

# Tidal Transit Authority

## Budget Summary

### 2026/27

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# Budget Overview

2026 is a foundational year for Tidal Transit as we rebuild a rural public transit system that residents are proud to support and choose to ride. This is the first full fiscal year operating under the renewed ownership structure and a critical moment to reinvigorate this essential regional service. To rebuild public confidence, stabilize operations, and position the system for long-term growth, this year's operational workplan is centred around four strategic pillars:

1. Strengthen Service Reliability
2. Rebuild Public Trust and Modernize the Brand
3. Improve Fleet and Technology
4. Develop and Strengthen the Workforce

To complement the operational improvements, the capital program represents a significant revitalization plan. Capital investments in 2026/27 of \$2.7M are supported by \$1.9M million in federal and provincial subsidies, with a municipal contribution of \$820,860 funded through capital reserves and an increase to annual capital funding from \$80,000 to \$320,000 with 2% growth.

The federal and provincial subsidies include:

- Innovation Canada (ICIP) Phase 2 capital spending for facility upgrades;
- Rural Transit Solutions Fund (RTSF) for route infrastructure projects; and
- Housing, Infrastructure and Communities Canada - Baseline Funding for maintenance equipment.

Overall, the operational and capital plan is designed to realign Tidal Transit services, improve customer outcomes, enhance workforce capacity, and deliver long-term value for municipalities and riders alike. Strategic investment now will create a more dependable service with the infrastructure required to support a dynamic rural transit network that residents trust and depend on for decades to come.

## **1. Strengthen Service Reliability and Access**

### **Initiatives:**

- Redesign the current schedule to eliminate chronic delays and increase on-time performance (ICIP Phase 1 & 2).
- Open a heated transfer station in Cornwallis Park to improve rider comfort and accessibility.
- Install new bus stops and signage across all municipalities through the RTSF.

## **2. Rebuild Trust and Modernize the Brand**

Chronic on-time performance issues have discouraged ridership and undermined public perception in recent years. A redesigned schedule and brand alongside educational marketing material will create a system that is consistently on time and easy to use. These enhancements will transform the way people experience Tidal Transit and rebuild a trusted service and brand.

### **Initiatives:**

- Launch the new name and logo to signal improved standards.
- Deploy creative advertising campaigns to educate riders about changes to service levels and company policies.
- Collect regular survey data and customer feedback to track improvements.

## **3. Improve Fleet and Technology**

Modern transit systems rely on technology for accuracy, transparency, and operational control. Investing in new onboard equipment will demystify the system for passengers through accurate and dynamic bus tracking software, intuitive and easy to use digital fares, and accessible audio/visual stop announcements.

### **Initiatives:**

- Implement new onboard technology, including upgrades to the existing CAD/AVL tracking tools, digital fares, automatic audio/visual announcements, and automatic passenger counters, and upgrade onboard mobile radios to the latest standards (ICIP Phase 2).
- Release an RFP for hybrid-electric buses and award contracts (ICIP Phase 2). Construction of new vehicles will take at least 12 – 18 months depending on the vendor (ICIP Phase 2)

#### **4. Build Workforce Capacity and Organizational Stability**

Staff training, clear organizational roles, and internal stability are essential as passenger needs become more diverse and complex. Investing in staff ensures we can deliver safe, consistent, and customer-focused service.

Much of the next year will be a concerted effort to nurture and support staff at Tidal Transit. Existing human resource policies need to be reviewed and amended to reduce organizational risk. Implementing recommendations from the external compensation review conducted in 2025 are also addressed in this budget to align Tidal Transit staff with municipal standards.

##### **Initiatives:**

- Implement consultant's compensation recommendations to bring Tidal Transit employees to the same standards as VWRM and municipal owners.
- Provide enhanced staff training and development opportunities.
- Strengthen internal processes to better support front-line staff and operators.
- Align roles and responsibilities to meet the operational demands.
- Hire an additional finance staff member to be shared with Valley Waste.

