

Meeting Transcript - January 20, 2026 (CM)

Mayor Bryan Paterson 0:15

Okay, folks, we're going to reconvene. So first, I will ask for a motion to rise from closed meeting without reporting,

City Clerk Jaynes 0:28

moved by Councillor Stephen, seconded by Councillor Cinanni, that council rise from the Committee of the Whole closed meeting without reporting

Mayor Bryan Paterson 0:34

all those in favor opposed, and that's carried next. We have some addeds to approve to our agenda tonight. Can I get a mover and a seconder for the addeds Please? Moved by Councillor Tozzo, seconded by Deputy Mayor Hassan, all those in favor opposed, and that's carried okay. So with that, we are going to pick up where we left off last evening, as that is with the overview of the municipal operating and capital budgets. And so I will turn it over to CFO Kennedy to walk us through.

Unknown Speaker 1:14

Oh, am I not?

CFO Kennedy 1:15

Oh, it's on. They took care of me back there. All right. Oh, man, now you can hear me. Now, have to be careful what I say. So, Mr. Mayor Council, thank you for coming back for night two, and my job tonight is I'm going to do a bit of a corporate overview. I'm going to give you a little bit of history how we got here, so starting from the gap we had a year ago when we were sitting here to where we are today. And then I'm going to turn it over to our deputy treasurer, Ms. Foulds, to go through some of the operating and capital detail at a corporate level. And you will see a little bit of duplication in terms of what we're talking about corporately, as the commissioners then come up and talk about their individual departments. You will see some some linkages there. So, and that is on purpose. So I want to start tonight.

Unknown Speaker 2:08

Kayla, you told me, and then I did the wrong one.

CFO Kennedy 2:19

Oh, it's this guy here. Oh, I was going the wrong one. Okay, that's why I don't do technology. All right. So I want to start first just talking a little bit about balancing priorities. And I don't think this will be new information for anyone, but it's certainly part of what frames some of the discussions that we've had as senior management teams, at the CMT table, at the directors table, some of the managers talking about some of their departments. And we've sort of, we've done it into three buckets. There is a secondary purpose for this. One of the things that we've had some discussion about as we've worked through a lot of budget engagement the last couple of years is how we can better communicate budget and property taxes and how they work to the public. So we are getting a lot of questions when we're doing our budget engagement about how budgets are put together, how does that connect to what my tax bill looks like? And so we've started to think about ways that we can put that information out there throughout the year, whether it's on our website or other communications. And this is one of the things that we're thinking about. I stole part of this from another municipality, and then we kind of made it Kingston owned. But it really speaks to how we start to talk about budgets at the senior level. And we've done it based on the homeowner analogy as well. And that's more for the for the public in terms of how we might take a look at that, but we've broken it into three. So first one taking care of the essentials and protecting the delivery of essential services. So if you were talking a house, this might be your rent, your mortgage,

your utilities, your groceries, those essential costs that you have to cover off for the city. This might be our essential services, like our garbage collection, our road maintenance, our winter control, public safety services, that sort of thing, top top priority, then enhancing the quality of life, and that's more about supporting programs and services. So that might be if you're talking about a homeowner spending money on leisure activities, going out for supper, cultural outings, maybe some home improvements, that sort of thing. Some of the things that are on the wish list for the city, and not just our city, but municipalities in general, that translates into things like investments in parks, facilities, community events, cultural events, those kinds of things important. Because while they're not essential, they do contribute to our city, making a more vibrant, attractive place to live, to work, to play, and then finally, planning for the future. So it's not just one year, and as you're aware, we have 15 year capital plans and four year operating budgets. So it's not just about today, but. Also making sure that we're sustainable going into the future, so for family that could be long term, things like saving for college funds or for retirement, for the future, that's talking about things in terms of some of our financial models, our reserve funds, making sure we have sustainable capital, reserve funds that are going to support our capital needs going forward, that links through to some of the asset management planning work that council has recently seen, as well as investing in our reserve funds, our working fund reserve and other financial resources that we might need for the future. So it's not just short term, it's also looking at at the long term. So moving from that into a little more detail in terms of some of the considerations and some of the discussion that we've had around the budget discussion tables over the last few months. So operating and capital budgets first developed within a framework, framework that I'll call the mayoral direction. So that's where we start, and you can see why that's right across the top. So decisions that are being made need to be aligned within the mayoral direction. And you're going to hear a lot of of these different topics or these different themes throughout tonight, as the commissioners are presenting their departments from that we look at some of the things that are in the middle. So again, sort of like the other bucket. We're protecting front line services. We want to make sure, particularly on essential services, that those are available for our residents. We want to fund Council priorities. So some of those were specifically mentioned within the mayoral direction. There are other priorities that we're working on from Council strategic plan that need to have funding in terms of being able to implement addressing provincial impacts. This is a big one that I'm sure you've seen in the budget material, and you'll hear more about tonight. So things that the province, in their wisdom, has decisions that they have made that filter down to us and impacts that that have had on our budget and some of our budget challenges, growth pressures, again, as the city grows, we need to fund additional demand for services as those arise. And then probably one that's a little newer now is this asset management investment. So we've always had to invest in our assets, but a lot of the work that Mr. Fowler and his team have done over the last three years have given us a lot better data in terms of what we should be investing. And so that's really become front and center in terms of budget discussions across all of the municipalities, and how are we going to work towards that level of investment that's coming out of those plans. And then finally, these are all influenced by our reality, and that is our inflationary pressures and rising costs, particularly that we've seen in the last two to three years. So with that, I want to just talk briefly about some of the economic and market conditions, and I'll tell you right up front, really intimidating to be standing up here on these next three or four slides with a professor of economics sitting to my left, but we're going to go for it. So the CPI measures and what we've taken into account as we put the budgets together, so not quite the large numbers that we've seen the last couple years. Things have definitely started to stabilize. Thank goodness. So we've included here our CPA, Ontario measures up to November. You

can see all items in is just under 2% 1.9% we have, we have done a couple of other measures to one, exclude energy. So energy actually was lower than that. So if you pull energy out, our CPI without that is actually higher at 2.5 we pull that out because we do look at fuel and utilities separately and look at the projections that we're using for those as a separate indicator. And then this year, we also pulled food out as well. And so mainly because those two indicators, food and energy, were significant to the overall 1.9% and I would say, except maybe for rideaucrest, we don't have a lot of demand in terms of what would be in that food bucket as part of those measures. And you can see that actually went the other way. I'm sure anybody that does grocery shopping knows we're seeing higher and higher prices. And so that actually offset against the energy, and brings us back to 2.1 so all to say we are around that Bank of Canada 2% we're not expecting that to change a whole lot over 2026 and potentially even Partway into 2027 looking at some of the information that comes out of TD Bank, which is the city's bankers, they are talking a little bit about growth being a little softer and that, along with some of the removal of some of the tariffs, which we're going to talk about in a minute, they do see that that 2% even with some of those core measures, like energy and food. Should see everything coming back and staying around that 2% so for us in terms of the budget, we have built 2% in where we need to, in terms of an inflation and I think pretty reasonable based on some of that analysis. We did just include the graph there, so you could kind of see what we were dealing with since November of 2023 and so you can see just generally, that it has come down and has started to stabilize again. Terms of other economic and market considerations, so interest rates, so Bank of Canada has dropped again. It's dropped to 1% in total in 2025 we're now at 2.25% again, not seeing that hopefully changing much in the next year. Our investment income on that side, we have kept fairly stable within the budget, so hoping that that will stay around that level, long term investment rate. Same thing, we've continued to reflect around a 3% interest rate. We are hoping with the Bank of Canada 2.25 we'll see some of our long term going a little bit higher than that, but certainly we want to be conservative in those those longer term models. I think for us, the good news is looking at some of the debenture rates and what's coming based on that Bank of Canada rate we have modeled in our long term models for debt, where we have projected debt at about 5.5% right now based on Infrastructure Ontario current rates anywhere from 3.7 to 4.7% depending on the term. So as we start to move in and council will recall, we did have some debt approved for the Culligan pool, and we do have some debt in the 2026 budget, and we have some projected in the 15 year plans. So I think from a timing perspective, we are in a pretty good place in terms of lower rates. We have not issued debt in the last four years, give or take, when the interest rates were quite high. So we've done really well in terms of paying off, not having to issue anything. And now that the rates are down, we will be in a position over the next couple of years where we will start to be to issuing debt. So I think again, good news for us.

CFO Kennedy 12:13

The only other thing I will mention on this, in terms of market considerations, supply chain challenges continue. I think you heard about fleet last night a couple of times from folks taking 18 to 24 months to get something in. And we are certainly seeing that on our side too. So I don't want to leave economic considerations without talking just a little bit about tariffs and some good news on this front. So we've done a little bit of work looking back the last year in terms of the impact of tariffs on some of our budgeted costs, we have seen a bit of impact on some of our heavy equipment, especially for things like transit busses, plows, some of the larger pieces of equipment. We did have a tariff impact of about 17,000 on the last purchase of electric busses. So 17,000 electric bus that's probably the biggest impact that we've had. So it's been pretty good news in hindsight, looking back, certainly less than the impact that we had projected just under a year ago, we are seeing a little

bit on other fleet assets and equipment, particularly where we may be buying vehicle bodies that are manufactured in Canada, but we're getting parts and components coming from the US, and so we are still paying on some of those, the engineering construction projects, which is one of the ones you'll recall, when we did a report to council just under a year ago, we were concerned about because it's hard to tell what's built into some of those contracts, we have not seen a lot. We are seeing continued good prices coming, fairly consistent good competition, and except maybe for a little bit on some of the roads and the concrete products, we actually have not seen as much as we had impacted. So I think just a bit of good news there, and hopefully going forward, particularly because Canada has taken off a lot of the tariffs as of September 1 that we hopefully that will stay intact. So 2026, budgets, just at a glance. So budgeted tax increase. So we have a \$450 million operating budget, plus an 80 million budget for the agencies. So a total tax rate increase of 3.75% for those two components works out to an average residential tax increase of about \$155 and that average is based on a value of 300 \$328,000 is the average. We're still working with 2016 values thanks to MPAC and the province county of Frontenac has been confirmed. We have received the request from county of Frontenac. They have about a five and a half percent budget increase, which for us, we're. Works out to about a point 3% tax increase, or about \$14 added on. We still will have things like the hospital Levy, which would have a 0% increase, the green CIP Levy, which would have a 0% increase, and most importantly, the education Levy, which also has been confirmed from the province will have a 0% increase. So overall, we will be lower than the four point 4.0 4.1% that we're showing here when we build in, particularly that that education piece overall. So what's in here? I'm not going to spend a lot of time here, because you're going to hear lots tonight from the commissioners on this. But you can see, sort of highlighted here in the White, some of the things that that are in here in terms of new services, enhanced services, and certainly things that align with the mayoral direction, as well as other things under the under Council priorities. So things like our expanded transit coverage, housing and homelessness, you'll see a lot, and this will be you'll see some of these as well, in the capital budget, public safety, encampment cleanup, our special constables program. So a lot of things that are in this within that 3.75% and I will certainly leave that to the commissioners to provide more detail tonight on that. So how did we get here? So this slide summarizes some of the operating budget pressures that we have dealt with over the last few months. When we started this and based on the number we gave you, last year, we had an operating budget gap of \$3.8 million that was our starting point. As we started to discuss, we were hoping that was going to come down. Instead, it went up, and we were up to almost \$9 million after some of our first discussions. And you can see here some of those things that are impacting that, and they kind of relate back to those budget considerations I had on the second slide. So some new transit service levels that Commissioner Semple will talk about tonight, transit revenue reduction. So we know the challenges that are happening at St Lawrence College and the reduction in number of students that's going to impact some of our revenue pieces, some of our new programs around things like the municipal special constables program. We have enhanced security here. The actual service level is the same in terms of some of our security, but we had, actually, you'll recall, funded some of that from the working fund reserve last year, and we've started to bring some of that into the budget, seeing that this, these are going to be ongoing costs. You can see about two and a half million dollars related to housing, supportive housing, emergency housing, and you'll hear more from tonight, from the commissioner on that. And then I did include at the bottom the tax rate target reduction. I could have put Mayor Paterson's name beside this, but we did start with 2.5% including our 1% for capital, we went down to 2.35% in terms of our direction, to be one of the lowest in the city. And so that difference was not in our original gap. So we've included that on the end. So if you do the math, we're up about maybe

eight and a half million dollars at this point. So how did we do it? So here's basically how we address the gap. What this slide does not show and in hindsight, I would have liked to put something on here. So a lot of work from every department in terms of down to the pennies, where can we find savings? Where can we do things more efficient? Where can we cut some costs, particularly on the discretionary side. So there was a lot of work there. We didn't put a number on it, because I didn't want to get down into too small the numbers. But I think it needs to be said that and recognize the departments and the effort that was made to try to address this basically eight and a half \$9 million gap that we started with. So you will see some things here, in terms of the the savings from the October 2025 transit service adjustments that were made based on some of the staffing challenges that we were having. We are keeping those changes continuing through 2026 which provided some savings Council recall. We have canceled the drop off recycling depot for lack of provincial funding for there for 2026 we have had some utility savings, some large fuel savings. I know there was discussion last night about fuel and the cost of fuel, so based on what we had projected for 2026 our fuel is actually about \$1.4 million less in the budget based on that. So that has certainly helped us. I threw in non residential user fees a smaller amount, but that was just a recent approval by council, some net revenues as we start to move in the Taxi Commission operations into the city over 2026, \$2 million related to staffing costs and Ms. Foulds. Going to get into that in a little more detail, the breakdown of that and. But certainly some some decisions that departments have come to the table with, in terms of deferred hiring, removal of some vacant, redundant positions, where we've been able to reallocate some of the responsibilities elsewhere, and then a non union wage freeze, which Miss folds will go into, in a little more detail, payments in lieu federal \$900,000 I will admit this might have been a little bit of a budget Miss last year. For some reason, we left our payments in lieu for Canada flat, and we normally at least get the tax rate increase for our federal payments in lieu. And so we had about another 900,000 there. We have used about an extra million dollars of working fund reserve for appropriate things in accordance with the policy in 2026 that we had not projected in in 2025 and then we had an additional assessment growth of about a million dollars. So we had projected what we thought the growth would be a year ago, and we've actually got an additional 1 million so we've had some excellent growth to rely on. So anybody doing the math that does add up pretty close to the previous slide and gets us to where we are today.

