



**WEST HANTS REGIONAL MUNICIPALITY REPORT**

Information <input checked="" type="checkbox"/>	Recommendation <input type="checkbox"/>	Decision Request <input type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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**To:** Mayor Zebian and Members of Council  
**Submitted by:** Mark Phillips, Chief administrative Officer  
**Date:** March 24, 2026  
**Subject:** Annapolis Valley Regional Library

**LEGISLATIVE AUTHORITY**

Nova Scotia Municipal Government Act (MGA) – Sections 24-27, Standing, special and advisory committees; Vacancy on Boards, Commissions and Committees; Citizen Advisory Committees; and Community Committees.

**RECOMMENDATION or DECISION REQUEST**

*To be determined.*

**BACKGROUND**

Property <input checked="" type="checkbox"/>	Public Opinion <input checked="" type="checkbox"/>	Environment <input checked="" type="checkbox"/>	Social <input checked="" type="checkbox"/>	Economic <input checked="" type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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At the February 10, 2026 Committee of the Whole meeting, correspondence from Julia Merritt, Chief Executive Officer of the Annapolis Valley Regional Library, was presented and discussed. The letter outlined a funding request and identified potential service impacts should additional funding not be secured.

The Board is requesting a one-year, 50% increase in municipal contributions for the 2026–2027 fiscal year. This represents a total contribution of \$201,600 from the West Hants Regional Municipality (WHRM). Funding requirements beyond this period have not yet been determined.

Without additional financial support, further reductions in library services are anticipated. At the time of the meeting, it was not yet known how other municipal units would respond to the request; however, additional information was expected prior to the next Council meeting.

The following discussion points were raised at that meeting:

- A funding request has also been submitted to the province, who have not yet finalized their budget. There was cautious optimism that additional provincial support would be forthcoming.
- The proposed increase would be on top of West Hants' current funding, which already covers operating and maintenance costs for the Hantsport and West Hants branches.
- Libraries were vital community assets and remained one of the only fully free and accessible public spaces available to all residents in the region. The Annapolis Valley Regional Library Board has been actively exploring opportunities for operational improvements and cost savings; requesting additional funding from municipalities was not the first immediate option considered.
- Municipal contributions were pooled and distributed equitably among all regional library branches. If West Hants were to provide additional funding and other municipalities did not, the increased contribution would not be allocated exclusively to West Hants libraries; rather, they would be equally shared across the entire regional library system.

It was suggested that the matter be revisited at an upcoming meeting the Council meeting, at which time additional information may be available regarding the intentions of other municipal units. The Provincial budget remains a key outstanding factor in the funding discussion.

## **DISCUSSION**

The forthcoming provincial budget represents a key factor in this funding discussion and introduces several possible implications. If additional provincial funding WAs approved financial pressure on municipal units, including WHRM, may be reduced. This could lessen the scale of municipal contributions required or help stabilize service levels without significant local increases. If provincial funding remains unchanged, Municipalities would likely face increased pressure to offset funding gaps. If provincial funding is reduced or not provided the impact on library services could be significant, potentially leading to further reductions in hours, programming, staffing, or access across the region.

Following that meeting, municipalities have been discussing their intended approach with respect to the additional funding request from the Annapolis Valley Regional Library. Further clarity is expected prior to the next Council meeting.

## **NEXT STEPS**

To be determined by Council once CAO provides additional information.

## **FINANCIAL IMPLICATIONS**

There are financial implications associated with the additional funding request. Any increase would be over and above the current municipal contribution, as well as the operational and maintenance costs already incurred by WHRM for its two library branches (Windsor and Hantsport).

Council must also consider the uncertainty surrounding contributions from other municipalities, as well as the potential for disproportionate financial burden if participation is not consistent across the region.

