8.0%                               |
| <b>Debt Charges</b>                             | <b>7,616</b>                         | <b>27,127</b>                        | <b>19,511</b>                    | <b>256.2%</b>                      |
| <b>General Administration - Common Services</b> | <b>137,071</b>                       | <b>140,678</b>                       | <b>3,607</b>                     | <b>2.6%</b>                        |
| Remuneration                                    | 82,223                               | 85,234                               | 3,011                            | 3.7%                               |
| Benefits  | 17,887                               | 20,927                               | 3,040                            | 17.0%                              |
| Internal Allocation                             | (49,800)                             | (52,780)                             | (2,980)                          | 6.0%                               |
| Operations - Building                           | 86,761                               | 87,297                               | 536                              | 0.6%                               |

Appendix C – Approved Expenditure Budget Detail Continued

| EXPENDITURES                               | Approved Budget<br>2025-2026 | Proposed Budget<br>2026-2027 | Change<br>Year over Year | % Change<br>Year over Year |
|--|------------------------------|------------------------------|--------------------------|----------------------------|
| <b>PROTECTIVE SERVICES</b>                 | <b>5,021,205</b>             | <b>5,276,320</b>             | <b>255,115</b>           | <b>5.1%</b>                |
| <b>Police-Core Program</b>                 | <b>3,412,349</b>             | <b>3,514,702</b>             | <b>102,353</b>           | <b>3.0%</b>                |
| Remuneration-Administration                | 478,599                      | 491,750                      | 13,151                   | 2.7%                       |
| Remuneration-Police Service                | 1,866,908                    | 1,909,606                    | 42,698                   | 2.3%                       |
| Benefits                                   | 436,240                      | 459,837                      | 23,597                   | 5.4%                       |
| Operations - General                       | 165,039                      | 170,370                      | 5,331                    | 3.2%                       |
| Benefits - Uniforms                        | 42,000                       | 42,000                       | -                        | 0.0%                       |
| Internal Allocation                        | 10,012                       | 10,012                       | -                        | 0.0%                       |
| Operations - Communication                 | 123,500                      | 137,500                      | 14,000                   | 11.3%                      |
| Occupancy - Police Building                | 60,925                       | 62,851                       | 1,926                    | 3.2%                       |
| Operations - Programmes                    | 76,000                       | 76,000                       | -                        | 0.0%                       |
| Operations - Technology                    | 60,500                       | 60,500                       | -                        | 0.0%                       |
| Operations - Vehicle                       | 92,626                       | 94,276                       | 1,650                    | 1.8%                       |
| <b>Emergency Measures and Other</b>        | <b>212,205</b>               | <b>212,205</b>               | <b>-</b>                 | <b>0.0%</b>                |
| Emergency Measures Organization            | 19,300                       | 19,300                       | -                        | 0.0%                       |
| Emergency Measures Organization - Expenses | 16,300                       | 16,300                       | -                        | 0.0%                       |
| Other Protective Services                  | 176,605                      | 176,605                      | -                        | 0.0%                       |
| <b>Fire Protection</b>                     | <b>1,052,596</b>             | <b>1,163,185</b>             | <b>110,589</b>           | <b>10.5%</b>               |
| <b>Fire Fighting</b>                       | <b>638,346</b>               | <b>673,400</b>               | <b>35,054</b>            | <b>5.5%</b>                |