CFO Kennedy 21:09

So just a couple more things I want to mention. You don't need to be able to see the numbers on this. This is page 54, of your budget binder. I just wanted to bring this to your attention. This is an excellent summary. If you don't look at the binder at all, this is the one page that you should probably look at. It's certainly one that I look at continually as we are updating the budget as we are developing it, because it does show you, not only by department, but you can see the variances, and it's a quick snapshot as to where are we investing funds? So when you look down at the dollars on the variances, you can see where we're investing some funds, particularly where it's maybe more than the 2% of inflation. And that should line up, and you should you will hear tonight from the commissioners how those actually are, what those numbers are. The other thing that I did want to mention, just trying to catch myself by notes, because I haven't been using them a couple of changes. So I know we've got a couple Councillors that look at last year's and doing some comparisons. Two things that have changed. One, fire has moved. So fire was up in the infrastructure, transportation and emergency services, which actually still says emergency services. Oops, it's now down in corporate services. So that's the one change. The other change that you will see is the corporate management team. So you may recall last year and across previous years, we have had a commissioner's office

in each of the groups. We have moved that into one corporate management team, down in governance and corporate administration. Not unlike we have mayor and council and then we have the corporate management team. We've done that for a couple of reasons. One of the things that that we have been talking about, again, going back to communication to the public, is what's the full cost of service? So when I pay my tax bill, not unlike when I pay my internet bill, I know I'm getting that internet service that month. When I pay my tax bill, what am I getting for that? And so part of that is getting a better handle on what's the actual cost of the service. So I'm paying for winter control. So when I get up in the morning, as long as I can get out of my driveway, I should be able to get to City Hall, because winter control has done a great job overnight. What did that cost me? And so part of that is starting to move us more towards a full cost accounting. And when you look at how we have done this over the past few years, we've had a lot of what I'd call corporate administration mixed up in with what I would call direct costs. When I think of things like all our wonderful directors sitting here, to me, that is that's more of a direct cost to that service, because they're responsible for that service. When you talk about a commissioner, they're responsible for a number of services. And so we've moved that down there so that we can segregate more direct costs from what I would call indirect or corporate administration costs. There will then be an exercise, and we do this already for the ministry, and part of some of our annual reporting to them, where we will have to come up with a methodology. How do we now allocate that across those services, to come up with what that that service is? And so that's yet to come, but I think it does two things. It provides a clearer accountability to residents in terms of what those costs are. It will help us in terms of some of the communication around that. And we would like to get to a point where we are talking about maybe what I pay per month for road maintenance, so it's so I can compare it to what I pay for my internet service. The other thing is, I think it lays the groundwork a little better for being able to benchmark with other municipalities. So what is that cost of service, and what is it per kilometer? And then how can we relate that to some of the data that's available from other municipalities? So I think some stay tuned, but I think it's a good first step for us in terms of of how we want to present these budgets. Budgets going forward. So capital budget not going to say much about this, because Ms. Foulds has lots of detail on it for this, but 130 \$5 million has two significant things in there, per the mayoral direction, our investment in housing solutions and the \$75 million of funding for road rehabilitation and repairs, and you will see we've got \$10 million of debt in this in this capital budget. So the last thing I want to talk about, because I thought I probably can't leave without talking a little bit about asset management planning, since you all had the shock of some of the numbers there a couple of months ago in terms of what some of our asset management plan look like. So this, this illustration here, so I will clarify this is just engineering transportation. So roads, transportation, capital and facilities capital. This is what we would call truly asset management. So it's not major strategic projects that are in here, or new things that we're building. This is existing capital investment over the next 15 years. The main point here on this slide is you can see an upward trajectory. So and I said to Lana, I wish we could have gone back even five or seven years to see what this looked like, but I can guarantee you, it was an upward trajectory. So we are investing more today than we were investing, say, seven years ago, in asset management. So we are on the right track. But as you can see, there is a bit of a gap. So we are going up, but we're not going up fast enough, if we look at in terms, if we go back to some of that asset management plan that was presented to council, and you'll recall, we picked that scenario three, and that was what we had recommended to council, if you look at just transportation and facilities. And I picked those because those are the biggest ones of all our classes. The asset management plan called for 100 million, which is our green line there on average, each year. Now the bad news is that's only over 10 years, and I'm showing

you a 15 year plan, so it looks a little better than maybe it is in reality, but it just gives you an idea of the gap that we have, but also that this is not new news to us. We already knew we weren't spending enough. And if you asked any of our asset managers five or 10 years ago, or even when I started almost 20 years ago, they were saying we are not spending enough on our assets in order to maintain them. So it's not new news, but I think just a bit of a comfort level that we have started down that road. We have started to build it in what I see in 2026 as was mentioned when they were presenting the asset management plan, there's a lot of work to do to fine tune some of that data. There was extra information that we need to get that will help to update some of those asset management data sets, that will help, hopefully, to bring that gap down. Importance of the 1% and continuing that capital levy will also help. And then we will be having some discussions around prioritizing, going back to my first slide, prioritizing that asset management and that future investment versus things like our current essential services and other services. So in 2026 you will hear, as we're talking about financial services tonight, one of our initiatives is to completely revamp and look at our 15 year funding models, our reserve funds, and see what we can do in terms of updating those not only for asset management, but we will have financial implications coming from the new official plan, our integrated mobility plan, and some of the other supporting master plans. So we're kind of at the at that turning point where we will be revamping and looking and bringing that information back to council at a later date. So with that, I am going to turn it over to Ms. Foulds, all yours. It's a really hard thing to hold.

Director Foulds 29:03

Thank you. All right, we're going to just arrow up for a minute. Okay, so I'm going to dig in a little bit first into the operating budget. This budget is a \$530 million gross budget, which is funded by about 100 or \$207 million in non revenue, or non property tax revenues, 19 point 5 million in payment in lieu of taxes from other levels of government, Leaving the \$304 million of property tax to be raised. The \$304 million in property tax is broken down by about \$4.7 million in new assessment growth, \$2.5 million in new supplementary taxes, 211 million from the municipal services. Or the 2.35% 1.4% for external agencies, or \$85 million and then the \$400,000 in the green CIP continues. This one is just a little bit of an overview of the year over year budgeted operating revenues. I'm going to touch on the two major categories, the fees and charges and the provincial grants. So fees and charges, we're seeing this change by 3.2% over the 2025 budget incorporates the fees and charges policy of 3% for the annual revenues, as you saw and approved in December, there is \$430,000 in new transit recoveries. I did want to point out that transit and the parking recoveries are typically increased in the fees and charges on a periodic basis versus on an annual basis. There is 490,000 in additional parking revenues and new taxi and transportation networks from taking on the Taxi Commission work of 400,000 soil management revenues of 680,000 This is a recovery program that you'll see an offsetting transfer for the operating costs down below in my presentation. And then we had a reduction for the sale of recyclable materials of a million dollars. This one is the looks more significant than it is. There is \$8.1 million more in our child care for our Canada, Ontario, early years and child care funding as of the 2025 budget, we didn't receive the transfer payment agreement in time to make the adjustments to the budget. So this looks more significant in 2026 than it is the \$8.1 million is also mostly flow through money. So you'll see in the grants and transfers to others. Expenditure category below that, there is a transfer out to the child care providers for that roughly that same amount. This category also sees the waste diversion funding, or the blue blue box funding reduction of about \$1.1 million and the provincial gas tax funding reduction of \$1.5 million during the pandemic, we received additional safe restart transit funding, which allowed us to defer provincial gas tax fundings until we started to grow the program again. We are

weaning off of that deferral. Last year we had up \$3 million and this year, we have \$1.5 million of the deferred provincial gas tax. And there is \$220,000 additional for the recoveries from loyalists for the new expansion of service the operating budget expenditures year over year is just a snapshot, and I will go into a little more detail of each of these categories. So the largest expenditure category for the City of Kingston is the wage and benefit costs, which are increasing by 3.5% all of the 2026 collective agreements are reflected in these budgeted numbers. Some of our cost pressures include increases in December 2025 for our long term leave and benefit premiums, which increased on a net basis, \$750,000 overall. We've faced this \$750,000 additional expense in by bringing half of it from our payroll stabilization reserve in 2026 there is net savings of approximately \$200,000 from new incremental staff and the removal of the deferred hiring of vacancies and redundant vacant positions. The one point the \$1 million incremental incremental staffing includes new support for the taxi and licensing special constables and transit support. It also includes the annualization of the new hires in 2025 there are \$1.2 million in savings from deferring vacant position hiring and redundant vacant position removal. Both. There's also \$750,000 savings from the non union cost of living freeze for 2026 I wanted to mention that there's also a salary gapping of \$250,000 in this budget. We had \$500,000 in the 2025 budget for salaries, salary gapping. Salary gapping is the savings that we experience when there is a temporary vacancy in a position. I missed one thing. Sorry, I can't go back. How do I go back?

Unknown Speaker 35:54

Derek, can you help me? I'm going forward.

[FLAG: Otter heard "Speaker 2" — likely Derek Ochej (Deputy City Clerk) responding to Foulds' call for help with the clicker; possibly other AV/tech staff. Identity not confirmed in minutes.] 36:00

Yep, one more, this one that's backward and forward. Sorry, it's not going backwards or forwards.

Unknown Speaker 36:19

Nope. Help me, Derek,

Director Foulds 36:25

we're trying to go back there. Awesome, yes, thank you. Sorry about that. Our salaries allocated to capital are consistent in line with previous years at 8.5% or about \$16 million I won't get click happy this time. Other budget drivers include our materials and supplies and contracted services. Both are going both categories are going down for the 2026 budget, mostly, in the materials and supplies, is the gas and diesel savings that Dez mentioned previously, and the reduction of the service and administrative costs for the speed automated speed enforcement program contracted services has an increase for the new facility related contracts related to the housing supports additional contracted services for the 2027 municipal election, the soil management operating costs that I mentioned when I was discussing the fees and charges revenue, and then the reduction of \$2.4 million in the blue box or recycling program, contracts, grants and transfers the other so there is \$7.9 million in the child Care Provider transfers that I discussed in the provincial subsidies category. I also wanted to mention that there is an increase in the grants and transfers to other category by \$1.6 million for the mat revenue distribution. This is the Munis municipal accommodation tax Development Fund. There was an approval in December to transfer the administration of that program over to tourism Kingston, which moved the distribution of the revenue from to the reserve from the transfers to reserve funds up into the grants and transfers to other category the transfers to reserve funds includes the 1% capital levy, which is that increased by \$3.8 million in 2026 for a

total of \$61 million there are also \$25 million in allocations for capital purposes from the fees and charges revenue in each of the in the departments, and there's also grant transfers into reserve funds from for the federal gas tax program and the building faster fund. The municipal operating forecasts have an approximately five to \$6 million budget challenge as projected here in the forecasts, the 2029 is that we are just getting a little bit better data. As we get closer to those future years, staff have already been meeting to discuss these budget challenges, and we'll be coming back starting in February, to determine different ways to reduce, eliminate service levels, or redirect funding to service to redirect funding to service priorities, or extend the phase in of service enhancements, to reduce this five to \$6 million Dollar budget challenge. The 2026 capital budget has, as previously mentioned, includes the \$75 million as per per the mayoral direction for to support the transportation and related infrastructure. It also includes the additional \$6.5 million to support the \$10 million in housing solutions. The split between the asset management and life cycle investment versus the strategic and growth related projects is a 6535 split, and staff continue to work on focusing on utilizing the works in progress, which was approximately \$270 million uncommitted at the end of the year, 2025

Director Foulds 40:59

there's \$136 million in expenditures requested this year. \$94 million coming from our pay as you go capital, reserve funds, \$10 million for debt, primarily to support the municipal contribution to the princess, Princess and Garrett Street project. There's \$4.3 million in development charge funding and \$21 million in grant funding. The 21 million in grant funding is primarily the infrastructure I wrote this down, investing in Canada infrastructure program and the housing enabling water systems Fund, which is also funding the the princess st Garrett street program. So a breakdown of some of the highlights that are in the proposed capital expenditures are the investment in the transportation and related investment, new our investment in our existing parks of \$4.8 million replacement of fleet and transit of 17 million there is 13.7 for facilities related maintenance, parking infrastructure of 3 million and technology, approximately \$14 million investment. Some of the strategic projects are the princess and Garrett Street project, \$1.7 million for new neighborhood parks, the supportive and affordable housing supports. And then there's also the climate initiatives program the agencies are requesting, overall, \$3.7 million in this capital budget.

Director Foulds 42:52

So this table basically illustrates where we're projecting our long term debt approved and issued to be at the end of 2026, so we're anticipating \$446 million in debt that will be approved of that about 58% is funded from Our tax and our user fees. This debt graph illustrates our timing of our approved, planned and issued debt, so that you will see it's under that green line, which is the treasurer imposed limit this. This debt graph incorporates the planned debt for the new Aquatic Center and the new investments in for utilities Kingston. And while I'm up here, I'm going to do the fiscal services and taxation portion of the budget overall, the capital levy and Fiscal Services category is increasing by \$5.1 million \$3.8 million relates primarily to the increase for the 1% incremental tax levy. We've left the investment in income stable at \$3 million and I mentioned here again, there's a reduction from the 500 to the \$250,000 of salary gapping. Our tax adjustments include increases to support our development charges exemption payments for our industrial exemptions in our brownfield CIP repayments and a slight increase of \$250,000 on our tax write offs.