**ALTERNATIVES**

At the discretion of Council

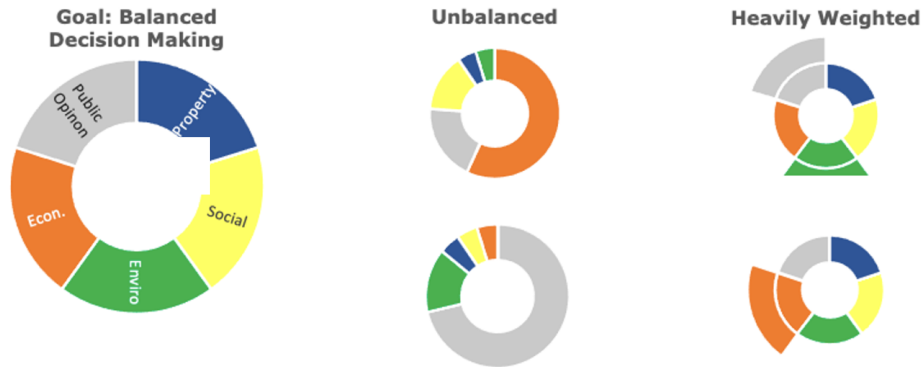
**ATTACHMENTS**

Annapolis Valley Regional Library 2026-27 Budget Request Letter

Funding Options Spreadsheet

**CHIEF ADMINISTRATIVE OFFICER REVIEW**

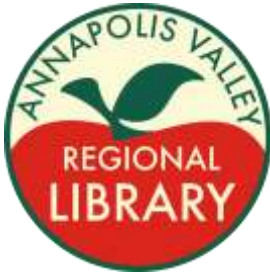
*Council has been provided with a reference taken from the Meeting and Committee Procedural Policy , Appendix C "Decision Making by Council and Committee of the Whole" as a reminder of the principles highlighted for good decision making.*



Report Prepared by: \_\_\_\_\_  
Deanna Snair, Municipal Clerk

Report Reviewed by: \_\_\_\_\_  
Deanna Snair, Municipal Clerk

Report Approved by:  \_\_\_\_\_  
Mark Phillips, Chief Administrative Office



# 2026-27 Budget Request

**To:** The Town of Annapolis Royal  
The County of Annapolis  
The Town of Middleton  
The Town of Berwick  
The County of Kings  
The Town of Kentville  
The Town of Wolfville  
West Hants Regional Municipality

**From:** Julia Merritt, Chief Executive Officer, Annapolis Valley Regional Library

**Date:** January 5, 2026

**Re:** 2026-27 Operating Budget Request

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**The AVRL respectfully submits this budget request for consideration and decision.**

## **Background**

At its September 18, 2025 meeting, the Annapolis Valley Regional Library Board passed the following motion:

WHEREAS the Library Funding Formula has expired as of March 31, 2025, and;  
WHEREAS the AVRL has made significant cost-savings measures, and;  
WHEREAS the AVRL is facing severe budgetary pressure that could lead to major loss of service, and;  
WHEREAS it is the hope of the AVRL that both Provincial and Municipal orders of government will increase their financial commitments to retain library service in their communities;  
BE IT RESOLVED THAT the AVRL Board request the funding municipalities to increase their annual operating contribution by 50% for the 2026-27 fiscal year.

This report outlines the AVRL's current financial situation and request for additional funding in the 2026-27 fiscal year.

## *Library Funding Formula and Municipalities*

The Provincial Library Funding Formula expired on March 31, 2025.

In 2024, the municipalities were provided notice by the Province that the Library Funding Formula was under review and that changes to their contributions could be forthcoming. No further requests or requirements for additional funds have been sent.

The Library Funding Formula represents the minimum level of financial contribution that a contracting municipality must provide to its regional library board. A municipality has the option to provide more funding to its regional library board.

Prior to 2025, several regional library systems regularly received additional funding: Eastern Counties, Halifax, and Pictou-Antigonish.

In the 2024-25 or the 2025-26 fiscal years, additional regional libraries have asked for and received supplementary funding, including: Cumberland, Pictou-Antigonish, and Western Counties.

AVRL has not previously asked its funding municipalities for additional contributions.

## *Current Funding Formula and Risks to Service*

Since 2009, AVRL's budget has increased by 10% while the Bank of Canada estimates that inflation has increased by 43% during that same time period.