Overall, this plan is ambitious, but vital to improve and grow the service. This budget reflects the needs of the organization and the riders of today as well as the expectations of the future. With support and investment from our municipalities, Tidal Transit Authority will rebuild into a service that residents proudly support and actively choose – a service defined by reliability, affordability, sustainability, and regional connection.

# Operations

The 2026/27 budget reflects a major step forward in strengthening Tidal Transit's organizational capacity, service quality, and long-term sustainability. It includes a few internal staffing and cost-structure adjustments. This ambitious plan is designed to grow ridership and public confidence after years of underfunding and organizational uncertainty.

## **Revenues:**

An overall decrease in fare revenues for 2025/26 reflects the current system limitations, including the suspension of half of Route 2 in September 2025 and winter weather disruptions due to fleet fragility. This budget invests in attracting ridership by redesigning the schedule, increasing reliability through spare bus capacity, and aligning technology with customer needs and expectations.

Advertising income is projected to increase as staff continue to focus on attracting new customers and rebuilding trust in the brand.

## ***Tidal Transit Authority***

### ***Statement of Revenues and Expenditures***

<b>Operating Budget</b>	<b>2026-2027 Budget</b>	<b>2025-2026 Forecast</b>	<b>2025-2026 Budget</b>	<b>2024-2025 YE Actuals</b>
<b>Fares</b>	815,757	799,304	892,320	848,181
<b>Advertising income</b>	50,000	41,588	24,000	29,750
<b>Operating grants core members</b>	3,691,408	2,900,222	1,962,845	1,760,793
<b>Operating grants service partner</b>	-	312,459	1,249,834	1,232,362
<b>Other revenues</b>	-	-	-	21,938
	<b>4,557,165</b>	<b>4,053,572</b>	<b>4,128,999</b>	<b>3,893,024</b>

**Revenues**

## **Expenses:**

Total operational expenses in the 2026/27 budget are proposed to increase 10.4% (\$430,000) from 2025/26.

- **Compensation – Administration Costs: \$63,000**
  - 1.72 % cost of living increase
  - Implementation of consultant's recommendations
    - Increased vacation eligibility
    - 60/40 health benefit cost sharing
  - ½ FTE finance staff shared with Valley Waste Resource Management
- **Route Operations Costs: \$222,000**
  - Implementation of consultant's recommendations
    - Increased wages and vacation eligibility for Operators
    - 60/40 health benefit cost sharing
  - Additional cleaner hired in February 2025
- **Bus Maintenance and Repairs: \$130,000**
  - 1.72 % cost of living increase
  - 1 additional mechanic
  - Additional repairs on aging buses
- **Insurance \$25,000**
  - 10% price increase anticipated
- **Administrative costs: \$78,000**
  - Licensing fees for new bus technology software
  - Marketing and printing
  - Staff training and development

<b>Tidal Transit Authority</b>				
<b>Statement of Revenues and Expenditures</b>				
<b>Expenses</b>	<b>Operating Budget</b>	<b>2026-2027</b>	<b>2025-2026</b>	<b>2025-2026</b>
		<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>
	Compensation - administration	839,729	762,135	776,484
	Route operations costs	1,463,652	1,344,550	1,241,873
	Fuel	503,983	453,958	594,996
	Insurance	243,098	242,427	217,899
	Bus maintenance and repairs	1,078,952	912,027	948,386
	Management fee - core recovery	-	(115,284)	(461,135)
	Management fee - Annapolis	-	75,876	303,505
	Management fee - Digby	-	39,407	157,630
	Administrative	427,750	363,475	349,361
		<b>4,557,165</b>	<b>4,078,573</b>	<b>4,128,999</b>
	<b>Net Surplus</b>	-	<b>(25,000)</b>	-

# Capital

Tidal Transit is in a rebuilding phase. The current fleet is beyond its useful life and impacting service quality. New buses need to be purchased over the next 3-4 years using external subsidies and municipal funding to stabilize the operations. Below is a general outline of approved Tidal Transit funding agreements with the federal and provincial governments.