Unknown Speaker 44:53

And that is all for me.

Mayor Bryan Paterson 44:57

Okay, thank you very much. Are there any questions from Council on the overview from MS Kennedy or MS Foltz? Okay, seeing none. Then we'll move to our departmental presentations. First up is growth and development services. So we'll invite Commissioner Agnew to the podium. I

Unknown Speaker 45:28

did you take your

Commissioner Agnew 45:37

clicker? Okay, good evening, everyone. Guys, come on up. So to kick us off, we're growth and development services as this is your final year of this term. I think the majority of you know exactly who we are and what we do, because we interact with you a lot. I have a number of folks here with me tonight from all of our portfolios, with the exception of Mr. Forrest, he just had to go to another professional commitment. So we're here to talk to you tonight about our 2026 budget. This group has done a tremendous job in helping us to hold the line with respect to where we needed to come in with the mayor's budget direction and some very creative, strategic thinking and collaboration here. So happy to be here tonight in terms of 2026 where we landed a slight variance or a decrease in our budget from 2025 there are some critical reasons for that, which I'll get into with you as we go through each department. But overall, you'll see how that breaks down between planning, licensing, enforcement, building services, real estate and climate building services. Again, just reminding you, from previous years, you'll see that at a zero. That's because that's a self funded department that comes through the building permit fees themselves, so it's not on the tax base. When we look at the capital budget, we're looking at a total new ask of about \$12 million across the portfolio. So I'll talk to you a little bit about that and how that breaks down as we go through each independent department. So looking ahead to 2026 and planning services, you can see a little bit of a variance there, and this is really primarily for some operational line reductions that were done as part of a line by line review, and really continuing to look at how we build internal capacity and reducing reliance on consultants and policy work, so you'll see some reductions in contracted services as well. In terms of works in progress with our capital, we have a number of things that are on the go, as council is aware of. That includes the Official Plan. Of course, this has been a multi year plan, and we will be finishing it this year, so still have some capital associated with that. And some of the supporting studies that go into the Official Plan, being the natural heritage study and inclusionary zone background study that we've had to complete. We also have some money sitting in there from 2025 still, with respect to the Catarauqui Woods extension and the review Riverview shores roundabout that comes out of our development engineering group. So I'm going to talk to you a little bit about that, because those projects are underway. And then for planning services, a new capital ask of 688,000 again, just some money to complete those additional studies that have been going on over the last couple of years as we work to complete the Official Plan and present it to you by June. Again, looking at 2026 just some of the key highlights that Mr. Park and the team will be working on. Of course, we are in the business of efficient building and building faster. That is a primary focus for us always, and it's a multi year initiative. It's not something I think we'll ever be done with. So we'll be continuing that work, looking for new opportunities to streamline our processes. And of course, we have to stay very connected to changes in provincial policy. We have our housing targets related to the province and also to the federal government. We've made excellent progress year over year in the building faster fund and received bonuses as a result of our performance, and we're tracking very well against the housing accelerator fund money. We're one of

the few communities that are in very good standing with respect to our progress so far, despite market factors. Another key focus, of course, is going to be the completion of the Official Plan, along with Mr. Semple's group in with the integrated mobility plan. So lots of work undergoing right now in the second draft of the Official Plan, which will be publicly presenting in March. So a huge focus for the team right now, and then again, just in collaboration with Miss Campbell's group and some others continuing to work on a number of multi housing initiatives across different portfolios, different funding sources, and then new ones as they come up, as well that we target for action on behalf of the city. Other key things that we're going to be doing, we're always investing in expanding our GIS capabilities. We're very far advanced compared to most cities when it comes to GIS. So a ton of work to advance in 2026 some related just to the overall capability of our systems, but a lot related directly to the Official Plan work. We do have a lot of policy work as well. It's not the most exciting stuff, but we do have the development engineering group focusing on that, and it's really important, because we need to keep our guidelines and our policies up to date. We. Current industry practice. So there's some work to do there that we'll be executing in 2026 [FLAG: Otter heard "the liberal design awards" — likely the Livable Design Awards or Kingston Urban Design Awards; exact name to be confirmed with Commissioner Agnew's team.] come back in 2026 we only do that every three years, but that's always an exciting event for the community. So we look forward to recognizing projects this year as part of that. And then, of course, some major capital work that I mentioned earlier, with respect to the completion of the Cataraqi Woods extension, the environmental assessment work has been underway that's under [FLAG: Otter heard "Mr. Garrett hogey" — staff member overseeing Cataraqi Woods extension EA under Commissioner Agnew. Name not identifiable from minutes. Possibly a garble of a junior staff surname. Editor to verify with Growth & Development Services.], so we'll be moving forward with detailed design and tendering of that work as part of the capital works this year, looking to licensing and enforcement services, seeing a little bit of an increase here. This is the one area of our portfolio where we are looking at a service increase year over year, just looking at where we are from 25 to 26 we've had to look at some operational increases in part time staff, and then we've been looking at how we offset that with some administrative fees. Certainly, one of the major things that we're seeing this year that we're going to talk to you about in the increase that you see is related to the introduction of the special constables program. We had to absorb some expenses in 2025 as we kicked off that program. The remainder of them to be in 2026 but lots of good work that's been done. We've had a number of people that have been qualified already as special constables. So we're just waiting for that finalization from the province, with estimated timing for that to roll out mid year. There is some weapon here for the capital budget. This is primarily all related to asset management in the parking portfolio under Mr. Laird Leggo. So we're going to be continuing investment in our parking structures and looking at upgrades with respect to digital enhancements, looking at signage that's better wayfinding in the downtown for our parking, and then just continued regular work. With respect to those assets, we are looking for a new ask of \$3 million in 2026 again, and that's associated with asset management and related to parking, for upgraded infrastructure and some new technologies and enhancements, with respect to our Hong cap as well. Continued focus for this group. It is a very diverse group, but strengthening community safety, cleanliness, all of those pieces are very, very strongly led by this group. We'll continue to have that be one of the first principles of everything that we're always working on. And of course, we'll be working on that from a trauma, trauma informed and community focused approach. So education, first working with community partners, but then again, rolling out the Special Constable program to provide us with some additional options for city property when we need it. Continued focus on community engagement and public

awareness around these new programs and making sure people really understand what they are and what they aren't. So you'll see a lot of education on the Special Constable program in advance of it launching. So you'll see that coming forward, and that also involves a lot of one on one collaboration with community partners and the vulnerable sector, just to make sure people are really aware of what the program is for, and that it's launched in the most public friendly way possible with the highest level of whereas awareness and education, of course, this group will continue to provide a lot of support for some of those high demand seasonal events that we see, and working with the post secondary institutions and students as well, one of the big focuses coming out of a council motion that we've been working on for several months is looking at streamlining the process for business licensing and user experience, so that will continue to be a focus and will result in a Council report at the end of q1 and one of the other big service increases that we're focusing on for 2026 is, of course, bringing the rest of the Taxi Commission in house to the City of Kingston. Some work has already been underway from a number of months on that, and the team is getting up to speed with the anticipation of that being completed by September. So looking at building serious services. Again, this budget does not hit the tax base. It's self funded, but nonetheless, it's a group that's incredibly important and does a tremendous amount of work for the city in terms of overall capital ask. We have a small one. And again, this is just to do with equipment enhancement, to do with field work and regular replacement that we need to do to ensure that our building officials have the best equipment in the field that work well with all the technology that we need them to have in real time.

Commissioner Agnew 54:16

Lots of focus for building services. We are looking at an AI technology software, actually, that we'll be looking to pilot this year. We're very excited about it. And really what we're hoping this program will do will to be helped to identify deficiencies in applications before they're actually submitted. And the whole process and purpose of doing this, of course, is looking at expedited timelines for building permit approvals and leveraging technology to the greatest extent possible, and leaving time for staff capacity to do more of the relationship building and working with customers. So we look forward to that our CBO Lisa Capenerheim is amongst one of the best in the province with respect to leading all chief building officials. She is consulting very heavily, and has been for a number of years and all the legislative changes. So her work will continue in that as she also advocates for for the community and for really understanding building code changes that make sense on the ground with respect to practical application, and then taking that knowledge and transferring it to our development community here, that will continue to be a big focus for us based on the number of legislative changes that have come into the building code, staff training, capacity building is always going to be very important for us. It's a very technical field. It's very difficult to recruit, and sometimes we have staff that retire or leave, and we need to have a full staff complement to be able to respond to the demands of the industry. So that will continue to be a focus. We've definitely seen non compliant construction and people getting into situations where they're doing construction without a permit, so that requires a lot of work in the field as well to ensure that our community has safe buildings. So there'll be a continued focus on that, and that really comes from a place of the public understanding the expectations and what the rules and regulations are, so lots of public education. And then, of course, interdepartmental coordination is very critical when we're trying to expedite building permit reviews and permit issuance. So looking ahead to real estate and environmental services, we do see a variance here, a reduction actually. And this is because we're seeing a number of retirements actually, within this group in 2026 so as part of that, we're looking at how we can realign some of the services, and it's resulting in some savings over previous years.

Lots of whip here, with respect to a number of the projects that are ongoing, multi year projects, employment, land servicing and acquisition. Council receives a lot of reports on this, so you'd be well aware of some of the work there environmental management and remediation of city properties. So that is an ongoing, continuous project that's year over year, and you're going to continue to see that in future budgets. And then some new risks. So new asks around risk management software and initiatives. Again, there's been some legislative changes around environmental legislation and remediation requirements. We do have an excess soil strategy that we're going to convince continue to invest in, and it is yielding good dividends for us in terms of revenues, year over year, and still some groundwater work we need to continue to do at various sites around the city. So lots of work. Key priority is going to be expanding our employment land inventory. This is a priority that's a multi year priority. We are looking at bringing the final recommendation on the expansion of the St Lawrence business park later this year, so that would be bringing in new land to service for employment purposes, always looking at the market and trying to find new acquisitions. This group is also heavily supporting the development of the Official Plan, considering the land use integration that is very critical when it comes to economic development, and looking at employment lands for the city, whether we own them or they're privately owned. We do have an ecologist in house now that's providing in house services, that's really helping to accelerate and give us greater tools with respect to development applications. So Matt Wheeler is going to continue doing that work, and a lot of continued work on our brownfield CIP, it's a highly successful program. We're supporting a number of projects. So that will continue looking at our Climate Leadership Group, small variants, and this is really to do with inflationary increases to departmental salaries. So that's what you see reflected there lots of work in progress. Council has received many reports over the last three years of all of the initiatives associated with the climate portfolio, our GHG inventory that we deliver annually, our climate leadership plan. We're relaunching the Better Homes Kingston program in 2026 this was initiated originally with FCM funding. That was for a period of time, so we're relaunching that with municipal funding in 2026 the neighborhood climate action champions program has been highly successful in the community. So that will continue. And Julie's group will be continuing to support those initiatives. Small capital ask here just to continue with the implementation of some of these climate leadership priorities that are year over year initiatives. I've talked about a few of these pieces already, lots of great work going on. And Julie has a small team. There's only three of them, but I know you connect with them regularly. She's also been strongly supporting the development of the Official Plan, the forest the forest management, forest management plan, plus some of the work that we're doing on our natural heritage, so lots of integration and collaboration across the portfolio. So that's it for me. Happy to take questions.

Mayor Bryan Paterson 59:34

Okay, thank you very much. Any questions from Council? Okay? Seeing none. Thank you very much. Okay, next up we have transportation in infrastructure services. Invite Commissioner Semple and his team up to the front. You.

Mr Ian Semple 1:00:18

I thank you good evening, mayor and council, I'm pleased to provide an overview of the 2026 operating and capital budgets for the transportation and infrastructure services group. The group, as you know, is made up of transportation, transit, Public Works and solid waste services. Along with our engineering team, we deliver services and projects across the city that impact every resident, and with a team of over 450 people the department, the departments deliver key services that help our residents and businesses live and thrive in the city. Our group focus in 2026 is on operating and maintaining key city services, managing our growth pressures, responsibly, and

delivering a significant coordinated capital program that manages the city's existing transportation network and our infrastructure strategically. I'm joined in person tonight by Matt Kussin and Mark Dickson, managers within our transportation services team, and by Kris McPhee, our general manager of Kingston Transit, Karen Santucci, our Director of Public Works and solid waste services and Luke Follwell, director of engineering services, are joining remotely to answer any questions that may come up as part of the presentation, the total, the total net operating budget for transportation and infrastructure in 2026 is approximately 60 point 5 million, representing a 1.6% increase over 2025 the increase, as Ms Kennedy laid out, is largely driven by inflationary pressures, contractual obligations and the cost of maintaining existing service levels. The emphasis, as I said, is on stability, reliability and service continuity across the group. There is no broad service expansion included in the budget, but I'll highlight several individual service changes and impacts as we look at the highlights from each team. The transportation services operating plan for 2026 continues to focus on transportation policy, safety, signal operations at programs, pedestrian crossings and traffic calming. These are existing council approved programs that improve safety and system performance and that continue with the exception of automated speed enforcement at the existing levels. In 2026 the budget for the department remains essentially flat, with a point 2% increase of approximately \$6,000 a key responsibility of this team is delivering the integrated mobility plan in 2026 in coordination with our colleagues in planning, the imp will set the long term policies, goals and infrastructure plans for transportation for the next 25 years, and it will help the city plan for and manage the growth that is coming in 2026 you will see the continued upgrade at many intersections that allows better coordination of our traffic signals and lays the groundwork for future transit signal priority. Continued investment in neighborhood traffic calming and in signalized pedestrian crossings along key transit corridors are the key deliverables for the TV the team to design and lead implementation on Kingston Transit is focused on delivering safe, reliable transit service to our existing and future riders. The budget plans for the delivery of approximately 265,000 operating hours across our local and express services. This is a level that matches our pre covid service commitments. The budget increase of 2.87% reflects the labor, material and equipment costs to deliver these scheduled hours. Transit services are being maintained at the existing level, including to the service areas added in fall 2024 to Westbrook, Providence care hospital and North Kingston, a targeted increase in frequency on the route 10, aligned with the opening of the Amherst view aquatic facility, and in a funding partnership with loyalist Township, will also expand service and capacity for neighborhoods in Kingston West, particularly along Taylor kid Boulevard, Collins Bay Road and bath road, the final transit station installations funded through isip will be completed at the Cataraqui center transfer point and on Queen Mary road this spring, while smaller shelter and stop upgrades will be completed as part of larger capital projects that are underway. While transit focuses on delivering our best service to our current customers, we're also looking ahead as part of the Kingston Transit service review to look at the short and mid term options that align with the changing travel needs of the city. This work includes looking at how flexible and on demand options can be a part of the future service delivery the 2026 Public Works budget maintains core services that residents. See and rely on daily including our road and sidewalk maintenance, Corridor Management, parks and sport field upkeep, forestry operations and winter control, similar to transit, the budget increase of 2.86% reflects the labor, material and equipment costs to deliver the existing service level across these areas. Public Works is focused on delivering existing service levels in 26 with an initiative to test asphalt recycling equipment that will help improve pothole repair and reduce the need for multiple visits to a pothole location. The team will also review the summer maintenance processes in place for parks and sports fields to