In order to mitigate the ongoing budget limitations, AVRL has implemented the following cost-savings measures:

- 2015-2024, reduction of 25% of the total permanent staff body
- Elimination of the bookmobile service in 2021
- As of 2024, 50% reduction in programming and the elimination of partnerships

The AVRL's 2025-26 budget represents a deficit position that will be funded by operational reserves. Without additional funding support, the Library Board will need to make significant reductions in service in 2026.

## **AVRL's 2026-27 Budget Overview**

This budget represents an interim position for the AVRL prior to the beginning of the fiscal year, pending more information regarding the Provincial Library Funding Formula, Provincial "Bridge" funding, or additional contributions from funding municipalities.

AVRL is on track to realize the full amount of its budgeted deficit in 2025-26. This will deplete the operational reserve fund by approximately \$250,000 and leave roughly \$400,000 available to use in 2026-27.

The attached budget represents an interim deficit of \$528,280.

*Changes from 2025-26*

1. All wage rates adjusted for the rates negotiated in the 2025-2028 Collective Bargaining Agreement; staff list adjusted for changes made during that time. All benefits categories have been updated to include current data (CPP, EI, etc).
2. Collections budget held at existing levels to prioritize this core service.
3. Loss of Provincial Same Page postage grant; in 2024-25 this was over \$14,000 in revenue.
4. Reduction to Payroll Processing Fees line; AVRL has re-developed in-house competencies to perform the payroll function and has cancelled the contract for managed payroll services.
5. All other lines adjusted to reflect changes to actual expenses, or held at 2025-26 levels where possible.

*Remaining to Include*

1. Any changes to the Library funding formula.
2. Any additional Bridge/Emergency funding amounts.
3. Any additional contributions from the municipal units.

Expenses are expected to remain as estimated unless service levels change.

**2026-27 Budget Request**

Below is a chart outlining the requested increase to each municipality's contribution to AVRL for 2026-26, representing a total increase of \$351,450. This amount would allow the AVRL to continue to provide service at the current level for one full additional year (2026-27) prior to making additional service reductions. If a reduced amount is provided, in combination with potential future Bridge funding from the Province, this could still provide significant or full relief for the 2026-27 year.

<b>Municipality</b>	<b>2020-2025 Contribution</b>	<b>2026-27 Contribution</b>
Annapolis County	\$130,700	\$196,050
Kings County	\$331,600	\$497,400
West Hants County	\$134,400	\$201,600
Annapolis Royal	\$3,400	\$5,100
Middleton	\$12,300	\$18,450
Berwick	\$17,400	\$26,100
Kentville	\$42,800	\$64,200
Wolfville	\$30,300	\$45,450
<b>Total Contributions:</b>	<b>\$702,900</b>	<b>\$1,054,350</b>

