

Town of Kentville Special Council Meeting

March 9, 2026, immediately following CAC meeting, Kentville Town Hall

1. CALL TO ORDER AND ROLL CALL
2. APPROVAL OF THE AGENDA
3. NEW BUSINESS
 - (a) Approval of 2026-2027 Capital Budget
 - (b) Adoption of 2027-2031 Capital Investment Plan
4. ADJOURNMENT



Town of Kentville
DRAFT Five Year
2027-2031 Capital Investment Plan
March 9, 2026

Town of Kentville

Motion to Council

2026–2027 Capital Budget & 2027–2031 Capital Investment Plan

Council Meeting Date March 9, 2026

Report Five-Year Capital Investment Plan (CIP) 2027–2031
(Draft reports circulated to Council February 23 and 26, 2026)

Prepared by Finance

Council is asked to consider and pass the following motions.

First Motion

- THAT Council approve the Town of Kentville 2026–2027 Capital Budget (General Fund and Sanitary Sewer) in the total amount of \$10,520,900, effective April 1, 2026.
- AND THAT Administration be authorized to proceed with the capital projects included in the approved 2026–2027 Capital Budget, subject to any conditions or limitations established by Council.
- AND THAT any incomplete 2025–2026 capital projects not already included in the 2026–2027 Capital Budget be carried forward with their approved 2025–2026 budgets.

Second Motion

- THAT Council adopt the Town of Kentville Capital Investment Plan (CIP) for 2027–2031 for planning purposes.
- AND THAT Administration be authorized to undertake long-term pre-planning activities for future-year capital projects identified in the CIP, as required.
- AND THAT annual capital budgets will be brought forward to Council for consideration and approval as part of each year's capital budget process.
- AND THAT the CIP be used to support eligibility and planning requirements associated with federal and provincial funding programs.

Town of Kentville

Draft

2027-2031 Capital Investment Plan

March 9, 2026



Strategic Priorities - Capital Budget Impact



- **Strategic Priority One – Infrastructure Investment:** Ensuring service levels in the face of aging assets, deferred maintenance, and climate-related risks that impact asset vulnerability and costs.
- **Strategic Priority Three – Growth and Development Investment:** Managing rising capital needs to support community expansion, while renewing existing infrastructure and delivering capacity in a phased, affordable way.
- **Strategic Priority Four – Inclusion, Diversity, Equity & Accessibility (IDEA) Investment:** Providing accessible and inclusive facilities within limited capital and operational budgets.
- **Financial Sustainability & Affordability:** Balancing ratepayer affordability against increasing operating and capital demands amid constrained tax capacity; addressing insufficient reserves and growing reliance on long-term debt.

Capital Budget Objectives

The 2027 - 2031 capital budget contains a variety of projects and asset expenditures that support several objectives:

1. Asset Management Replacement/Renewal
 - Supports existing infrastructure
 - Maintain existing service delivery levels
2. New Asset Acquisition and Development
 - Enhance existing service delivery levels
 - Leverage federal and provincial funding opportunities
 - Recommend new assets aligned with Department priorities
3. Risk mitigation by undertaking projects that improve infrastructure performance

Capital Budget Challenges



External & Structural Pressures

Economic & Market Conditions

- Uncertain economic environment with unpredictable interest rates and costs
- Escalating costs to purchase capital assets and contract work
- Assessment value growth (or decline) dependent on market conditions

Climate & Infrastructure Risk

- Impact of climate change on municipal infrastructure
- Revenue Uncertainty
- Securing sustainable revenue streams, including senior government grants

Financial Capacity & Community Impact

Financial Capacity

- Tax rate insufficient to address rising operating and capital demands
- Depletion of general reserves
- Increasing reliance on long-term debt

Service & Affordability Pressures

- Growing number of capital requests due to deferred purchases and maintenance
- Affordability pressures for ratepayers

Council Consideration

Capital investment decisions should balance financial sustainability, infrastructure risk, climate resilience, and affordability while advancing Council's Strategic Priorities.