identify opportunities for more efficient and timely interventions. Overall, the focus is on delivering established standards and asset management programs consistently across the city, while also supporting engineering, transportation, recreation, leisure and others in the delivery of their services and projects. Solid Waste Services shows a reduction in the operating costs as the transition to the provincial responsibility for recycling is completed, and various city supported recycling programs, including the recycling drop off depot, are wound down. The operating budget maintains all other existing diversion and waste programs at existing levels, while the solid waste team focuses on the next phase of the auto cart roll out to other to another 25% of city residents. Our engineering services department leads the planning and delivery of the city's capital projects for our sidewalks, streets, roadways, storm water systems and structures similar to transportation services. The operating budget for engineering is relatively is relatively modest compared to the size of the program delivered as many of the costs are captured as part of the capital budget. Asset Management of our infrastructure continues to be a key focus, with renewal and rehabilitation prioritized to manage life cycle costs and the infrastructure risks that we take on the engineering team, with support from transportation and public works, will deliver more than 120 Lane kilometers of rehabilitation, repair and reconstruction in 2026 as part of the capital program. This is an increase over 2025 where 85 kilometers were delivered and exceeds our five year average of 75 kilometers. We'll talk a bit more about that in the capital program Next, the team is focused on using condition based data to intervene with the right approach at the right time, to maintain and extend the life of our assets. The 2026 capital budget for the Tni group totals approximately 54 point 6 million of new funding across the all of the teams. Much of this new investment is part of the large integrated capital investment being made in roads and related infrastructure, led by our engineering team and supported by transportation and PW the new roads and related infrastructure capital in 2026 reflects an integrated \$75 million investment with with combined funds previously approved by Council last August, and savings achieved in 2025 as part of existing procurements. Procurements the full capital program being led by engineering, with support from transportation and public work. Public Works, delivers a wide range of projects across the city, supporting Asset Management and preparing for growth. The work plan has been developed in a coordinated manner to minimize disruption, maximize asset life and manage the risk as the city grows. The full list of projects is included in the budget overview, it starts on page 64 of your package and some of the high but some of the highlights of the projects that will be underway in 2026 include the full reconstruction of Princess Street from Albert to division, and the full length of Garrett Street. As part of that project, more than 80 Lane kilometers of pavement renewal, rehabilitation and repair, similar to the type of works that were completed last summer on Johnson and Brock streets, with work this year on sections of Centennial Barry Bagot and Johnson, new pedestrian signals and neighborhood crossings with three pedestrian internet intersection signals like what was installed at Sir John A at the lcbi this year, will be constructed on bath Steven and concession streets, and targeted stormwater improvements in crure, Montgomery and Lakeshore, and numerous active transportation projects that close network gaps and increase access to transit will all be part of the capital program that is underway the remainder of the capital investment across the rest of the group is relatively small. There is no new transit capital in 2026 as the transit station and stops projects continue under our existing isip funding, and while the service review continues and is underway to direct where we would invest next. Solid Waste capital. Funding supports the auto cart readiness and the equipment renewal within the group and the Public Works. Funding continues existing maintenance and forestry programs that are already underway.

Mr Ian Semple 1:10:15

That's the summary of oops. So thank you for the thank you for the time to present that I'll open it up to questions, and we have our team available to answer anything that that would the council has.

Mayor Bryan Paterson 1:10:32

Okay, thank you. First is Councillor Ridge.

Councillor Greg Ridge 1:10:37

Oh, thank you. Your worship and through you. Thank you so much for the presentation. My question is not related to the capital investments, which are excellent, by the way. It's about beautification. So I noticed in the budget that there's, you know, a decent increase in beautification. It's about \$145,000 I was just wondering, could you tell me a bit more about what's going on in terms of increasing funding for beautification, and just give us a brief idea of what that cost activity actually is in terms of services.

Mr Ian Semple 1:11:10

Thank you for the question. Councillor Ridge, I'll start, and then I'll ask Director Santucci to weigh in. So there is work that has been underway for a number of years within the BIA and other downtown areas as it relates to some of the floral and other supports that are put in place at various seasons in the year. So we are looking at formalizing some of those programs across all seasons, so you'll see some of that winter work, but then also expanded displays in the spring that continue through the summer and the fall. I'll ask Director Santucci if she has additional information to

Ms Santucci 1:11:51

add on that. Thank you, and through you, Mr. Mayor, some of that is just some of the additional costs we have for our greenhouse in terms of purchasing additional bulbs and stuff, which Ian had referred to earlier, and bringing some more of the beautification into that. And some of that is also Clean up, clean up in the parks in the right away as well.

Mayor Bryan Paterson 1:12:19

Thank you. Okay, thank you, Deputy Mayor Hassan,

Councillor Jimmy Hassan 1:12:26

thank you. Your worship and through you. Commissioner Semple, thank you very much for the brief presentation, and I really appreciate it the money allocated in this budget, especially for the safety of the roads, crosswalks and pedestrian safety as well. I noticed that the budget we preparing and we are proposing for road infrastructure, the safety of the streets or crosswalks, you know, whatever is it. I noticed this winter is a lot of pothole has been increase. You know, do we have enough money in this budget to meet this new challenge? Probably, it's not, probably predicted.

Mr Ian Semple 1:13:13

Thank you for your question. So I think the the direction in the budget that that Miss Kennedy outlined, and that's that's framed here is an increase in our approach for asset management. So I don't know, I don't think I can bring the slide up again, but you saw that there's a table that I included, and that will be presented to council as part of the upcoming roads report that talks about the interventions that we are making on our road network in a proactive way. So we've got, you know, approximately 1800 Lane kilometers of roadway in the city where we will be intervening in some way on 120 Lane kilometers this year as part of that proactive

work, every lane kilometer that we intervene on with the right asset management will help prevent those potholes from forming in the future. So, you know, this increase in scope and the type of work that we're providing from asset management is the right thing to do and is an appropriate way to help reduce the potholes in the future. The secondary element in the reactive way that we need to address potholes as they form is as part of the budget, the Public Works team is bringing an asphalt recycling system into the city. This will allow as potholes form, right now, we visit that in the winter months. We visit, visit that location at least twice, once with cold patch, and then again in the spring, when it's more formally repaired. This approach will allow that hot asphalt mix to be used within the winter months, and should reduce the number of visits that are occurring to each of the potholes that are forming that approach so these. These increases in asset management and the ability to more efficiently address potholes will help address the conditions that we're seeing. So to answer your question, I think we have the right resources in place, and we've got the right approach that we're building into the budget to address that.

Councillor Jimmy Hassan 1:15:19

Thank you very much. So what I'm trying to understand the many pothole I see this winter, I never seen since I'm living in Kingston, it's drastically an increase. So I just want to make sure we have enough money to deal with this current situation of the road through the winter and in the end of the year?

Mr Ian Semple 1:15:40

Yes, thank you for your question. So yes, we do have sufficient funds to deal with the potholes that are forming. I think that what we have also seen in the last few weeks with this winter is a number of freeze thaw cycles, not a number many freeze thaw cycles. That is when potholes form. So what we're seeing right now out on the roads is characteristic of the weather pattern that we're seeing right now, but we have sufficient resources to address it.

Mayor Bryan Paterson 1:16:13

Okay? Councillor Osanic,

Councillor Lisa Osanic 1:16:15

thank you your worship. Thanks for the presentation. Commissioner Semple, just some questions, some about garbage. So I love the auto cart program that we have, and in 2026 it will roll out to another 25% of the city. Where will that 25% be? Thank you

Mr Ian Semple 1:16:36

for your question. Councillor Osanic, I'll ask Director Santucci to respond to that.

Ms Santucci 1:16:43

Thank you. And you, through you, Mr. Mayor, the rollout app will actually be in 2027 so we're prepping for that right now. We are in the process of pulling all those maps together as we do another review of our routing. We hope to have that out in the next couple months so that we could start targeting those areas that we will be rolling out to in early 2027

Councillor Lisa Osanic 1:17:07

Okay, thank you for the hazardous waste facility and we're going to be moving it is that still? Is it going on the other side of the road, or where are we putting it?

Ms Santucci 1:17:22

Thank you, and through you, Mr. Mayor. Yeah. So it is going on the other side of the mayor of the road. It is currently being constructed. We expect that that site will

be up and running for the beginning of June, so we may have a little bit of a later start on that, but it will be up and running coming into the spring of of this year.

Councillor Lisa Osanic 1:17:43

Thank you. And then, with that new facility, is there any chance we'll be able to keep it open all winter as well? Thank

Ms Santucci 1:17:54

you. And through you, Mr. Mayor, so that is not currently in the budget, that would be something that we would have to look at in future budget years.

Councillor Lisa Osanic 1:18:02

All right, thank you. Through you Your Worship. A question about route number 10 and increased frequency, which is great news. So does that mean it's going back to a 15 minute service like we had before covid?

Mr Ian Semple 1:18:18

Thank you for your question. Councillor Osanic, this is returning it to 30 minute service. So it presently is operating at a 60 minute frequency. So this will increase the frequency to 30 minutes when route 10 is operating.

Councillor Lisa Osanic 1:18:35

Okay, thank you. And that was, What month was that starting again in the summer.

Mr Ian Semple 1:18:41

So the start, the expansion of the of the the increase in frequency will be is is planned for July of 2026 but it is linked with the opening of the aquatic facility in Amherst view. So we will be monitoring and working with loyalist township to line the service start up with the opening of that facility.

Councillor Lisa Osanic 1:19:05

Thank you, and through you Your Worship. I just have one more question, and that's an engineering question for the front road stabilization at Catarauqui Bay. And I know it says it's deferred. I thought we already did a whole bunch of new rock along the shoreline. So what is left for that shoreline stabilization part of the project?

Mr Ian Semple 1:19:33

Thank you for your question. I'll ask Director Follwell to speak to that.

Director Follwell 1:19:39

Yeah, thank you. And through your worship Councillor Osanic, there's just a small section that wasn't completed near the bridge structure. So it's only about 25 meters of work that needs to be completed that wasn't done in I believe it was 2021 when we did the initial stabilization. And then there's some additional. Um sections further west, near Bay Ridge Drive at horsey Bay, so there's two sections on front road that will be rehabilitated and that one hasn't been been touched.

Mayor Bryan Paterson 1:20:12

Thank you. Thank you. Councillor Tozzo,

Councillor Brandon Tozzo 1:20:19

thank you, Mayor Paterson, through you winter is very wintering this year, if you notice that. One thing I have noticed is the budget only goes up by about \$100,000 variance for 2026 so one of my questions is, what do you do in years where winter is the full force of terror on the City of Kingston, and other years where it's a meek

lamb that's just kind of doing quiet things. How do you how do you project it seriousness, though? How do you project that new budgetary terms? Because I assume this year we're going to go over, and some years we go significantly under.

Mr Ian Semple 1:21:00

Yes, thank you for your question. Councillor Tozzo and I'll ask Director Foulds to weigh in as well. But essentially, yes, the winter varies year to year, and our response varies year to year, and the the the budget is built on a five year average of what those costs are. And on years where there are funds that are not used, those go into the reserve fund. And on years where the winter is being wintry, as you noted, we would pull from those funds Miss folds. Is that consistent with the approach,

Director Foulds 1:21:37

exactly the policy? There is a surplus from the five year average, then we put it in the working fund, as we have historically. But the last two years, we're expecting a deficit, so it'll come from the working fund.

Councillor Brandon Tozzo 1:21:52

So have we known as much variance in this over the past, say, 10 or 15 years, since we've turned this sort of five year plan? And like this seems to be like just a steady growth, like projection of about 100 200,000 a year. Is that the normal trajectory that we go in for winter control maintenance, or are we expecting more variance in the weather?

Mr Ian Semple 1:22:15

It's difficult to predict the weather. I think what we are working on it. But I think the the there is increased variability in the weather, there's certainly acknowledgement, as as we in the city, acknowledged, you know, the impacts of climate change and what and the way that we need to plan for that. So some of the you know, certainly in 2025 the ice storm that occurred in the spring. The early arrival of winter in November and December of this year put significant pressure on the budget, and the continuation of winter in 2026 is certainly contributing to that trend. The way in which that's been looked at over a 10 or 15 year horizon, I would I would ask Director Foulds or MS, Kennedy, if they have noticed any change in our change in the way that we need to approach that relative to managing those costs.

