Middlesex Capital Improvement Plan (CIP) & FY 2025/2026 Capital Budget

Background

- The Town owns and maintains a variety of facilities, vehicles, and equipment
- Replacing or restoring any of the town facilities or a piece of highway or rescue equipment is a substantial cost
- The purpose of the Capital Improvement Plan (CIP) is to plan for these expenses and to spread them out over time and avoid major swings in the municipal tax rate
- The CIP helps explain why and when large municipal capital expenses are needed

CIP - Definition

- The CIP focuses on large sporadic maintenance projects like:
  - replacing a roof
  - major improvements to a town facility
  - purchasing new equipment or vehicles
  - undertaking preliminary studies and surveys relating to improvements
  - acquiring land or land rights
  - replacing or reconstructing a culvert or bridge
  - repaving a section of roadway

- As a threshold, a capital improvement must be anticipated to cost more than $5,000
- The town budget reflects voter-approved expenses for a given year, while the CIP is advisory in nature and has a time horizon of ten years or longer

CIP - Process

- The Budget Committee extracts expected next budget year Capital items from the Capital Asset Inventory
- Affected Departments are then contacted to confirm the cost and replacement of items
- The Budget Committee finalizes the next budget year Capital items and costs
- A public meeting is held to inform voters
- The proposed Capital budget is presented to the Select Board for inclusion in the annual budget process

New Capital Budget Items for FY 2025/2026

- Town Shed Door Frame - $11,000 estimated cost
- Public Works Vehicles:
  - Komatsu Loader - $85,000 estimated cost
    - The useful life of this vehicle ends in 2026
    - A new one would be financed over 5 years
    - Estimated annual loan payment would be approx. $20,000, beginning in FY 2026/2027

Total Capital Funding For FY 2025/26

Below is a summary of requested Capital funding for the next budget year:

Item	Planned FY 25/26 Allocation
Town Shed Doors	$ 11,000.00
New Komatsu Loader	$ -
Town Hall Building Fund	$ 10,000.00
Bridge Fund	$ 6,000.00
Paving Fund	$ 30,000.00
Tennis Court Resurfacing Fund	$ 5,000.00
Recreation Fund	$ -
Hwy Town Garage/Building Fun	$ 5,000.00
Asset/Equipment Fund	$ 50,000.00
Totals	**$ 117,000.00**

This represents a decrease of $9,000 from the current year's CIP funding of $126,000.