| Transfer To KVFD Area Rate                 | 351,348                      | 381,894                      | 30,546                   | 8.7%                       |
| Transfer To KVFD Operating Fund            | 286,998                      | 291,506                      | 4,508                    | 1.6%                       |
| <b>Water supply &amp; hydrants</b>         | <b>414,250</b>               | <b>489,785</b>               | <b>75,535</b>            | <b>18.2%</b>               |
| <b>Law Enforcement</b>                     | <b>148,279</b>               | <b>171,217</b>               | <b>22,938</b>            | <b>15.5%</b>               |
| Remuneration                               | 101,790                      | 104,223                      | 2,433                    | 2.4%                       |
| Benefits                                   | 19,489                       | 19,994                       | 505                      | 2.6%                       |
| <b>Operations - Other</b>                  | <b>27,000</b>                | <b>47,000</b>                | <b>20,000</b>            | <b>74.1%</b>               |
| Legal & Audit                              | 10,000                       | 30,000                       | 20,000                   | 200.0%                     |
| Prosecution                                | 12,000                       | 12,000                       | -                        | 0.0%                       |
| Grant-Seniors Safety                       | 5,000                        | 5,000                        | -                        | 0.0%                       |
| <b>Police-Sales of Service</b>             | <b>193,656</b>               | <b>213,085</b>               | <b>19,429</b>            | <b>10.0%</b>               |
| Remuneration                               | 165,909                      | 177,874                      | 11,965                   | 7.2%                       |
| Benefits                                   | 27,747                       | 35,211                       | 7,464                    | 26.9%                      |
| <b>Debt Charges</b>                        | <b>2,120</b>                 | <b>1,926</b>                 | <b>(194)</b>             | <b>-9.2%</b>               |
| <b>TRANSPORTATION SERVICES</b>             | <b>3,039,910</b>             | <b>3,251,786</b>             | <b>211,876</b>           | <b>7.0%</b>                |
| <b>Common Services</b>                     | <b>1,482,448</b>             | <b>1,444,847</b>             | <b>(37,601)</b>          | <b>-2.5%</b>               |
| Remuneration - Administration              | 368,638                      | 365,048                      | (3,590)                  | -1.0%                      |
| Remuneration - Work Crew                   | 915,477                      | 934,715                      | 19,238                   | 2.1%                       |
| Benefits                                   | 249,341                      | 257,437                      | 8,096                    | 3.2%                       |
| Internal Allocation                        | (559,500)                    | (617,481)                    | (57,981)                 | 10.4%                      |
| Operations - General                       | 81,365                       | 91,610                       | 10,245                   | 12.6%                      |
| Operations - Benefits                      | 7,500                        | 7,500                        | -                        | 0.0%                       |
| Common Services                            | 21,000                       | 22,825                       | 1,825                    | 8.7%                       |
| Operations - Communications                | 4,000                        | 4,000                        | -                        | 0.0%                       |
| Occupancy - Public Works Building          | 53,598                       | 57,356                       | 3,758                    | 7.0%                       |
| Operations - Vehicles and Equipment        | 341,029                      | 321,837                      | (19,192)                 | -5.6%                      |
| <b>Other Transportation</b>                | <b>100,000</b>               | <b>99,600</b>                | <b>(400)</b>             | <b>-0.4%</b>               |
| Property Owners-Outside Work               | 100,000                      | 99,600                       | (400)                    | -0.4%                      |

Appendix C – Approved Expenditure Budget Detail Continued