# Annapolis Valley Regional Library (AVRL)

## Budget Overview

Overview - Budget compare: F2027 vs F2026

	Fiscal 2026/2027	Fiscal 2025/2026
<b>INCOME</b>		
4020 Revenue - Province	1,919,600.00	2,115,800.00
4030 Revenue - Municipal	-	-
4031 Annapolis County	130,700.00	130,700.00
4032 Annapolis Royal	3,400.00	3,400.00
4033 Berwick	17,400.00	17,400.00
4034 Kentville	42,800.00	42,800.00
4035 Kings County	331,600.00	331,600.00
4036 Middleton	12,300.00	12,300.00
4037 West Hants	134,400.00	134,400.00
4039 Wolfville	30,300.00	30,300.00
<b>Total 4030 Revenue - Municipal</b>	<b>702,900.00</b>	<b>702,900.00</b>
4105 Revenue - Printing	27,000.00	27,000.00
4700 Revenue - Deferred Write down		48,155.00
4702 Revenue - Donations	8,000.00	8,000.00
4703 Revenue - Grants	98,000.00	
4800 HST Rebate (OLD)	50,000.00	50,000.00
4901 Revenue - Interest	20,000.00	40,000.00
<b>Total Income</b>	<b>2,825,500.00</b>	<b>2,991,855.00</b>
<b>COST OF GOODS SOLD</b>		
5000 COS - Books, Periodicals & related costs	340,000.00	340,000.00
5020 Equipment Purchases	5,500.00	5,500.00
5025 Furniture Purchases	3,000.00	3,000.00
5026 Capital Purchases - Other	\$ -	\$ 54,155.00
<b>Total Cost of Goods Sold</b>	<b>348,500.00</b>	<b>402,655.00</b>
<b>EXPENSES</b>		
6005 Advertising & Promotion		6,000.00
6010 Bank Charges	2,500.00	2,500.00
6015 Communication & Internet Expenses	5,500.00	5,500.00
6025 HST Rebate - Books (OLD)	50,000.00	45,000.00
6040 Insurance	19,000.00	19,000.00
6050 Miscellaneous Expenses		500.00
6055 Office Expenses	35,000.00	35,000.00
6060 Postage	30,000.00	30,000.00
6065 Professional Fees	80,000.00	80,000.00
6200 Program Costs	-	11,000.00
6201 Advertising & Marketing	\$ 6,000.00	
6209 Supplies	11,000.00	
<b>Total 6200 Program Costs</b>	<b>17,000.00</b>	<b>-</b>
6300 Rent	70,550.00	69,507.00
6350 Service Contracts	-	-

# Annapolis Valley Regional Library (AVRL)

## Budget Overview

Overview - Budget compare: F2027 vs F2026

	<b>Fiscal 2026/2027</b>	<b>Fiscal 2025/2026</b>
6351 Alliance	\$ 63,155.00	\$ 62,795.00
6352 Photocopying	35,000.00	35,000.00
<b>Total 6350 Service Contracts</b>	<b>98,155.00</b>	<b>97,795.00</b>
6400 Salaries & Wages	\$ 2,520,625.00	\$ 2,360,695.00
6406 Payroll Service Chrg	12,000.00	28,000.00
<b>Total 6400 Salaries &amp; Wages</b>	<b>2,532,625.00</b>	<b>2,388,695.00</b>
6600 Vehicle Expenses	22,000.00	22,000.00
6650 Board Expenses	1,700.00	1,700.00
6700 Staff Expenses	40,000.00	40,000.00
6455 Staff Training/Conferences	\$ 750.00	\$ 750.00
6703 Misc	\$ 500.00	
<b>Total 6700 Staff Expenses</b>	<b>\$ 41,250.00</b>	<b>\$ 40,750.00</b>
<b>Total Expenses</b>	<b>\$ 3,005,280.00</b>	<b>\$ 2,854,947.00</b>
<b>OTHER INCOME</b>		
<b>PROFIT</b>	<b>\$ (528,280.00)</b>	<b>\$ (265,747.00)</b>

	Funding Ratio Halifax	Funding Ratio Non-Metro
Provincial	26%	71%
Municipal	71%	26%
Board	3%	3%
<b>Total Available</b>	<b>100%</b>	<b>100%</b>