## External Funding Program Summary

### **1. Innovation Canada (ICIP) Phase 2: \$11.6M**

- Federal contribution (40%): \$4,678,732
- Provincial contribution (33%): \$3,898,554
- Municipal contribution (27%): \$3,119,545

For the purchase of 7 hybrid electric buses, 2 service vehicles, on-board digital technology, consultant support, New Minas depot renovations, and branding.

### **2. Rural Transit Solution Fund (RTSF) Route Infrastructure: \$1M**

- Federal contribution (80%): \$800,000
- Provincial contribution (10%): \$100,000
- Municipal contribution (10%): \$100,000

For the purchase of 25 bus shelters, 900 bus stop signs, 25 benches, 1 heated transfer shelter.

### **3. RTSF – Building Redesign: \$25,000**

- Federal contribution (100%): \$25,000

For consultant support for New Minas Depot redesign and renovations.

### **4. RTSF – Baseline Funding \$5.1M over 10 years**

- Federal contribution (40%): \$5.1M
- Provincial contribution (0%): \$0
- Municipal contribution (60%): TBD

General capital spending over 10 years. Tire balancer, bus lift in 2026/27; diesel bus purchases in 2028/29 and 2030/31.

### **5. Public Transit Assistance Fund (PTAP) \$375,000/year**

- Provincial contribution (100%)

Not guaranteed, applied for annually, same amount received since 2014.

This table is a summary of required capital purchases for the next 5 years. To meet capital investments from provincial and federal partners, Tidal Transit is seeking an increase to the annual municipal capital grant from \$80,000 to \$320,000 with a 2% annual growth. Procurement for seven (7) new forty-foot hybrid electric buses is underway, with delivery and payment anticipated in 2027/2028. Federal, provincial, municipal, and debenture funding will be used to cover the cost of new buses as outlined below.

### **Capital 5 Year Forecast**

	2025-2026 Forecast	2026-2027 Budget	2027-2028 Estimate	2028-2029 Estimates	2029-2030 Estimates	2030-2031 Estimates
<b><u>Capital Purchases</u></b>	<u>Ext. Subsidy</u>					
<u>ICIP Phase 1</u>	73.3%	250,000				
<u>ICIP Phase 2</u>	73.3%					
7 Hybrid Buses	73.3%	-	9,544,250	-	-	-
2 Service Vehicles	73.3%	166,182	-	-	-	-
Building / Brand / Transit Technology	73.3%	40,882	1,087,838	1,673,105	-	-
<u>RTSF-Shelters and Signage</u>	90.0%	24,000	976,000			
<u>RTSF-Building Consulting</u>	100.0%	25,000				
<b>Baseline Funding</b>	40.0%					
Diesel Buses (3 / 2)	40.0%	-	-	3,433,320	-	2,381,351
Other	40.0%	-	260,000	102,000	104,040	106,121
<b>Not Subsidized</b>						
Used Buses	188,297	57,812	-	-	-	-
Purchase of Annapolis & Digby Buses	923,956	-	-	-	-	-
Cornwallis Park Transfer Station	56,375	175,000	-	-	-	-
<b>Total External Subsidy</b>	(259,904)	(1,901,973)	(7,668,533)	(1,414,944)	(42,448)	(995,838)
<b>Municipal Funded Portion of Capital Spend</b>	<b>1,248,606</b>	<b>820,860</b>	<b>3,650,821</b>	<b>2,122,416</b>	<b>63,672</b>	<b>1,493,756</b>
<b>Capital Reserve Municipal Funding</b>	<b>80,000</b>	<b>320,000</b>	<b>326,400</b>	<b>332,928</b>	<b>339,587</b>	<b>346,378</b>
Year over Year Growth		300.0%	2.0%	2.0%	2.0%	2.0%
<b>End of Year Capital Reserve Balance</b>	<b>892,754</b>	<b>830,404</b>	-	-	<b>314,529</b>	-
<b>Debenture Financing Required</b>	-	-	<b>2,057,745</b>	<b>1,591,945</b>	-	<b>781,382</b>