| EXPENDITURES   | Approved Budget  | Proposed Budget  | Change           | % Change       |
|--|------------------|------------------|------------------|----------------|
|  | 2025-2026        | 2026-2027        | Year over Year   | Year over Year |
| <b>Public Transit</b>                                | <b>437,251</b>   | <b>568,287</b>   | <b>131,036</b>   | <b>30.0%</b>   |
| Kings Point To Point                                 | 13,851           | 14,000           | 149              | 1.1%           |
| Kings Transit Authority                              | 423,400          | 554,287          | 130,887          | 30.9%          |
| <b>Road Transportation</b>                           | <b>957,800</b>   | <b>984,225</b>   | <b>26,425</b>    | <b>2.8%</b>    |
| Street Repairs                                       | 241,400          | 265,937          | 24,537           | 10.2%          |
| Sidewalk Repairs                                     | 7,000            | 7,038            | 38               | 0.5%           |
| Storm Sewer  | 115,000          | 96,500           | (18,500)         | -16.1%         |
| Snow and Ice Removal                                 | 245,000          | 268,375          | 23,375           | 9.5%           |
| Street Lighting                                      | 185,000          | 182,000          | (3,000)          | -1.6%          |
| Street Signs   | 70,000           | 71,125           | 1,125            | 1.6%           |
| Other Programmes                                     | 59,400           | 60,050           | 650              | 1.1%           |
| Street Cleaning                                      | 35,000           | 33,200           | (1,800)          | -5.1%          |
| <b>Debt Charges</b>                                  | <b>62,411</b>    | <b>154,827</b>   | <b>92,416</b>    | <b>148.1%</b>  |
| <b>ENVIRONMENTAL HEALTH SERVICES</b>                 | <b>826,739</b>   | <b>658,085</b>   | <b>(168,654)</b> | <b>-20.4%</b>  |
| <b>Solid Waste Collection and Recycling</b>          | <b>826,739</b>   | <b>658,085</b>   | <b>(168,654)</b> | <b>-20.4%</b>  |
| <b>Landfill</b>                                      | <b>783,139</b>   | <b>617,760</b>   | <b>(165,379)</b> | <b>-21.1%</b>  |
| Landfill Contract-Kings County                       | 6,600            | 6,600            | -                | 0.0%           |
| Valley Waste Resource Management Agreement           | 776,539          | 611,160          | (165,379)        | -21.3%         |
| <b>Solid Waste Collection &amp; Disposal</b>         | <b>43,600</b>    | <b>40,325</b>    | <b>(3,275)</b>   | <b>-7.5%</b>   |
| <b>ENVIRONMENTAL DEVELOPMENT</b>                     | <b>909,704</b>   | <b>1,064,358</b> | <b>154,654</b>   | <b>17.0%</b>   |
| <b>Community Development and Planning and Zoning</b> |                  |                  |                  |                |
| <b>Planning and Zoning</b>                           | <b>411,848</b>   | <b>538,000</b>   | <b>126,152</b>   | <b>30.6%</b>   |
| Remuneration   | 308,052          | 369,880          | 61,828           | 20.1%          |
| Benefits   | 39,733           | 76,002           | 36,269           | 91.3%          |
| Operations - General                                 | 64,063           | 92,118           | 28,055           | 43.8%          |
| <b>Economic Development</b>                          | <b>479,402</b>   | <b>511,260</b>   | <b>31,858</b>    | <b>6.6%</b>    |
| Remuneration   | 108,402          | 182,612          | 74,210           | 68.5%          |
| Benefits   | 18,277           | 33,448           | 15,171           | 83.0%          |
| Operations - General                                 | 6,500            | 6,500            | -                | 0.0%           |
| Community Development                                | 213,275          | 133,295          | (79,980)         | -37.5%         |
| Natural Resources Development                        | 11,000           | 11,000           | -                | 0.0%           |
| Promotions   | 116,448          | 116,505          | 57               | 0.0%           |
| Tourism - Programmes                                 | 5,500            | 27,900           | 22,400           | 407.3%         |
| <b>Debt Charges</b>                                  | <b>18,454</b>    | <b>15,098</b>    | <b>(3,356)</b>   | <b>-18.2%</b>  |
| <b>RECREATION AND CULTURAL</b>                       | <b>2,421,240</b> | <b>2,512,912</b> | <b>91,672</b>    | <b>3.8%</b>    |
| <b>Administration</b>                                | <b>759,376</b>   | <b>796,300</b>   | <b>36,924</b>    | <b>4.9%</b>    |