Municipal Unit	2025/26 Municipal Funding		2026/27 Municipal Funding Plus 50%			2026/27 Municipal Funding Plus 25%			2026/27 Municipal Funding Plus 26% of the 50%		
	% of Total	Current Share of Total	50%	Additional 50% Value	Current Plus 50%	25%	Additional 25% Value	Current Plus 25%	26% of 50% value	Current Plus 26% of 50%	
Annapolis County	18.59%	\$ 130,700.00	50%	\$ 65,350.00	\$ 196,050.00	25%	32,675.00	\$ 163,375.00	26%	\$ 16,991.00	\$ 147,691.00
Annapolis Royal	0.49%	\$ 3,400.00	50%	\$ 1,700.00	\$ 5,100.00	25%	850.00	\$ 4,250.00	26%	\$ 442.00	\$ 3,842.00
Middleton	1.75%	\$ 12,300.00	50%	\$ 6,150.00	\$ 18,450.00	25%	3,075.00	\$ 15,375.00	26%	\$ 1,599.00	\$ 13,899.00
Berwick	2.48%	\$ 17,400.00	50%	\$ 8,700.00	\$ 26,100.00	25%	4,350.00	\$ 21,750.00	26%	\$ 2,262.00	\$ 19,662.00
Kings	47.18%	\$ 331,600.00	50%	\$ 165,800.00	\$ 497,400.00	25%	82,900.00	\$ 414,500.00	26%	\$ 43,108.00	\$ 374,708.00
Kentville	6.09%	\$ 42,800.00	50%	\$ 21,400.00	\$ 64,200.00	25%	10,700.00	\$ 53,500.00	26%	\$ 5,564.00	\$ 48,364.00
Wolfville	4.31%	\$ 30,300.00	50%	\$ 15,150.00	\$ 45,450.00	25%	7,575.00	\$ 37,875.00	26%	\$ 3,939.00	\$ 34,239.00
West Hants	19.11%	\$ 134,400.00	50%	\$ 67,200.00	\$ 201,600.00	25%	33,600.00	\$ 168,000.00	26%	\$ 17,472.00	\$ 151,872.00
<b>Total</b>	<b>100.00%</b>	<b>\$ 702,900.00</b>		<b>\$ 351,450.00</b>	<b>\$ 1,054,350.00</b>		<b>\$ 175,725.00</b>	<b>\$ 878,625.00</b>		<b>\$ 91,377.00</b>	<b>\$ 794,277.00</b>

Estimated AVRL 2026-27 Expenses \$ 3,353,780.20 \$ (650,180.20) Using 2025-26 Service Model as baseline comparison  
 Estimated AVRL 2027-28 Expenses \$ 3,475,146.30 \$ (771,546.30) Using 2025-26 Service Model as baseline comparison  
 Estimated AVRL 2028-29 Expenses \$ 3,583,197.64 \$ (879,597.64) Using 2025-26 Service Model as baseline comparison

Estimated AVRL 2026-27 Expenses	\$ 3,353,780.20	\$ 3,353,780.20	\$ 3,353,780.20	\$ 3,353,780.20	\$ 3,353,780.20
<b>Status Quo Funding 2025/26</b>			Difference	Difference	Difference
Provincial Funding	\$ 1,919,600.00	\$ 1,919,600.00	0	\$ 1,919,600.00	0 Prov +25% \$ 2,399,500.00 \$ 479,900.00 Prov +25% \$ 2,399,500.00 \$ 479,900.00
Municipal Funding	\$ 702,900.00	\$ 702,900.00	0	\$ 1,054,350.00	\$ 351,450.00 Mun + 25% \$ 878,625.00 \$ 175,725.00 Mun 26% of 50% \$ 794,277.00 \$ 91,377.00
Board Funding	\$ 81,100.00	\$ 81,100.00	0	\$ 81,100.00	0 Board +25% \$ 101,375.00 \$ 20,275.00 Board +25% \$ 101,375.00 \$ 20,275.00
<b>Total</b>	<b>\$ 2,703,600.00</b>	<b>\$ 2,703,600.00</b>	<b>0</b>	<b>\$ 3,055,050.00</b>	<b>\$ 351,450.00 \$ 3,379,500.00 \$ 675,900.00 \$ 3,295,152.00 \$ 591,552.00</b>
Shortfall / (Surplus)	\$ 650,180.20	\$ 650,180.20		\$ 298,730.20	\$ (25,719.80)

Note  
 Assumption that AVRL has a \$670,000 reserve before subtracting the \$265,000 to address forecasted deficit at March 31, 2026 year end (\$670,000 - \$265,000 = \$405,000)  
 April 1st 2026 Reserve balance of \$405,000 to support 2026/27 Operating Budget and resulting funding shortfall if needed

Pursue 25% Increase for all parties	Values of 25% Increases	
Provincial Funding	\$ 2,399,445.00	\$ 479,845.00
Municipal Funding	\$ 878,670.00	\$ 175,770.00
Board Funding	\$ 101,385.00	\$ 20,285.00
<b>Total</b>	<b>\$ 3,379,500.00</b>	<b>\$ 675,900.00</b>