CFO Kennedy 1:23:11

Ms, Kennedy, thank you through you, Mr. Mayor, yeah, I think I can just add and Commissioner several. I just had this discussion recently. This the five year average, which, which, I think in the past, has not been a bad methodology, with ups and downs depending on the season. But I think even just looking at the last five years, our winters are if they're getting worse, but they're definitely getting different, and the events are getting different, and that is driving up the cost. And so we have discussed that subsequent to putting this budget together, that maybe a five year average is not applicable anymore, because if I think back five years to even what we had last year, say not even thinking this this year is quite different. So I think it's something we'll look at this coming year to see whether there's a different methodology that we should be using. But I think to Ms. Foulds comments. We do have that backstop with with the working fund reserve, if we can't absorb it within the year,

Councillor Brandon Tozzo 1:24:09

I look further further. I look forward to further predictions about the weather. Thank you.

Mayor Bryan Paterson 1:24:16

Okay, thank you. Next is Councillor Chaves.

Councillor Paul Chaves 1:24:21

Thank you. Thank you for the report. Department is very forward facing to the public. You've already mentioned the asphalt recycler, which I think is a great option to have, would really be great to have it this year, concerning the winter is really wintry and it's affecting the roads. So I think that's a great, great idea and aspect to be going on, not to mention the amount of road habilitation that's going to be happening this year. The one question I do have in regards to the transit system. In regards to the Westbrook transit system, which started late 2024 my assumption was that it was going to be reviewed this year, because it was a pilot project, because it's not a full transit route. So could you give me an update in regards to that and what I could be expecting, maybe the Express road doing a loop through Westbrook going to be keep bringing that up.

Mr Ian Semple 1:25:26

So I thank you for your question. Councillor Chaves and through you, Mr. Mayor. So the the service that was added in fall of 2024 so we're continuing that service. It's subject to review as part of the Kingston Transit service review that's underway right now. So we are in the midst of a short and midterm review of the service. The recommend that the recommendations from that service review are expected by q3 of 2026 and it would include a review of the service that's in Westbrook, and recommendations about how that service would continue or change.

Councillor Paul Chaves 1:26:06

Could you give me a bit of an indication how well that route is working right now?

Mr Ian Semple 1:26:11

I think I don't have the specific route ridership information. I think that there's a recognition that it is, I guess, an entry level of service that's there during peak periods, and it may not be providing all of the all of the trips that people in that community are looking for. It is one of the reasons we are looking at flexible routing and on demand transit as a future service option as well for not just not for Westbrook specifically, but ways in which we can provide more fulsome service in a variety of ways to the community.

Councillor Paul Chaves 1:26:51

Final follow up question to that, so if I lived in Westbrook, what would you recommend me to do to show you that it's a viable option and want to increase the transit

Mr Ian Semple 1:27:02

thank you for your question. So the that the Kingston Transit service review is underway right now, there is a get involved page that is open, and there will be public engagement that's happening through the late winter and spring. So I would encourage everyone to participate as part of that engagement that's open right now. And I would also encourage people to ride the route. They should ride the route. Let us know how the route is working or not working for them, and provide those comments to Kingston Transit and as part of the review.

Councillor Paul Chaves 1:27:33

Okay, thank you, and I look forward to that review.

Mayor Bryan Paterson 1:27:38
Okay. Next is Councillor Oosterhof.

Councillor Gary Oosterhof 1:27:44

Yes, thank you. Excuse me, Mayor Paterson, thanks for this work. Obviously, it's a passion for all of Council, and obviously everybody's lived experiences in the city, and so we probably hear most questions about roads, and I do acknowledge that I have had conversations with Mr. Follwell and Ian and his team, so I really do appreciate that. I wanted to bring up a street that I roadway that I am not sure if we ever talked about it, and Luke knows about it quite too, is highway two east, and it's been kind of nagging at me a little bit more so that we would bring it out in the open, as I think that it's becoming a significant concern to the residents again this week, of concern. So I thought I said to them, I would bring it up to you here. And I was wondering that highway from all the way, basically, from Fort Henry, or whatever, all the way to our border is deteriorating quickly. And I was wondering, is there a road report available on it? Where? Where does it land in priority for you, for us and you, and is there a way that, if it were to be looked at what it's close to, almost like an emergency for me, because of its significance as a roadway for tourism, for bicycling, for tours that way? And I feel like maybe it's not given enough serious look, a prioritization is my thought, I guess. And I just wanted to find out about that, and at what point can something be fast tracked in relationship to partner partnering with other municipalities, which I understand that that might be possible with leads or wherever we connect with so and is there a way to fast track repairs so that serious actions don't happen, especially with the bicycling community, but also with the many, many people who commute on that road? And can we can. We look at it in all seriousness of what we really ought to be doing. Thank you.

Mr Ian Semple 1:30:07

Thank you for your question. Councillor Oosterhof, and through you, Mr. Mayor. So I think I'll ask Director Follwell to provide some of the details, if he has them available. But at a high level, you know, highway two, it's a prime example of the importance of ensuring that the right asset management is done at the right time, so that the asset can be maintained and the life of the asset can be extended for 2026 the approach for highway two will be, you know, reactive and repair focused, to keep it in the condition that it needs to be in the longer term, we do have a condition assessment that's done for it, and I can, I certainly hear your comments about ensuring that that's considered, you know, as part of future capital plans. I'll ask Mr. Director Follwell if he has any additional information that he can provide relative to the details of your question.

Director Follwell 1:31:04

Yeah, thank you. And through you, so I think you're talking about the section from approximately highway 15 to the boundary again, in ocway, it is in, you know, fair condition in sections. It's in poor condition in sections, which is very similar to a lot of our network across the 1800 Lane kilometers that we have in our in across the city. From a national perspective, we do and have done some initial forecasts, and if we look at that from a paved shoulder and a pavement rehabilitation perspective, we're looking at a project in the range of anywhere from 20 to \$30 million so it is something that that we have identified. It is just such a significant project within our network, and it would mean that we would likely only do one project like that on an annual basis. So it is something that we can certainly bring forward. We are bringing our annual roads report at the February 3 council meeting, and be happy to provide some more specific details if you wish at that time, Councillor and for all of Council to discuss that in more detail, but it's currently

not identified in the near term from the engineering budget at this time.

Councillor Gary Oosterhof 1:32:24

Okay, I thank you for that. I look forward to further conversations. Thank you.

Mayor Bryan Paterson 1:32:30

Thank you. Councillor Amos,

Councillor Don Amos 1:32:34

Thank you, Mayor Paterson, through you Commissioner, thank you so much for the presentation. Just a couple of quick comments or clarification questions my district has been and I suspect all districts, but my district has benefited from the tree canopy program. We've had a number of trees taken down over the last couple of years in the Calvin and Poulsen Park area, and now the tree canopy program is reinstalling or replanting trees. Is that program continuing, and is it expanding? Can you comment on that? Because I didn't see a lot in there on the budget about it.

Mr Ian Semple 1:33:08

Thank you, Councillor, for your question. And through you, Mr. Mayor, I'll ask Director Santucci to speak to the details. But the the the there is capital funds related to the forestry program to to four plantings that are, that are that will occur in 2026 they occur at the same level that that. So it's not an increase in our service level. It is we're maintaining the existing service level. Director Santucci, yep.

Ms Santucci 1:33:35

Thank you. And through you, Mr. Mayor, and thank you for your question. Yeah, we will continue. We we plant approximately 2000 city trees every year on city property, and we fund about 3600 trees through our neighborhood tree program, which will go on to private property. So that will continue this year as well. Perfect.

Councillor Don Amos 1:33:58

Thank you. It was noted in a couple of budgets. CFO Kennedy talked about it, and you've talked about a little bit in regards to St Lawrence College and the reduction of students that are taking place there is there a fear of operational reductions with transit fleet coming into that area? Because I know that's not just students that are using that bus, I have a number of constituents that use that walk over to St Lawrence College to get to their job sites.

Mr Ian Semple 1:34:29

Thank you for your question, and through you, Mr. Mayor. So at this time, no Councillor Amos, that's not, that's not being forecast as part of certainly for 2026 we are looking at the details through the transit service review of what the ridership patterns are, where, where people are traveling to what is, I guess, somewhat unique about St Lawrence College is, it's not an end point of many of. Our routes, it, it is intersected by many routes that travel through both from the west end through to the downtown and through to the central part of the north. So our there are no immediate changes that are that are anticipated for the college's service level. We will, we will continue to monitor ridership at the college relative to relative to the routes that are serving it, but that will be part of the service review.

Mayor Bryan Paterson 1:35:33

Thank you. Councillor Cinanni,

Councillor Vincent Cinanni 1:35:37

thank you and through you, Mr. Mayor. So my question was about supplies for winter. So I'm assuming you probably plan for it before the winter and you buy all the supplies say, like salt and what happens? Because obviously everybody's described how winters are different now and change. So if you run out of salt halfway through the year. Are we out completely, or do you have to repurchase, make another order? Or, how does that work? Exactly? How do you maintain a good supply to be able to, you know, make sure that we treat all the roads throughout the whole winter.

Mr Ian Semple 1:36:15

Thank you for your question, Councillor, and through you, Mr. Mayor. So yes, we are. We do plan for and purchase supplies. I understand where you're why you're asking this question, because there has been some reports in the news of sort of salt and other supply shortages. I'll ask Director Santucci to comment on Kingston situation and the way that we're planning for that.

Ms Santucci 1:36:44

Thank you. And through you, Mr. Mayor, we definitely we purchase sand and we purchase salt. Our sand is delivered in the fall of every year. We do mix sand and some salt that we store in our store on site. We order salt and we order a certain amount of salt. That salt gets delivered throughout the winter. We don't have sufficient storage right now to store all of the salt that we use all winter, so we do get regular deliveries of salt. Currently, we've used about 50% of the salt that we have ordered for the year. There are a number of municipalities in Ontario right now that are over their 100% we've communicated with our salt distributor, and salt will be available to us to our limit and above our limit as needed throughout the course of the Winter.

Councillor Vincent Cinanni 1:37:36

Okay? Thank you, Councillor Stephen,

Councillor Wendy Stephen 1:37:42

thank you, Mr. Mayor, through you first a comment. Thank you so much for getting the reddendale storm water work on the budget this year. Really, really great to see that. I'm also just wondering about traffic calming. You know that we've heard around this table a lot about people who would like to see some changes and people slowing down drivers. Just wondering if you can speak to the traffic calming that's included in this year's budget. Is it the continuation of the same program where Councillors choose a road is it changing? Is it? I'm just wondering if you could speak to that please.

Mr Ian Semple 1:38:12

Thank you, Councillor Stephen, for your question. Through you, Mr. Mayor, the Yes. In short, that traffic calming program, that's that's part of the 2026 program is the same program as we've operated for the last number of years, and with with the understanding that when we introduced the new traffic calming program a few years ago, the we spoke about, there's type one measures and there's type two measures, and the way the type one measures are 10 are focused more on a quick intervention and are meant to be more temporary in nature. And the intent of the program was that we would move to make those features permanent after a number of years of understanding what their their impact was. We're at that point in the traffic calming program that we need to look at and review what our approach will be moving forward. So that is part of the work plan that Mr. Custom and Mr. Dixon are undertaking in in 2026 to report back to council on what those next steps should be. The there is one. There is an in there are indications from the province that additional funding will be made

available to cities to enhance traffic calming programs. We we have received initial funding to complete that on Norman Rogers this year. So some of the work that's happening on Omer and Rogers is benefiting from the provincial funding that's been provided in lieu of the automated speed enforcement program. We expect more information from the province in the spring about what what options will be available to the city, and we'll bring information back to council about how that could. Would inform the traffic calming program.

Councillor Wendy Stephen 1:40:03

Okay, thank you. I look forward to seeing that sweet provincial money.

Mayor Bryan Paterson 1:40:09

Okay, seeing no other questions. Thank you very much. Okay, so just a quick time check with council. It's 745 we still have several presentations from staff to work through. My proposal is that I do not think that we should be going past 10 o'clock. So if I feel like we are on track to finish by 10, then we will finish tonight. If I don't feel we're on track, then we'll probably adjourn shortly after nine, and then reconvene tomorrow. With that. What we'll do is we'll do one more presentation before before we take a break. So at this point, we'll move to community services. So I'll invite Commissioner Campbell to come to the point.