# Municipal Cost Structure

## ***Tidal Transit Authority***

Core Partners	Municipal Operating Grants	2025-2026 Forecast		2026-2027 Budget	
		Actual Funding as per IMSA*	Annual Total		Annual Total
	<b>Municipality of Kings</b>	1,234,787	<b>1,244,917</b>		<b>1,495,675</b>
	<b>Town of Kentville</b>	411,143	<b>414,765</b>		<b>534,685</b>
	<b>Town of Wolfville</b>	301,269	<b>303,936</b>		<b>393,808</b>
	<b>Town of Berwick</b>	108,292	<b>109,257</b>		<b>142,529</b>
	<b>Municipality of Annapolis</b>	743,960	<b>748,794</b>		<b>713,764</b>
	<b>Town of Middleton</b>	54,714	<b>55,595</b>		<b>130,056</b>
	<b>District of Digby</b>	358,514	<b>360,416</b>		<b>280,890</b>
		<b>3,212,679</b>	<b>3,237,679</b>		<b>3,691,408</b>

\* 1st quarter contribution rates use historical allocation method, Q2-4 have 50% transitional smoothing applied

## ***Tidal Transit Authority***

Core Partners	Municipal Capital Grants	2025-2026 Forecast		2026-2027 Budget	
		Q1	Annual Total	Each Quarter	Annual Total
	<b>Municipality of Kings</b>	12,000	<b>36,838</b>	32,414	<b>129,657</b>
	<b>Town of Kentville</b>	4,000	<b>12,257</b>	11,588	<b>46,351</b>
	<b>Town of Wolfville</b>	3,000	<b>8,839</b>	8,535	<b>34,138</b>
	<b>Town of Berwick</b>	1,000	<b>3,338</b>	3,089	<b>12,356</b>
	<b>Municipality of Annapolis</b>		<b>11,872</b>	15,469	<b>61,875</b>
	<b>Town of Middleton</b>		<b>2,227</b>	2,819	<b>11,274</b>
	<b>District of Digby</b>		<b>4,629</b>	6,087	<b>24,350</b>
		<b>20,000</b>	<b>80,000</b>	<b>80,000</b>	<b>320,000</b>

	2025-2026 Forecast	2026-2027 Budget	2027-2028 Estimate	2028-2029 Estimates	2029-2030 Estimates	2030-2031 Estimates
Ratios for '26-31						
Municipality of Kings	40.30%	1,244,917	1,487,562	1,517,314	1,413,624	1,425,937
Town of Kentville	13.82%	414,765	510,070	520,272	484,718	488,940
Town of Wolfville	10.38%	303,936	383,160	390,823	364,115	367,287
Town of Berwick	4.12%	109,257	152,227	155,272	144,661	145,921
Municipality of Annapolis	19.83%	748,794	732,063	746,704	695,676	701,736
Town of Middleton	3.60%	55,595	132,944	135,603	126,336	127,436
District of Digby	7.95%	360,416	293,381	299,249	278,799	281,227
	<b>3,237,679</b>	<b>3,691,408</b>	<b>3,765,236</b>	<b>3,507,929</b>	<b>3,538,483</b>	<b>3,604,056</b>
		14.0%	2.0%	-6.8%	0.9%	1.9%
<b><i>Capital Grants by Municipality</i></b>						
Municipality of Kings	40.30%	36,838	128,954	131,533	134,163	136,846
Town of Kentville	13.82%	12,257	44,217	45,101	46,003	46,923
Town of Wolfville	10.38%	8,839	33,215	33,880	34,557	35,248
Town of Berwick	4.12%	3,338	13,196	13,460	13,729	14,004
Municipality of Annapolis	19.83%	11,872	63,461	64,730	66,025	67,345
Town of Middleton	3.60%	2,227	11,525	11,755	11,990	12,230
District of Digby	7.95%	4,629	25,433	25,941	26,460	26,989
	<b>80,000</b>	<b>320,000</b>	<b>326,400</b>	<b>332,928</b>	<b>339,587</b>	<b>346,378</b>
		300.0%	2.0%	2.0%	2.0%	2.0%