5-Year Capital Investment Plan



Category	Annual 2026-2027	#	Total 5-Year CIP	#
Asset Replacement/Renewal	\$6,848,300	35	\$41,968,800	104
New Asset Acquisition & Development	\$202,600	7	\$222,600	7
Continuation of previously approved	\$3,470,000	6	\$5,470,000	7
Capital Budget Request	\$10,520,900	48	\$47,661,400	119

**Fiscal 2027 through 2031
Capital Investment Plan
In Thousands \$**

Totals by Type	2027	2028	2029	2030	2031	Total
Active Transportation	1,125.0	-	-	-	-	1,125.0
Building	2,702.1	25.0	1,025.0	3,025.0	6,025.0	12,802.1
Downtown Improvements	105.0	100.0	25.0	25.0	25.0	280.0
Equipment	966.6	645.0	596.0	184.0	590.0	2,981.6
Expansion	2,000.0	-	-	-	-	2,000.0
Facilities	-	-	20.0	-	-	20.0
Facilities - Arena	350.0	1,865.0	-	-	-	2,215.0
Flood Mitigation	937.2	2,000.0	2,000.0	2,000.0	2,000.0	8,937.2
Green Space/Trails	-	20.0	-	-	-	20.0
Parks/Playgrounds	340.0	875.0	-	500.0	-	1,715.0
Sanitary Sewer	190.0	338.0	500.0	500.0	562.5	2,090.5
Sidewalks	-	2,100	850.0	200.0	200.0	3,350.0
Sports Fields	60.0	-	-	-	-	60.0
Storm Sewer	495.0	120.0	-	400.0	400.0	1,415.0
Streets	1,250.0	2,250.0	2,250.0	1,450.0	1,450.0	8,650.0
Total 5 Year Plan	10,520.9	10,338.0	7,266.0	8,284.0	11,252.5	47,661.4

5-Year Capital Investment Plan 2026-2027 Expenditures by Strategic Priority



Strategic Priority	2026-2027
Investing in Infrastructure	\$ 3,032,200
Investing in Growth and Development	\$ 2,535,000
Investing in Inclusion, Diversity, Equity and Accessibility	\$ 3,694,500
Core Operational Assets	\$ 1,259,200
Total	\$ 10,520,900

2026-2027 CIP Financing



Capital Reserve	Projected Opening Balance 26/27	Projected Ending Balance 26/27	Projected Ending Balance 30/31
General	961,828	1,025,646	730,046
Equipment	237,992	5,992	35,992
Deed Transfer Tax	1,110,213	1,510,213	560,213
Kentville Futures	500,000	500,000	500,000
Total	\$2,810,033	\$3,041,851	\$1,826,251

- Additions reflect 2026-2027 operating budget transfers to capital
- Reductions are based on the capital plan expenditures for the noted years

2026-2027 CIP Financing



Reserves	Projected Opening Balance 26/27	Projected Ending Balance 26/27	Projected Ending Balance 30/31
San Sewer General	84,832	84,832	84,832
San Sewer Depreciation	211,961	145,161	237,961
Total San Sewer	\$ 296,793	\$ 299,993	\$ 322,793
CCBF	\$ 563,614	\$ 383,614	\$ 83,614

- Additions reflect 2026-2027 operating budget transfers to capital
- Reductions are based on the capital plan expenditures for the noted years

Financial Condition Indicators

Debt Service Cost



Debt	Projection 2026	2027	2028	2029	2030	2031	2032
Opening	5,059,090	5,119,950	7,243,410	10,924,850	16,125,780	17,968,840	19,362,040
Principal Paid	(981,140)	(980,940)	(1,201,560)	(1,052,070)	(1,276,940)	(1,331,800)	(1,401,690)
Debt Issue	1,042,000	3,104,400	4,883,000	6,253,000	3,120,000	2,725,000	8,163,000
Ending	5,119,950	7,243,410	10,924,850	16,125,780	17,968,840	19,362,040	26,123,350
Per Capita Debt	772	1,093	1,648	2,432	2,710	2,920	3,940
Debt Service Cost	6.5%	6.5%	8.2%	8.3%	10.1%	10.6%	11.6%

Low Risk	< 10%	Moderate	10 – 15%	High	> 15%
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Total Long Term Debt Payments



Debt	2026	2027	2028	2029	2030	2031	2032
Principal Paid	981,140	980,940	1,201,560	1,052,070	1,276,940	1,331,800	1,401,690
Interest Paid	165,342	214,111	333,864	521,822	678,538	755,228	929,050
Total Long Term Debt Payments	1,146,482	1,195,051	1,535,424	1,573,892	1,955,478	2,087,028	2,330,740