Commissioner Campbell 1:41:12

Good evening, everyone. It's a pleasure to be here tonight to talk to you a little bit about the budget highlights for community services. I am being joined up here at the front with the director team from Community Services, and I will introduce them as we go. You already know them, but just some quick reminders, just to start, community services represents six departments that do work across our community in a number of areas. Importantly, we also represent the work of over 700 full time City of Kingston employees. Our work certainly brings us into the hearts and homes of many and this budget cycle, it's been very challenging, as it has been across the entire corporation, to be looking at how we can think smart and make savings while still continuing to deliver the services our community depends on us for on the whole in 26 as was shared earlier, we represent about \$47 million in operating budget. And I will work through where some of those larger increases are coming from in our budget as we get into some of the subsequent slides. From a capital budget perspective, we have \$18 million in new capital ask in the housing and so sorry, largely in housing and social services, but across the community services group, housing is certainly playing a large role in our contribution to the growth of the city's budget. But in addition, we also are making some strategic investment in the Recreation and Leisure Services areas, and that speaks both to Asset Management need as well as to some of the parks development work that we are prioritizing in the next budget cycle. So to get us started with some more of the specifics, and I'm really only going to hit the high points here for council, you know Well, what is already underway. So we're starting with arts and culture services. It's led by Director Lochhead, who is sitting with us today. This is a group that was able to bring in a budget with reduction, and that was achieved through a careful examination of the budget, looking for opportunities to more strategically invest, but also to find savings in areas where there was certainly opportunity or increased revenues. As a result, the service level agreement with the Kingston Arts Council is proposed to increase by \$50,000 and this is to accommodate the council approved changes to the Arts Fund and the administration of that fund into 26 and beyond. However, the Kingston Arts Fund itself is set to be held at the 2025 investment rate. That was a scenario that council received in its presentation earlier in 25 tourism, Kingston funding for the music office has been reduced by \$100,000 this was able to be absorbed into their operating budget through the transfer they receive from the municipal accommodation

tax to their operating so there's actually no impact to the service level expectations around the Music Office, just a transfer of where that funding is coming from. And then finally, but certainly not least, the Kingston Grand Theater has been tracking revenue growth over the last several years. That's a really positive statement of the power of that program, but also a positive statement about the power of our marketing team. And so we are predicting pretty comfortably into 26 that we'll continue to see revenue growth that assumes we continue to have very strong programs and that we're able to market them as effectively as we have over the last three years. From a capital budget position, arts and culture services is at \$195,000 this is mostly functional capital related to the required FF and E changes at the Grand Theater, some purchase of safety equipment for special events, civic events, and then, of course, every term of the poet laureate, there is a legacy program, and because that is a one time expense, it comes out of our capital budgets. Moving on from danica's team, I'm moving over to Director Noordegraaf in our community development well being and II DEA function this year again, able to come in with a very small but important. A reduction in budget when we look at the overall budget position of the organization. This was achieved through the deferral of hiring a community development lead and the prioritizing of hiring a point five FTE on the accessibility portfolio. We believe we can continue to do the strategic work around food framework, community safety and well being planning the important work of the II DEA team. But you will remember it was not only a direction of the budget, but also of the II DEA framework and strategy that we were weak or we needed to consider investment in our accessibility portfolio. And so we've elected to prioritize that in this very tight budget cycle. We're going to start with that point five FTE, which will see us transfer that office out of the clerk's department and into this department, and it will allow us to set that office up and then be able to look at its expansion, hopefully with more staff support moving into the next budget. As I already mentioned, the food portfolio and the other strategic initiatives are being protected against in this budget, even with the reductions, the city's contribution to the Community Investment Fund is being returned to its pre pandemic matching level to the United Way contribution it had grown over the pandemic as a result of, obviously, the pressures the community was facing. But as those have alleviated, the time is appropriate to return this to the matched level of funding as the program had originally been established, continued work in this department, certainly on municipal fee assistance programs, looking at and quite frankly, challenging some of our funding programs. This is true across Community Services. This isn't about reducing funding to community it's about right sizing and making sure our money is being used effectively with the groups and the agencies that need that that support, and also removing some of the duplication, neighborhood activation fund, the Arts Fund, the Heritage Fund, we've identified there are areas of overlap between these funding programs, and that's something we're really looking at in 26 to make sure that when we assign money, it's really going to achieve the objectives that council would like to see. And that community is asking for community development again, a very modest capital program of \$75,000 This is mostly implementation one time, start up costs associated with the strategy and framework that council approved. Ongoing work within that strategy and framework is, of course, included in the operational budget. Moving on then to heritage services, with Director Gibbs sitting to my right. We have a very small growth in this this group, a small budget in that department to start. So an impactful one in terms of percent growth, but just over \$100,000 the service level. Agreement with the Kingston association of museums, art galleries and historic sites, is remaining at its 2025, funding level. And interestingly, and as council has seen, foreshadowed and stated in some of the reports you've seen, the heritage funding is actually being recommended for a modest decrease. This is because there has been historic unawarded funds in this fund program, and we have identified areas of overlap and opportunities for review. So we're reducing the funding going

into this program this year, hoping to spend the under award out and then hopefully being able to come back strong in 2027 with a rationalized fund that will benefit from the other fund reviews that have taken place or will be taking place over the course of the next term. You also heard earlier in the budget presentation, council has approved, and this budget upholds the 100,000 increase in heritage built heritage property grants, drawing down from the Heritage reserve fund and then operationalizing that in the outer years from a capital budget position, again, fairly modest, \$110,000 here. This is really to work, to advance the work that council has in its strategic priority by end of this year, to bring forward a heritage management plan. This was part of the cheer strategy, if you remember it, from your strategic priorities. And then, of course, some functional capital contributions to the museum, housing and social services. Jayne Beggan-Hartley sitting over to my right as well. This is one of our departments where we have growth. And this will not surprise Council. It was certainly a direction of the Mayor's budget, and obviously a direction of this council to really be investing in our emergency housing responses. So you do see a Budget Variance here of an increase of \$2.6 million and this is, you know, one of those drivers, one of those pressures on our global budget. Here at the corporation, we have seen growth in the child care funding, as was mentioned earlier by Director Foulds, but we're also seeing some steadiness in some of the provincial and federal funding sources, save for the work in social social housing. And I don't want to spook anybody on that. This is an anticipated decrease in funding as social housing reaches eoA, end of agreement or end of mortgage, and we transfer those properties so that funding structure, we know it's winding down. I believe it ends in 28 Jane will confirm that later, if questions arise and. But this has always been known, and we've incorporated this into our operating budget projections in the latter years, so that we're anticipating that decline there is 2.5 million included in housing and social services operating budget that then is there to support new, transitional, supportive and shelter operating agreements. This is an incredible year for us. We are bringing an unprecedented number of emergency housing options online. \$2.5 million is going to support transitional housing at Queen Mary Road, three new supportive housing sites, the full time annual operational of Dawn house, a women's shelter. Sydenham road shelter as a new site of operation, as well as the wind down and transfer of services from Adelaide. So this investment is really we're seeing a lot of good things happen. The timing of it does result in that budget blip,

Commissioner Campbell 1:50:50

from a capital budget perspective, \$10.2 million approximately in the housing and social services team, 6.5 directed towards the acquisition and renovation of new shelters and the development of new transitional, supportive housing and affordable housing projects, as mentioned before this, couples with the 3.5 that was approved in 20 late 2025 bringing us to the \$10 million contribution specifically earmarked for affordable housing and emergency housing solutions. We also flow through [FLAG: Otter heard "ofl and Kochi" — likely two program funding acronyms (possibly OFI/OFII and CMHC or similar provincial/federal programs). Editor to verify with Housing & Social Services.] funding through our capital. So you see that here, but this is really an in and out type situation, so it does show up in our budget line, but is not an investment coming directly from the tax base. That brings me to Recreation and Leisure Services. I've lost Director Elgersma. She's somewhere. Oh, there she is. I've got them everywhere. All right, we spread like a community. We surround you. So, yes, you gave him a weather one. All right. Well, Director Elgersma's group is seeing about \$213,000 in addition to their operating budget, a real effort was put in in this budget to try to maintain and shelter protect the 2025 service levels, while looking for those opportunities to reduce and also to shore up for new programming. Importantly, we're seeing staffing levels maintained. There is a very modest

reduction in summer students at the marinas, but otherwise, we are protecting and sheltering and supporting all of our staff and making sure that they're going to be able to continue to deliver these services. We are also working toward a temporary aquatics program over the summer of 26 while Culligan is closed for construction, so that will give us an opportunity to try to offset and relocate some of that aquatics program. We're also looking at aquatic workforce development, there is a significant number of aquatics opportunities that this council has supported, and that means we need to be ready to open those sites and support them. So we are getting ahead of that by working with partners to try to develop 400 new lifeguards and instructors in this area, which will speak to the regional need for aquatics instructors and supports. In addition, we've implemented the non resident surcharge was referenced earlier. It's about a \$50,000 revenue increase. And we're also seeing increased sponsorship and revenue opportunities across our sites through some very strong negotiation and contracts that we've been able to enter into around pouring rights and vending contracts in particular, from a capital budget position, new capital and Recreation and Leisure Services is coming in at \$7.6 million you'll remember that the parks development group did transfer into Recreation and Leisure Services, and we just want to give a shout out to Director Follwell, who's worked very closely with Director Elgersma to make sure that we are able to work with him and his team to understand those projects, to bring them over and support them to success. Importantly, we're seeing a new score clock at slush puppy place, though that's being paid from the municipal accommodation tax. It will be delivered in this year, and then we will start a repayment to the municipal accommodation tax, starting in 2027 and then we are also advancing several parks projects to their construction. You know, these are detailed in the report. I'm not going to walk through each and every one of them, but I think one close to Council's heart is certainly the Jumpstart accessible playground at Shannon park that the community is very excited to see be realized. Additionally we are deferring several parks projects. These are also detailed in the budget binder. The approach to this was really around what is the capacity within the team to contract and administer the contracts on construction or design. It was also looking at where we were receiving funding from other levels of government, and by using and advancing projects with other sources of funding, it allows us to redirect some of the capital budget that would have otherwise been drawn from the municipal contribution to other high priority projects like roads and asset management. So this is something we are trying to get a hand around. We want to be clear with community about the intense. Around projects, and we will be making updates following Council's budget deliberations, to share with community any of those deferral impacts and when we anticipate that work may come back online. And last but certainly not least, we have Casie Keyes and her team at Rideau crest home recently accredited with an exemplary standing, the highest accreditation rate or rating available. So big congratulations to Casey and the team. Rideaucrest home is posting a negative Budget Variance. This is really exciting, and certainly demonstrates the strong financial accountability and work of that team. They get every penny they possibly can and put it to best use in the home, but we are seeing a standard envelope funding increase from the province, which is certainly helping us realize that budget position four hours of care, which was a program initiated by the province and specifically funded as such, that program ended, or will did end in 2025 but we're now seeing that there's been an inflationary adjustment to the funding in 26 to make sure that that continues. We also saw a decrease, excuse me, in our extended care contract cost. Council saw that recently in a report, the contract was just executed, so that's exciting to see as well. And we also had opportunity to reduce the staffing complement by three vacant positions. These had already been declared redundant to the operational need. So you're seeing the removal reflected here, but there is no impact anticipated to service. And then finally, \$100,000 for Rideau crest in terms of largely FF and E. So fixing beds, you

know, working on ceiling tracks, replacing mattresses, these sort of operational requirements from the capital budget in the home, there is also work being done right now through an RFP process to review a nurse but call bell system improvement in 2026 it's important to note that most of the capital work in the home is handled by FMCS, our partners on the building envelope. So you'll hear more likely from it, from these projects, from them, either tonight or in the future? Have I gotten it through at all? Who knows? But I well, I did. I got through the parts that I think you definitely needed to know. I would love to take questions. The team is certainly with me tonight. I would be remiss, though, if I didn't acknowledge we have a very complicated budget and across a number of department teams and our financial analysts do exceptional work every year in keeping pace with the speed that we run at, and also keeping track of where we make commitments from our funding pots, because we are very creative, which is to our collective benefit, but it does, I think, cause our financial analysts a little bit of stress when they're constantly watching us make our numbers work. So thank you.

Mayor Bryan Paterson 1:57:42

Okay, thank you very much. Questions Councillor Ridge,

Councillor Greg Ridge 1:57:48

oh, thank you. Your worship and through you comments about creative accounting, aside, I do, I do have a question about, well, a couple of items. So the first one is, you've mentioned the investments that are being made into different forms of housing, which is fantastic. There's a budget line that's called provincial programs under the housing department, and it's an increase of 2.06 5 million. It's the biggest increase in the entirety of the budget. Do you mind talking a bit about what that is? I

Commissioner Campbell 1:58:22

I'm looking at director Hartley.

Councillor Greg Ridge 1:58:30

I'm assuming that's investments in it's just I was wondering where the provincial part comes from differently.

Commissioner Campbell 1:58:38

Sorry. Thank you. Councillor took us a moment there to get where you are. I think it's more about where it's being recorded. This year, in the past, we had HPP funding and others being rolled up and combined, and because it's been separated out this year, it appears in the budget as a net new large investment, but what it's actually reflecting is an existing provincial contribution to the housing and homelessness programs, funds, okay, thank you.

Councillor Greg Ridge 1:59:03

Next are some questions about arts and sector development. So this is, this is a line that's seen a number of cuts over the last couple of years, and I was just wondering what some of the rationale was for that particular judgment for the cops behavior,

Commissioner Campbell 1:59:25

I can certainly start and then Director Lochhead can jump in. I think one of the challenges we've had over the last several years is about right sizing and understanding how the funds are being used from different funding streams. At this point in time, we've just come out of a very strong review of the Arts Fund in particular, and an understanding of how to diversify the funding opportunities within that group. What we've also then seen is that there are arts organizations who are

qualifying for funding from other sources within the within the funding structure. So we have heritage grants that are. Are open and eligible to those who might otherwise now be accommodated in the event structure. So one of the rationales this year for presenting council with that zero, 0% growth to the Arts Fund was around the fact that we can see that arts organizations are accessing heritage funding. And what we want to do over the course of this year is correct that so that we're actually putting the investment in the Arts Fund in a way that allows it to be maximized to the use as intended through that fund, review Director Lochhead. I don't know if you have other thoughts to share.

Director Lochhead 2:00:31

Thank you. And Through you, Mayor Paterson and you know, as Commissioner Campbell has sort of referenced, there's a lot of strategic internal work now that we get to sort of embark upon, and I think it's also aligned with our mandate to develop a new culture plan for Kingston, which is also within Council strategic priorities. And so I think, you know, getting ourselves to the right place where we need to be, with the Arts Fund was the priority. And we have seen, historically, sort of smaller 2% increases to that program. But obviously covid saw some some pauses. So I think, as Commissioner Campbell has said, you know, we are going to be looking internally, and the budget that's been presented will also result in collaborative work with the Kingston Arts Council on what a phased implementation of the CCAF review recommendations looks like to make sure that we're being true to the recommendations, but also responding to the realities of our budget.

Mayor Bryan Paterson 2:01:24

Thank you. Okay. Next is Councillor oosterhof.

Councillor Gary Oosterhof 2:01:35

Thank you, Mayor Paterson. So the question I have is regarding sports field or and, or arena maintenance. And I'm just wondering, is there enough funding in there? I mean, we asked the police last night if they needed, how much funding they would require, if for, for, you know, if they needed to, for response times. And I'm just wondering, and I'm asking, on behalf of I'm in the arenas a lot, and I'm part of the sports scene, and with and and people have asked me that it just seems that our arenas are are falling behind. I am worried that they are falling behind, and I'm wondering, when I'm talking about

Mayor Bryan Paterson 2:02:27

maintenance, we just lost him. So I mean, I guess you can answer the question, he won't be able to hear the answer, but I think for the benefit of all of us in the room, and then maybe we can just send him a note after with the answers.