| Remuneration   | 497,257          | 501,656          | 4,399            | 0.9%           |
| Benefits   | 108,349          | 108,447          | 98               | 0.1%           |
| Benefits - Temp Staff                                | 917              | -                | (917)            | -100.0%        |
| Operations - General                                 | 88,070           | 111,752          | 23,682           | 26.9%          |
| Operations - Vehicles and Equipment                  | 64,783           | 58,946           | (5,837)          | -9.0%          |
| Operations - IDEA Coordination                       | -                | 15,500           | 15,500           | 0.0%           |
| <b>Cultural Buildings and Facilities</b>             | <b>141,184</b>   | <b>165,187</b>   | <b>24,003</b>    | <b>17.0%</b>   |
| Library Transfer                                     | 42,800           | 64,200           | 21,400           | 50.0%          |
| Library Operations and Maintenance                   | 98,384           | 100,987          | 2,603            | 2.6%           |
| <b>Debt Charges</b>                                  | <b>44,645</b>    | <b>40,841</b>    | <b>(3,804)</b>   | <b>-8.5%</b>   |

Appendix C – Approved Expenditure Budget Detail Continued

| EXPENDITURES                                   | Approved Budget  | Proposed Budget  | Change          | % Change       |
|--|------------------|------------------|-----------------|----------------|
|  | 2025-2026        | 2026-2027        | Year over Year  | Year over Year |
| <b>Recreation Programmes - Nature Kids</b>     | <b>192,420</b>   | <b>125,305</b>   | <b>(67,115)</b> | <b>-34.9%</b>  |
| Remuneration                                   | 162,771          | 99,021           | (63,750)        | -39.2%         |
| Benefits                                       | 14,649           | 11,284           | (3,365)         | -23.0%         |
| Operations - General                           | 15,000           | 15,000           | -               | 0.0%           |
| <b>Recreation Programmes - Outreach</b>        | <b>42,850</b>    | <b>49,019</b>    | <b>6,169</b>    | <b>14.4%</b>   |
| Remuneration                                   | 39,312           | 46,226           | 6,914           | 17.6%          |
| Benefits                                       | 3,538            | 2,793            | (745)           | -21.1%         |
| <b>Recreation Programmes - Summer Day Camp</b> | <b>33,788</b>    | <b>36,632</b>    | <b>2,844</b>    | <b>8.4%</b>    |
| Remuneration                                   | 28,246           | 31,413           | 3,167           | 11.2%          |
| Benefits                                       | 2,542            | 3,219            | 677             | 26.6%          |
| Operations - General                           | 3,000            | 2,000            | (1,000)         | -33.3%         |
| <b>Recreation Programmes - Swimming Pool</b>   | <b>75,632</b>    | <b>77,196</b>    | <b>1,564</b>    | <b>2.1%</b>    |
| Remuneration                                   | 65,717           | 66,143           | 426             | 0.6%           |
| Benefits                                       | 5,915            | 7,053            | 1,138           | 19.2%          |
| Operations                                     | 4,000            | 4,000            | -               | 0.0%           |
| <b>Recreation Programmes - Other</b>           | <b>94,000</b>    | <b>72,000</b>    | <b>(22,000)</b> | <b>-23.4%</b>  |
| Programmes - Other Expense                     | 50,000           | 25,000           | (25,000)        | -50.0%         |
| Community Events- Expenses                     | 20,000           | 30,000           | 10,000          | 50.0%          |
| Programmes - Spike Fund                        | 4,000            | 4,000            | -               | 0.0%           |
| Programmes - Sport Activation                  | 20,000           | 13,000           | (7,000)         | -35.0%         |
| <b>Recreation Facilities</b>                   | <b>1,037,345</b> | <b>1,150,431</b> | <b>113,086</b>  | <b>10.9%</b>   |
| <b>Recreation Centre</b>                       | <b>59,800</b>    | <b>66,890</b>    | <b>7,090</b>    | <b>11.9%</b>   |
| Remuneration and Expense                       | 33,800           | 35,890           | 2,090           | 6.2%           |
| Operations - General                           | 26,000           | 31,000           | 5,000           | 19.2%          |
| <b>Swimming Pool</b>                           | <b>27,000</b>    | <b>31,000</b>    | <b>4,000</b>    | <b>14.8%</b>   |
| Swimming Pool - Chemicals and Supplies         | 11,000           | 15,000           | 4,000           | 36.4%          |
