

GUIDE TO THE LUNENBURG CAPITAL IMPROVEMENT PLAN

What exactly is a Capital Improvement Plan (CIP) and how will it help our community?

The Capital Improvement Plan (CIP) is a working document and should be reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities to help advance the community's strategic and long-term goals and objectives.

The CIP is a planning tool to be used by the Selectboard and the Town Departments. A CIP should be used in conjunction with the Town Plan. The Town Plan should provide actions to determine needs for potential studies, short-term investments to support longer-term needs, identify if current facilities and infrastructure are adequate to serve the needs of the future growth. The CIP would then be used to identify how these would be funded and scheduled over time. It is a working document intended to provide guidance for a town's future decisions on capital projects.

In a nutshell, it's a budgetary document that lists all anticipated expenses for a period of 10 years. Every year, each department will review and update their portion of the CIP. The CIP will then be used when developing the town budget each year.

Advantages of a Capital Improvement Plan

- Planning for major purchases or improvements stabilizes year-to-year variations in capital expenditures.
- Integrates implementation of the Town Plan with the annual budgeting process through scheduling of proposed projects over a period of time.
- Establishes priorities for projects on the basis of needs and costs.
- Ability to anticipate future revenues and expenditures.
- Creates a platform for pre-emptive acquisitions that are more feasible and defensible (e.g., land acquired for town uses such as water supply, waste disposal, and recreation).
- Creates a roadmap for the creation of capital reserve accounts which can reduce overall cost of capital expenditures by avoiding interest and financing.
- Creates a transparent budgetary process with a public information tool that explains to the public the Town's plans for major expenditures.
- A basis to phase development to avoid or mitigate impacts on existing or planned municipal facilities or services.

Things To Know

- The Lunenburg CIP was created by RCAP Solutions, Inc. and completed at no cost to the town as a result of a federal grant program that Lunenburg leaders were able to take advantage of.
- RCAP met with Lunenburg Town officials and Department Heads in July 2025 and conducted a tour of each building and discussed projects and needs with each department. Successive meetings occurred through the remainder of 2025 to fill in the tables of capital improvement projects identified by each department.
- Town departments and/or town owned buildings and property that are included in this report are the following: Alden Balch Memorial Library, Fire Department (Lunenburg &

Gilman), Highway Department, Old Town Hall, Parks & Recreation, Town Office, and Transfer Station.

- This is the first type of capital plan that Lunenburg has ever done. Never before has every department outlined their equipment and project needs for the next 10 years.
- There will be a learning curve as town leadership and departments determine the best ways to update and use the information. As such, this first version is essentially a “draft”. We anticipate many discussions and changes to occur throughout 2026 and that the 2026 version of the CIP will have more accurate cost estimates.
- Many of the projects identified in the CIP will not move forward without outside funding from grants. These projects will not be funded from town capital. Funding for these projects is listed in the report as “Anticipated Funding”. It is important that the town is aware of these projects as they can determine if they feel the project should be prioritized and funded by town capital.

Step through the Town Office Capital Projects

This will step through a few of the Town Office Building Capital Projects (page 22) to better explain “Secured” vs “Anticipated” funding and how it affects the town budget.

- The first project in the list is ADA accessibility architecture design:
 - Estimated Cost - \$29,700
 - Secured Funding - \$26,730 (Received through an MPG Grant)
 - This leaves a gap of \$2,970 that will need to come out of the town budget (Capital Need)
- The second project is Town Office Interior Improvements
 - Estimated Cost - \$8,000
 - No Secured or Anticipated Funding. This leaves a gap of \$8,000 that will need to come out of the town budget (Capital Need)
- The fifth project is the ADA accessibility construction
 - Target year – 2026
 - Estimated cost - \$210,000
 - Secured Funding - \$65,139 from the MERP grant to go toward this cost.
 - Anticipated Funding - \$144,860.70. The goal is to acquire this money through grants (not through the town budget) so it is listed as “Anticipated Funding”. This project will not occur in 2026 unless the grant money is obtained.
- Total Capital Need (town budget) at the bottom is \$10,970 (\$2,970 from the ADA architecture design AND \$8,000 from the Interior Improvements).

Summary

Implementing a Capital Improvement Plan is a major step forward in budgetary planning for the town. Town leadership and department heads will continue to work to refine the information for each department over the next year.

For questions on the Capital Improvement Plan, please contact the Selectboard (selectboard@lunenburg-gilmanvt.gov) or Town Clerk (townclerk@lunenburg-gilmanvt.gov).