Commissioner Campbell 2:02:43

Commissioner Campbell, thank you, and through you and yes, absolutely, we can follow up with Councillor oosterhof, I can start and certainly, Director Elgersma can add, there is money in both WIP as well as in the new capital. Ask here. I didn't highlight it tonight, because it's money we include in every capital budget to do the routine upgrades and the maintenance. I know there is some monitoring being done on ice plants and some other more specific, targeted programs, I believe, being started, but there is money always in our envelope, as well as in our new asks around those facilities. My only other additional point to add is certainly that council will receive by the end of this term of Council, the work on your strategic priority direction around center 70 and pOH and the Memorial Center. We have been careful to make sure that our investments are about ensuring we have safe, open ice that is reliable and available to community, while also not over investing in infrastructure.

For example, at center 70, in a way that would, you know, kind of commit you to a specific outcome, because we've over invested in that facility, so we are working very hard keep things safe and open, while also not over investing before Council has the benefit of seeing the outcome of that direction. Director Elgersma, I'm not sure if you had more to add. Sure I can

Director Elgersma 2:04:00

just add a couple of specifics. Thank you. And through you, Mr. Mayor. So this the past couple of years, we've worked hard on developing some programs for maintenance, focusing early on, on the ice plant, the refrigeration plants, to make sure we have reliable ice surface for everyone, that it's safe and compliant. And so then moving on working now towards more customer focused upgrades, flooring, dressing rooms and those types of elements. A lot of work was done this past year on ice plants as well as flooring replacement and and other items in the arenas, sports fields. For example, new crumb was added. Assessments were g max testing and compaction testing was taken, taken place on the on the artificial turf sports fields that we look after. And then crumb and fill replaced as as required. So. Then, you know, the budget may look kind of maybe small compared to what, what you know, you may expect for the number of indoor facilities and arenas that we have. But as Commissioner Campbell mentioned, we do have funds in the whip to to cover off some of the larger maintenance items. Thank you.

Mayor Bryan Paterson 2:05:19

Okay, thank you, Councillor Tozzo,

Councillor Brandon Tozzo 2:05:22

thank you, Mayor Paterson, through you, I'll be very brief. I'm very excited that we're hiring somebody dedicated to accessibility. Do we have any idea when they will be on board and hired by the city?

Commissioner Campbell 2:05:33

Thank you. And through you, we're currently working on finalizing the job description, so our hope is certainly within the first quarter, if not very early in the second

Councillor Brandon Tozzo 2:05:41

perfect Can you let them know I'm going to make their life very busy.

Commissioner Campbell 2:05:44

I'm sure they will be delighted to hear that. Councillor, thank you.

Mayor Bryan Paterson 2:05:49

Thank you. Deputy Mayor, has

Councillor Jimmy Hassan 2:05:51

on Thank you. Worship one, one question, but very quick, it's why, what is the plan in this budget for the certain neighborhood, community park, such as, you know, Hudson Park neighborhood is they are very excited, and they are waiting for the response what we're going to do about that. So can you highlight some of the importance or the program we putting in this budget?

Commissioner Campbell 2:06:18

Thank you and through you. So Hudson Park is included in the parks work that will be undertaken through this budget. There is on page, I believe, 110 a table that details all of the parks work that will be going forward, indicating the scope of that work,

and then also what will be happening in 2026 and beyond. In addition, on page 111 you have the park deferrals as well as the justifications for why those deferrals are being proposed at this time. So I hope that's helpful. Councillor Hassan, but for Hudson Park, yes, that is included in the park projects that will be advanced in 2026

Mayor Bryan Paterson 2:06:59
Councillor Cinanni, i

Councillor Vincent Cinanni 2:07:00
Through you, Mr. Mayor, just wondering the consultation for the Memorial Center. Is that on track?

Commissioner Campbell 2:07:12
Yes, we have used the budget to achieve the consultation for the center. The contract was just closed. The first startup meetings have been held. They were held they were held last week, and we expect consultation will be getting underway shortly. Updates on consultation will be added to get involved Kingston page for that project. So if anybody is anxious to see where they can reach out and get involved, and when those community engagement sessions will be had, they'll be posted very soon. I don't believe that's been updated quite yet. As I said, the contract and the first onboarding sort of session with that consultant team was just earlier last week,

Councillor Vincent Cinanni 2:07:45
and I noticed 700 princesses in there for in the budget for Park, I'm assuming that it's the start this year, and would it be finished this year too?

Unknown Speaker 2:07:57
Director Elgersma,

Director Elgersma 2:08:00
thank you through you, Mr. Mayor. So the work would be in coordination with some of the other Princess Street work that's happening, and we are not quite ready to have it complete in 2026 so we're aiming for 2027 but the design work and initial construction should happen in 2026

Mayor Bryan Paterson 2:08:21
Oh, thank you. Okay. See no other questions. Thank you very much. Right now, it is 813, so we'll take a 10 minute break. We'll reconvene at 823.

Mayor Bryan Paterson 2:18:30
Okay, folks, it is 823, I'm going to ask if Councillors can grab their seats, please.
So

Mayor Bryan Paterson 2:18:48
just okay. I think we we are good to go. Yeah, we do have quorum. We've got two online, and Wendy's coming in. Okay? So with that, we'll now move to corporate and emergency services. So up next is Commissioner Carbone and team. Okay.

Commissioner Carbone 2:19:24
Thank you very much, and to your worship. It's our pleasure to be here tonight, mayor and council to present the corporate Emergency Services budget for 2026 I'd like to start, we won't do full introductions of the entire team, because I know we're on a time crunch this evening, but I do want to thank the group of directors and corporate emergency services and as well, our financial analysts, which changed many times over the course of the year, who bore with us for the development of this budget, really

appreciate all the hard work on everyone's part. As far as a theme for the Corporate Services group this year, it's generally around maintaining services. Services. There's very little in the way of any type of enhanced service or new work that's happening in the budget this year. What we are focusing on is enabling the public service delivery of other departments within the city, focusing on efficiency, adoption of new technology, so that they can address the increasing pressures that the public is putting on municipal services. Of course, you'll know we have a big emphasis on asset management across the Corporation, which is led within the Corporate Services Group. We have a number of major capital works that we're also working on as part of WIPs, and new ones coming through. And you've heard about the emphasis on corporate security as well in the presentation from CFO Kennedy earlier. Also as we go through, I'll talk about our Digital Transformation Initiative, which, again, is aimed at better supporting all of our municipal departments through technology and better processes and efficiency. Overall Corporate Services budget in 2026 is approximately 50 million. That's 1.7 million increase from last year, or 3.7% increase. And you'll see the range of variance differs because a lot of the Corporate Services budgets have kind of some unique funding models and allocations out to other departments. So we'll speak to some of those unique variances as we go through our capital budget across four departments, is second largest for the city after transportation and engineering. That's across facilities. IT Asset Management and fleet and of course, Fire and Rescue. And the vast majority of these funds are allocated towards renewal initiatives, with very little going towards any types of new capital works. This year, first department will move to human resources and organizational development, which has a slight decrease in our operating budget this year. This year, we will be focusing on expanding our occupational health clinic. You may recall that was a pilot project for a single department in 2025 we will be expanding that, and it's aimed at better health and wellness for our employees, and also looking at reductions of absenteeism and sick time and things like that. We'll continue implementing our city 360 program, including improved employee recognition programs. We'll be updating leadership competencies and rolling out some new programs around volunteer and learning development hours for learning and development. Our focus will very much be on bolstering our workforce from within, from within, through succession planning and leader development, leadership development programs. And this year, we will be concluding. We'll be initiating and concluding three different collective bargaining processes. So we hope to see those through successfully over the course of 26 speaking again to that small reduction in the budget because of budgetary pressures, this year, we did remove an internship program funding from the HR budget, which would have funded a handful of intern positions within departments, this has been paused for this year again for budget pressures, moving on to facilities management and construction services, which has a 9.28% increase. But you'll see there that first bullet, that's a bit of an anomaly, because the overall budget, gross budget, is 26 million with around 80% of that being allocated out to other departments. So where we do see a lot of fluctuation in the variance with this department year over year, it's in a lot of times costs like our increasing security costs, which aren't then allocated out to other departments, and they fall to the facility's bottom line. So that does tend to vary quite a bit year over year, depending on some service changes that we experience. An important change this year will be centralization of the housing and social services facilities, so that includes the city's portfolio of shelters, transitional housing and supportive housing, some of which are in development right now, as we all know, and those are being centralized within our model to assist with that strategic priority of Council and to try to deliver The most efficient services, most cost effective services we can. We'll continue to implement our net zero transition plan and greenhouse gas reduction programs as well through our operating funds and through our capital budgets. You did hear earlier, CFO Kennedy mentioned the increased costs for

security, while our guard security services are not changing, other security enhancements are and as you heard, we're also reducing the contribution from the working fund reserve, so that is creating some of the increase at the bottom line for the facilities budget this year, for facilities capital, most, again, is allocated towards renewal, with some important projects happening at rideaucrest, some building envelope and roof replacement programs happening Across city facilities, and some support for a park building Refresh program. For our non renewal or new projects, they're really limited to additional EV charger expansion, which supports our light duty EV fleet. Those are not public chargers. And some dollars that go towards net zero transition. So that's supplemental dollars to our existing renewal dollars to for the additional cost to upsize to more fuel efficient technologies or to go electric instead of some more conventional technology. We also have a small capital program called asset management, and that's really programmatic work like lighting retrofits. It does deal with some of our security improvements, and it helps with building condition assessments, keeping those. Up to date, as you know, they contribute to our asset management work, and the more accurate information we have, the more we can close that gap and have appropriate planned interventions with our facilities. The major work that's happening this year is really coming forward from previous years in WIPs, things like 610, Montreal street renovations for [FLAG: Otter heard "can CLN" — organization occupying 610 Montreal Street. Possibly KCLN or another city tenant. Editor to verify with Facilities Management.], the new fire hall and Taylor Kidd, the usable Turner branch renovation and then the Culligan pool enclosure and our ongoing design work, along with the YMCA for their center of community and the new fitness and aquatic facility at the INVISTA center. Moving on to it, there's a modest increase this year, 1.8% but I think importantly, this year is a year of transition for the IT group. We're going through a digital transformation project. We've kind of deemed it digital 360 and I think we've recognized over the past few years that we need to set up our technology infrastructure and services in a better way to meet the changing demands in the municipal environment. So that'll be changes to our org structure, how we deliver services internally, and also how we plan to fund those services moving forward. In addition to that work this year, we're also looking at regular plan cybersecurity enhancements. Those happen all the time. We are continuing to roll out our AI policy, including training, support, programs and tools. You have heard about a couple AI pilot programs already that our group is involved in with other departments in the city. And then, in addition to that digital 360 initiative, we do have the election coming up late in the coming up late in the year, and we have an important payment I know, imagine that first time you're hearing about council tozo, an important payment systems placement project, as well as our systems near end of life for support. So that'll be taking up a lot of our time this year. Just want to note the small variants, because we do have a lot of cost pressure in the IT space, especially on subscription costs, technology that is needed increasingly across our departments, where we have staffing level increases to meet Council strategic priorities. That means new license costs, new peripherals, new technology all the time, and so the pressure on our technology costs is much greater than the rate of inflation. And in order to accommodate that in the 2026 budget, and because we were also looking at that strategic digital 360 change of how we're going to deliver services moving forward, we have left a number of staff positions vacant budgeted that way over the course of 2026 so that is going to mean some short term reduced capacity, but it is the strategic approach, so that once we have that new framework for how we roll out technology for the city, we'll be able to scale ourselves appropriately with those vacant positions. Some important capital investment highlights for it, I think obviously there's a lot of replacement of basic peripherals and systems, laptops, those types of things. A lot of that has been referred or limited to only mandatory replacements, and again, because some of our budgetary pressures. But again, I want

to underscore the significant pressure on license fees, software as a service models, as everything moves to the cloud, the price pressures there from all those service providers are increasing, certainly higher than the rate of inflation, as I've said, and so we're having to find savings in other places to accommodate that. And that's not something that's going to change for the city or other corporations moving forward, moving on to communications and customer experience, on the Communications and Public Engagement, and public engagement front, there'll be some focus on improving internal communication strategies this year, there'll be an update coming to our public engagement framework, and that will include a lot of work with community groups that engage a lot more directly with some of the equity deserving groups that we are trying to cater to through updates To our engagement framework. So you will see that coming, increasingly trying to get municipal news out to the public through things like short term video and social media platforms, and then definitely a concerted effort in supporting housing and social services with community engagement initiatives like on community liaison, Liaison Committee, I think, the first of which has been established for the Sydenham street shelter and other communication engagement supports for that group on the customer experience side, council will be very familiar with a lot of the updates that have occurred within customer experience. On the CRM front, increased reporting to council and

