

**2026/27 Town of Shelburne**  
**Preliminary General Operating Budget**

The Town of Shelburne's Preliminary General Operating Budget for 2026/27 is \$4,899,849, representing a decrease of \$231,759 (approximately 4.5%) from the 2025/26 budget. While property assessment growth has resulted in increased tax revenue, operating expenses continue to rise, including costs associated with upcoming development projects and expanded responsibilities. The Town anticipates future development over the next two to three years, which is expected to generate additional revenue, allowing Council to consider reductions in tax rates and contributions to reserves. Until this growth is realized, however, maintaining a balanced operating budget will remain a challenge.

## REVENUE

**Tax Revenue \$3,136,982 (64%)**- Proposing tax rates to remain the same as 2025/26 for Residential/Resource and Commercial tax rates for 2026/27. Residential/Resource revenue up approximately 6%, due to the ongoing Housing Market and Commercial revenue stayed the same as 2025/26. We have received a full list of appeals as of this date and have built in a buffer for appeals. There is a total of sixteen appeals, fourteen of which are Residential/Resource (including 1 apartment) and two Commercial for a total of 7,409,400 in Taxable Assessed Value. Hopefully, the losses in assessment due to appeals will not be greater than the buffers in place.

**Residential/Resource Tax Rate for 2026/27 is \$1.99/100 of assessment.**

**Commercial Tax Rate for 2026/27 is \$3.86/100 of assessment.**

**Deed Transfer Revenue \$90,000 (2%)** – We are budgeting \$90,000 for 2026/27 as property sales have decreased. Budgeted \$130,000 for 2025/26 and are anticipating \$90,000 in revenue at year end.

**Grants in Lieu-Federal & Provincial \$17,334 (less than 1%)** Grants received from Federal & Provincial properties in lieu of Taxes.

**Sale of Services-Fire Protection Revenue (MDS) \$128,160 (3%)** – As per Fire Services Agreement with MDS based on number of calls and mileage for fire calls in the agreed areas of the Municipality of the District of Shelburne.

**Environmental Health Services Revenue \$764,619 (16%)** – Budget shows Wastewater (Sewer) Charge is to increase from \$337.08/unit to \$395.00 (increase of \$57.92) for revenue of \$516,514 due to increased expenses for Wastewater Treatment, Plant Maintenance and two major capital projects for the wastewater system is in progress. Expenses have not remained the same and have increased each year, therefore an increase is to be expected. Staff continue to investigate savings in all areas of Wastewater Treatment.

Solid Waste expense comes from Shared Services out of MDS for collection and Region of Queens for disposal and is estimated to decrease by approximately 29% as per notices from Shared Services and Region of Queens. The decrease is due to the inception of EPR (Extended Producer Responsibility)

legislation which places the responsibility on the producers for single use packing, not consumers. Amounts are prepared by MDS as per the Shared Services Agreement with TOS and TOL together with MDS. Total budgeted cost for 2026/27 Waste Collection and Disposal is \$248,105, which will decrease the Solid Waste charge from \$350.41/unit to \$248.10.

**Proposed Wastewater (Sewer) Charge for 2026/27 is \$395.00/unit.**

**Proposed Solid Waste Charge for 2026/27 is \$248.10/unit.**

**Rentals \$80,779 (2%)** – Rental income from 13 George St, 162 Mowatt St and 35 King St. All rental and leases will continue to be a priority in 2026/27 to look for increases to sustain these properties for ongoing operating, maintenance and repair costs.

**Return on Investment, Interest and Other Revenue \$156,000 (3%)** –A significant decrease to Bank Interest on Current Account due to low bank balance and lower interest rates. No significant change to Interest on outstanding Taxes and Miscellaneous Other Revenue.

**Unconditional Transfers from Provincial Government \$370,445 (8%)** – Consists of Capacity Grant at \$283,146 and fourth of 5 year top up of \$26,499 (new Municipal Services Agreement), Town Foundation Grant \$50,000, HST Offset \$9,000 and Provincial Fuel Tax Refund \$1,800. The Capacity Grant, which is \$359,645, assists in offsetting payments to the Province of NS for Education in the amount of \$395,768 and the Department of Justice in the amount of \$4,000 for a total of \$399,768.

**Conditional Transfers from Federal, Provincial and Other Local Governments \$12,000 (less than 1%)** – Provincial EMO Civic Addressing (money is forwarded to Municipality of Shelburne as they oversee Civic Addressing) for \$1,000, MDS Grants for Splash Park \$5,000, Covid Safe Restart Grant for \$6,000.

**Other Transfers \$119,055 (2%)**- Suggesting Transfer from Operating Reserve of \$68,207 to cover Succession Planning and the completion of Landfill Phase 1 project (previously approved, remainder of project) \$35,765 and to balance operating budget \$15,083.

**Highlight - Anticipated surplus for General Operating for fiscal year end March 31, 2026**

## EXPENSES

**General Government Services \$1,084,974 (22%)**- Includes Mayor, Council, Committee Expense, Legislative, Administration and Finance, Employer Benefits, Training, Town Hall Expense, Assessment Cost Recovery (PVSC), Grants to Organizations, Administration Expense (Legal, Audit, IT, Office Expense), Insurance, Accessibility Planning, Debt Charges and other Administration Expense.