| Swimming Pool- Material and Supplies           | 3,000            | 3,000            | -               | 0.0%           |
| Swimming Pool - Operations Other               | 13,000           | 13,000           | -               | 0.0%           |
| <b>Tennis Courts</b>                           | <b>5,000</b>     | <b>5,000</b>     | <b>-</b>        | <b>0.0%</b>    |
| Tennis Courts - Other Costs                    | 1,500            | 1,500            | -               | 0.0%           |
| Tennis Courts - Repairs & Maintenance          | 3,500            | 3,500            | -               | 0.0%           |
| <b>Arena</b>                                   | <b>423,647</b>   | <b>448,451</b>   | <b>24,804</b>   | <b>5.9%</b>    |
| Arena - Remuneration                           | 136,887          | 141,149          | 4,262           | 3.1%           |
| Arena - Benefits                               | 29,973           | 36,928           | 6,955           | 23.2%          |
| Arena - Internal Allocation                    | 11,033           | 11,508           | 475             | 4.3%           |
| Arena - Operations Benefits                    | 6,000            | 3,000            | (3,000)         | -50.0%         |
| Arena - Operations Building                    | 183,504          | 199,616          | 16,112          | 8.8%           |
| Arena - Operations General                     | 16,250           | 16,250           | -               | 0.0%           |
| Arena - Operations Equipment                   | 40,000           | 40,000           | -               | 0.0%           |
| <b>Parks</b>                                   | <b>521,898</b>   | <b>599,090</b>   | <b>77,192</b>   | <b>14.8%</b>   |
| Parks - Remuneration                           | 262,972          | 339,955          | 76,983          | 29.3%          |
| Parks - Benefits                               | 57,676           | 70,635           | 12,959          | 22.5%          |
| Parks - Operation Other                        | 201,250          | 188,500          | (12,750)        | -6.3%          |

Appendix C – Approved Expenditure Budget Detail Continued

| <b>EXPENDITURES</b>                  | <b>Approved Budget<br/>2025-2026</b> | <b>Proposed Budget<br/>2026-2027</b> | <b>Change<br/>Year over Year</b> | <b>% Change<br/>Year over Year</b> |
|--------------------------------------|--------------------------------------|--------------------------------------|----------------------------------|------------------------------------|
| <b>EDUCATION</b>                     | <b>2,324,456</b>                     | <b>2,482,354</b>                     | <b>157,898</b>                   | <b>6.8%</b>                        |
| Transfer to AVRCE                    | 2,324,456                            | 2,482,354                            | 157,898                          | 6.8%                               |
| <b>FINANCING AND TRANSFERS</b>       | <b>2,371,340</b>                     | <b>2,867,240</b>                     | <b>495,900</b>                   | <b>20.9%</b>                       |
| <b>Debt Charges</b>                  | <b>874,040</b>                       | <b>980,940</b>                       | <b>106,900</b>                   | <b>12.2%</b>                       |
| <b>Transfers To Reserves</b>         | <b>1,497,300</b>                     | <b>1,886,300</b>                     | <b>389,000</b>                   | <b>26.0%</b>                       |
| <b>Transfer</b>                      | <b>1,405,300</b>                     | <b>1,805,300</b>                     | <b>400,000</b>                   | <b>28.5%</b>                       |
| To: Operating Reserve                | 167,200                              | 157,200                              | (10,000)                         | -6.0%                              |
| To: Public Works Equipment Reserve   | 215,000                              | 158,000                              | (57,000)                         | -26.5%                             |
| To: General Capital Reserve          | 1,023,100                            | 1,490,100                            | 467,000                          | 45.6%                              |
| <b>Capital From Revenue - Police</b> | <b>92,000</b>                        | <b>81,000</b>                        | <b>(11,000)</b>                  | <b>-12.0%</b>                      |
| <b>TOTAL EXPENDITURES</b>            | <b>19,277,116</b>                    | <b>20,595,007</b>                    | <b>1,317,891</b>                 | <b>6.8%</b>                        |