Commissioner Carbone 2:29:19

also the Corporate Services, or this the customer service strategy that we rolled out a bit earlier this year. So we're going to be continuing to work on those calls to action. There'll be more reporting that's coming out since we established the customer service standards that were brought before Council a number of months ago. So those will be in place now for at least, I think, a one or two quarter cycle, and so we'll be able to start reporting on our on our ability to to meet those new standards. Moving on to asset management and fleet again, this is an odd budget. It looks relatively small, with a almost a \$5,000 variance. That's because 100% of the fleet budget, which has actually grown. Budget of almost 24 million is allocated out to other departments that make use of those fleets and services. The dollars that you see here really represents the small amount allocated to staffing and support resources for the asset management part of that division, and as I think you heard from CFO Kennedy earlier, with our plan now approved the updated service levels and the financial plan for asset management. A lot of work in 2026 will be on a lot of the continuous improvement work, updating our asset registries, consolidating a number of different plans have been approved over the last number of years, and starting work to improve condition assessments and things like that, to again, help close that gap that we have on the transit side. There's a multi year transit bus refurbishment project that's underway. We also continue to participate with Metro links on multi year procurement projects, in this case on diesel busses. There's another AI pilot that is being implemented within fleet and alongside that last bullet fleet specific condition assessment program. These are some of the activities that, again, help us close that infrastructure deficit gap, to establish longer life cycles for replacements of our assets in terms of variances. Again, you don't see it here because of the allocation out to departments, but I think it's important to note parts and supplies pressures around 10% increase. So that is that's not insignificant, but a lot of that has been offset by those significant fuel savings that CFO Kennedy mentioned, with respect to the federal carbon tax reduction, we are still seeing inflationary pressures across the board, and we are starting to see the impacts of changes to commodity pricing tariffs and supply supply chain issues affecting parts within our fleet group, the \$15 million capital budget for fleet is almost entirely allocated to renewal. So that's fleet and equipment life cycle. There's very little new included. Major departments are transit, Public Works and utilities, Kingston, obviously, I think transit has about six or 7 million in in

replacement busses. And that's a part of that shift away from the EV busses that we had to do because of grid capacity and some other challenges. So we do still need to replace those busses that are that are end of life. And then there's additional mid cycle refurbishment work that has to happen to busses. So again, because of some of our funding constraints, we are having to try to extend the life of these assets a bit longer than we used to. I won't, I won't belabor this point because I think CFO Kennedy did mention it already. As we move forward, there'll be a lot of work done on, again, closing that infrastructure gap that I mentioned. So optimizing the useful life measurements through better condition information, more interventions, rationalizing assets, accepting additional risk where it's appropriate, and things like that. So this is these are things that we discussed when the asset management plan came before Council in early December of 25 last but not least, moving on to Kingston Fire and Rescue. This is the first time Fire and Rescue has been within the corporate services group since I've been here with the city, we have an increase of 1.2 million, just under 4% and that's largely associated with the substantial increase in career firefighters that was implemented in 2024 and then continued in 2025 once those wages and Benefits hit the books, there's actually some step progressions of entry level firefighters as they move up. So we do see that in the first few years of new career firefighters, of a number of that, I mean, I think it's about 24 that we brought in progress through those steps. This year, we're also going to continue dealing with encampment and fire safety, the increasing instances of hoarding and things like that, that our prevention group has to address. Importantly, we'll be preparing for our five year accreditation renewal. We do go through that renewal at a lower level each year, but the five year is the big one, where the entire package has to be presented again. So a lot of time and effort will be spent on that. And then we have an outdated records management system that is going to be replaced, and that gives us a lot more key performance data that we use with a lot of our response planning in KFR. For KFR capital, it's roughly a \$7 million budget. The majority of that, again, is around renewal activities. We're also showing the works in progress here from previous budgets. It's actually a lot less now, because that's the September 30 number. And again, a lot of those dollars were for mandatory fleet and apparatus replacement. They're based on some mandatory cycles, 25 year end of life cycles based on insurance underwriters and NFPA standards. And so that's what drives our apparatus purchases. And this year we have some funding for communications around corporate radio systems, again at end of life and and necessary for operations with KFR. And that's it. Back to you, Mr. Mayor.

Mayor Bryan Paterson 2:34:50

Thank you. Okay, thank you. Are there any questions from Council? Okay? Seeing none. Thank you very much, everybody. Yeah, okay, so with that, we'll move to our final series of presentations, and so our Cao hurdle will steer us through those.

CAO Hurdle 2:35:47

Speaker, there we go. All right, thank you, Mr. Mayor, Members of Council, I actually will be covering the remaining of the budget slide, so that will include governance, corporate administration. There's one slide for finance and a couple of slides for legislative services as well. But we'll welcome anything that I might miss. We'll welcome Jenna's comments as well as Lana and Desiree's comments. Before I get started, I do want to say a big thank you to the finance team, so obviously, led by Desiree and Lana, but the team in the back has done a tremendous amount of work to put this budget together many, many hours, late and night, hours and lots of stress, With changes that kept happening, especially in the last probably month or so of the budget process. So really appreciate all your work and patience working through this with us. So I'm going to get started, and I also have Craig Desjardins as well online. I wanted to mention that because I assume that there will be some questions

for his group. I'm going in the wrong direction. I'm already done. Apparently,

CAO Hurdle 2:37:13

I know. So the good news is governance and corporate administration is actually looking at a fairly significant reduction for 2026 the majority of that, of course, is related to changes in strategy, innovation and partnerships. Mayor and Council is rolled up into this particular budget. I do want to point out that there is a 1.9% included for the mayor and council salary increases in this budget, the remaining expenses have remained stable, so any travel expenses are the same as what they were in 2025 corporate management team. So the CFO talked a little bit about the rationale to separate that. I do want to point out that this particular corporate management team has done a lot of work in advancing corporate files dealing with upper levels of government in a way that I think we haven't seen our CMT done in the past. So I think this reflects, obviously their work that is above and beyond just their group, but really corporate work. You probably have noticed obviously that we have the addition of our city solicitor in the corporate management team sitting next to me. Way to go, Jenna in this budget as well, you will notice some variances in some area that are related to the creation of a an account for Kingston Penitentiary program. This is not about purchasing the property. So I want to reassure Council. This is the yearly lease that we have with Correctional Services and the revenues as well that we get from St Lawrence Parks Commission for this program. So it's been separated into an account so we can monitor and keep track of it more efficiently, strategy, innovation, partnerships. So this group is very busy, as I'm sure you're all aware, but one of the things that we were able to do in 2026 is look at our vacant positions, and we have made a reduction of three vacant positions. So this obviously is showing in the significant reduction that you're seeing in the budget. There is still a working fund reserve contribution to the airport. As I'm sure you're not surprised to see, we haven't seen the return of the commercial flights yet at the airport, but as you are all very aware, we've seen landline through Air Canada start to provide service this year, and we. Are anticipating that that service will be increased over the coming year as well. I do want to point out a few things that I think are quite exciting about this group, grant applications. We were able to secure over \$13 million in 2025 with our grant applications that are led by this group, this is pretty significant. We have over \$12 million that are currently pending in terms of approval. This group also works on donations, naming rights, marketing, advertising, so on. And we have exceeded \$2 million in revenue in 2025 so again, significant amount of dollars that are coming into city revenues and helping to reduce property taxes. Additional work being done by this group is related to the health sciences or life sciences and innovation district. I'm sure you're all councils aware of this. It's partnership with Queen's University, the Hospital and St Lawrence College, this group will continue to support reaction hub that opened up its formally its facility this year, and some of you I know had the chance to tour the facility growth in the animation sector. So yes, we have officially a animation studio in Kingston. It's in the old Portsmouth town hall. They have actually taken over the space in January, but are currently building up their capacity, and I believe we may actually get a tour in the spring. The other work that will be done by this group, of course, is on the workforce. I know Council has been very dedicated in increasing the number of family physician in the city over the last few years, so this group has led the implementation of this program, and that's resulted in the recruitment of 36 family physician over the last three years. Now, as you know, we've had many retirements as well in the community. So those 36 family physicians unfortunately have not taken just new patients, but replacement of current physician. I talked a little bit about the landline through Air Canada earlier, and you will notice that there is an increase in revenue of \$40,000 related to that for 2026 so financial services will also be very busy in 2026 lots of work to do some of the key

initiatives and projects. One of them will be to update the long term financial planning as it relates to asset management. Now that we have clear asset management plans, we need to look at our long term financial planning. The other pieces to this will be related to the Official Plan, as well as a transportation Master Plan and the servicing master plan, because, as you know, the city does have to take on the debt for water and wastewater. So we need to model that in terms of our financial planning. There will be some work on our investment policy, so that will be coming back to council in 2026 significant efforts as well on our payment point of sale solution. So our payment system is definitely overdue for an upgrade, and that's planned for 2026 as well community education around budgeting. We know that there's been a lot of changes with the mayor's budget strong mayor power, so helping the community to better understand how the budget process works, and of course, community bonds, which Council gave us their direction, to continue to work on. Increase in this group is related to staffing and salaries. So what you're seeing there is essentially included in the overall component staffing, component of the department, legislative services. There's a modest increase for legislative services, a reduction in legal but an increase in the city clerk's office. So in terms of legal services, Council's aware that, obviously insurance is included in legal services. I do want to point out that this year, we're seeing our our premium at 1.36% which is fairly low. I'm just looking at my notes here, because last year we were at 2.63% sorry, no, 2025 was 4.85% 2024 was 2.63% so we are moving in the right direction in terms. Of our insurance premium, which is a great news. The Department will continue to do work on this through risk management, software solution, centralized data, automated workflows, etc. So that will continue to be a priority for the department. There will be also continued focus on the AMP program, so the monetary penalty program, which I know Councillors are very familiar with, so we will be looking at ways to better introduce that in various areas. There have been changes in terms of how the work load has been assigned within the department, and you're seeing a slight reduction in the budget, city clerk, well, it is going to be very busy with elections, as you know, yes, there is an election coming up. So you will notice in the city clerk budget, there is a significant increase in terms of expenditures around contracted services, but also a transfer coming from reserve to help support that. And of course, that's related to the elections, the City Clerk's Office will also do a review of the Future Council compensation program, so that will be part of the work done in 2026 as well as a review of recruitment processes for committees and boards. So lots of work to take place in 2026 for the city clerk office and questions unless, I mean, I'm happy to open it up to others to jump in if I've missed anything.

Mayor Bryan Paterson 2:46:46

Okay, thank you very much. Are there any questions from Council? Okay? Seeing none. See hurdle. Thank you very much. Okay, folks, so that takes us to the end of our departmental presentations. So with that, we will move to the proposed 2026, operating and capital budgets. The budget is on the floor. If there is any amendments to be put forward, Deputy Mayor Hassan Go ahead. Okay, so,

Mayor Bryan Paterson 2:47:35

you do have an amendment. We're just so you're just asked if we can put it up on the screen. Okay, can I, can I get that on my screen as well. Ok, so we do have an amendment moved by Deputy Mayor Hassan, seconded by Councillor Amos, saying that council amend the 2026 municipal operating budget to remove the annual cost of living adjustment for council member remuneration for the year 2026 deputy mayor. You have the floor if there's anything you want to say.

Councillor Jimmy Hassan 2:48:21

Thank you. Worship through you. I have some notes, so I want to take the moment to

explain why we are choosing to bring this amendment forward and why it mattered to the people who live in our city. We know this is a difficult time for many. Household costs are rising, budget are tight, and people are asking, how government at every level can help ease the pressure, rather than add on, add to it. Freezing our wages is one small but meaningful way we can contribute. It allows the city to focus its resources where the matter most on essential services, long term investment and keeping tax increase as low as possible. This decision is about being careful with the public money and doing our part to support the broader financial health of the city. This amendment reflect how we see our role as elected official. We are here to serve, to listen and to make choices that put the community first, especially when times are challenging. By voluntarily freezing our wage wages, we are sharing in the responsibility of managing these pressure and helping the city move forward in a thoughtful and steady way. That is the attention behind this motion and why we believe it is the right step as. At this time, also, we'd like to show the support and solidarity with the mayor's decision to freeze his pay and all the other employees of the city whose non union employees working together for the people. It is the greatest thing, and I really want to appreciate Mayor Brian Patterson and the team to be agree on to freeze their salaries increase this year. Thank you very much for the opportunity and keep it up. Good work. Thank you for the great budget.

Mayor Bryan Paterson 2:50:32

Okay, thank you so we have the amendment that's been moved and seconded. Is there any further discussion on the amendment? If not, we will call the vote. We'll do we'll do hand votes for any amendments, so all those in favor opposed, and that's carried. Okay. Thank you very much. Are there any other amendments to put forward? Councillor Ridge, go ahead.

Councillor Greg Ridge 2:50:59

Thank you. Your worship and through Yes, I have an amendment to present, please.

Mayor Bryan Paterson 2:51:15

Okay, moved by Councillor Ridge, second by Councillor Amos, the council amend the 2026, municipal operating budget by adding a one time contribution of \$100,000 to support grant funding for the City of Kingston Arts Fund to be funded from the working fund reserve Council Ridge, you have the floor.

Councillor Greg Ridge 2:51:34

Thank you. Your worship and through you so with the conclusion of CCAF review and the approval of the new CCAF framework, this additional investment, which is the one time thing, will enable artists to achieve more goals in terms of increasing access and inclusivity, supporting artists, fostering creativity and community engagement, building capacity and resiliency. One of the things that I highlighted earlier on is that arts and culture is often something that's that's looked at in terms of adjustments that need to be made. And for a number of reasons, there's no criticism there your worship. But also the one we think when I think about Kingston and I think about a space that is defined by the cultural works that come out of it, and how we punch far above our weight in terms of cultural impact and and so I am very happy to put forward this amendment. I think it will do a great deal of good. It will help to see some of those intended outputs for CCAF for this year in terms of the increasement investment, and I hope that everybody supports it. Thank you.

Mayor Bryan Paterson 2:52:51

Okay, thank you. Is there any further discussion on the amendment? Okay, seeing none, then we will call the vote all those in favor opposed, and that's carried any further budget amendments. Okay? Seeing none, we've noted our communications in the addeds.

And so, Madam Clerk, I will ask for bylaws please.

City Clerk Jaynes 2:53:23

Moved by Councillor Chaves, seconded by Councillor Cinanni That by law number one be given its first and second

Mayor Bryan Paterson 2:53:28

reading, all those in favor opposed, and that's carried.

City Clerk Jaynes 2:53:31

Moved by Councillor Chaves, seconded by Councillor Cinanni, that bylaw number one be given its third reading,

Mayor Bryan Paterson 2:53:36

all those in favor opposed, and that's carried. Motion to adjourn, please, moved by Councillor Tozzo Second by Councillor Chaves all those in favor opposed, and we are adjourned. Thank you very much, everybody.