**Highlights- Council Stipends increased 2.1% (annual year-over-year CPI inflation rate as of December 2025, as per Council Remuneration Policy). Staff wages increased as per Union Contract. The Finance Department decreased due to succession planning for the retirement of the Finance Manager at the end of October. Budgeting for a Salary Administration Review to address staff losses to adjoining municipalities. Grants to Organizations have increased due to increased requests.**

**Protective Services \$1,287,228 (26%)** – Includes Police Protection, Emergency Measures, By-Law Enforcement, Fire Protection, Fire and Building Inspection (Shared Services) and Debt Payments (Fire Trucks).

**Highlights: RCMP Services and Department of Justice is budgeted at \$914,575, representing an estimated increase of 3.4% from \$878,638; this figure remains subject to change pending final confirmation from the Province. Emergency Measures is budgeted at \$4,860, down from \$6,700. Fire Protection is budgeted at \$268,116, consistent with the previous year. Fire Inspection and Building Inspection (Shared Services) is budgeted at \$65,925, a decrease from \$78,310, reflecting that the second Building/Fire Inspector not in position for full year.**

**Public Works \$625,502 (13%)** – Includes Personnel Costs, General Equipment, Equipment Mtc, Public Works Buildings, Roads & Streets, Sidewalks, Parks & Facilities and Debt Payments.

**Highlights- Wages & Benefits budgeted at \$339,337 down from \$385,346 due to a full-time position transferring to Wastewater / Water. For 2026/27 this position will be filled for half the year. There is an increase to Equipment expenses for 2026/27 due to an increase in fuel costs and snow removal equipment expenses.**

**Wastewater \$489,164 (10%)**– Includes Personnel Costs, Stormwater, Vehicle Expense, Lift Stations, Treatment Plant, Mtc of Lines and Debt Payments (WWTF). Increase in Expenses are due to Wastewater Treatment, Plant Maintenance and Capital as stated previously.

**Waste Collection \$248,105 (5%)** – Solid Waste Collection and Disposal as stated previously.

**Other Waste Collection \$38,565 (1%)** – Includes Compost Bins (Green Carts) \$2,500, Garbage Bins/Dog Waste Stations & Bags \$300 and Capital Expense from Revenue (Landfill Project Phase 1 remainder) \$35,765 (transfer from Operating Reserve).

**Community & Economic Development \$162,930 (3%)** – Includes MPAL, Planning & Inspection, Economic Development and Tourism & Events.

**Highlights- Other Professional Services decreased due to the completion of updates to the MPS and LUB By-Laws**

**Facilities Management \$268,001 (5%)** – Includes Community Centre, Little Peoples Day Care, King St Ctr, Cox Shipyard Complex, 13 George Street, MacKay Memorial Library, Guild Hall, Washrooms.

**Highlights – Increase due to moving GOC Building from Administration and increase in Janitorial contract renewals.**

**Fiscal Services \$196,618 (4%)** – Includes Debenture Principal payments \$150,368 Allowance for Uncollectable Taxes \$5,000, Transfer to Capital Reserves \$41,250.

**Highlights- Debt Principal Payments of \$150,368 decreased due to balloon payment paid off in 2025/26. Transfer to Capital Reserve consists of \$41,250 for future debenture payments.**

**Reduction of Tax Revenue (Payments back to Province and Western Regional Library) \$413,168 (8%)** – Includes Education (Tri-County Schools) \$395,768, Library \$13,400, Department of Justice (Prosecution Fees) \$4,000.

**Taxation Exemptions \$81,367 (2%)** – Includes Low Income Exemption \$20,000, Non-Profit Tax Exemptions \$46,900, Commercial District Development Improvement Program \$14,467.

**Highlights- Proposed changes to Low Income Tax Exemptions. Thresholds to remain the same.**

**Low Income Tax Exemptions** – Budget \$20,000 down from \$22,000 (2025/26 actual \$19,400 – 56 Applications (54 Approved and 2 not Approved due to household income over threshold)

**Proposed thresholds- to remain the same.**

-Total household income of \$35,000 or less for a rebate of \$400.00

-Total household income of \$35,001 to 42,000 for a rebate of \$200.00

Deadline to apply is January 31, 2027, or when budget amount is reached.

### **DEBENTURE BALANCE UPDATE**

As of March 31, 2026, the total principal balance on Debentures is \$1,048,659

2026/27 Principal Payments from Operating \$150,368

2026/27 Interest Payments from Operating \$29,868.44 (allocated to each department)

**Highlights- Seven debentures were paid off in June 2025 and six will be in November 2026. With the current Infrastructure Projects commencing for future development, the Town Operating Budget will need available revenue to incorporate new debt payments due to borrowing for the current projects when completed. With these debentures paid off, the Town will be better positioned to absorb any new debenture principal and interest payments within the Operating Budget.**

### **Operating Reserve Balance**

Balance March 31, 2026 - \$1,121,227.42

Budget of \$4,899,849 at 20% equals \$979,970 Optimal Operating Reserve Balance

With anticipated transfers at year end to and from Operating Reserve the anticipated balance will be \$981,854