

Memorandum

To: Selectboard

From: Greg Duggan, Town Manager; Karen Adams, Deputy Manager; Aaron Martin, Public Works Director; Dan Roy, Finance Director; Katherine Sonnicks, Community Development Director

Re: Presentation of FY27-31 Capital Budget Program

Date: December 11, 2025

Issue

The issue is to present the Selectboard with a proposed fiscal year 2027 capital budget and preview of capital revenues and expenditures for FY27-31.

Discussion of FY27-31 Capital Budget Program

The capital budget is used to fund ongoing maintenance, repairs, and replacements on Town assets including buildings, facilities, heavy equipment, public safety equipment, IT and communications hardware, roadways, sidewalks, trails, and new this year: Bridges. The budget is broken into several individual funding areas: Buildings; Municipal Complex; Highways; Capital Equipment; Parks & Trails; Sidewalks, Paths & Bridges; Stormwater; IT; Natural Resources Management, and Undesignated. Included in the Selectboard packet is a Capital Budget Program (CBP) document that provides all relevant information associated with planned capital revenues, expenses, and resulting fund balances between FY27-31.

For this presentation, the revenue calculation in the plan is based on the recently-increased Capital tax rate at 5 cents, resulting in an estimated \$1,492,232 in revenue in FY27. Beginning in FY27 effects of the reappraisal are incorporated in the estimated amount of capital funding the Town will receive in each future year. This FY27-31 capital budget program is presented with no operating budget transfers. The program assumes approval of the fiscal year 2025 fund balance assignments of \$336,150 as recommended by staff in a December 12, 2025 memo regarding "Discussion of draft FY25 Fund Balance Assignments."

The proposed CBP includes a few significant changes from past capital plans, and some exciting new projects with significant community benefit. Large changes and highlights are noted below:

- The funding area previously referred to as "Sidewalks, Paths, and Trails" saw a change to the "Trails" portion of the fund. Trails and their associated upkeep and investment is the responsibility of the Parks & Recreation Department, and therefore this scope of responsibility was incorporated into the "Parks" funding area.
- Replacing Trails is Bridges, to create a "Sidewalks, Paths, and Bridges" fund - the Town is responsible for the care and maintenance of 3 bridges in the community located on North Williston Road, Pettingill Rd, and Gentes Rd (Hi Bridge) respectively. Prior modest investments in these structures have been funded out of operating budgets as only minor maintenance tasks have been necessary in the recent decade; given the advancing age of these assets, beginning to build a fund capable of handling more substantial repairs is fiscally responsible for the Town.
- The Buildings fund is significantly more built out than in prior years thanks to the hard work of our Buildings Manager, who completed an inspection and inventory of all Town facilities. That information was used to create a funding plan that addresses identified needs, takes advantage of similar projects in different facilities in hopes of seeing economy-of-scale benefits in costs,

and ensures our facilities are safe and comfortable for use by the general public and staff. In addition, proposed improvements should enhance the attractiveness of rentable spaces within the Town, potentially generating revenue, and planned upgrades will improve energy conservation by pairing HVAC improvements with window and insulation upgrades.

- The vehicle replacement schedules previously developed for Public Works and Fire have been used as a model for the Parks Maintenance division to develop their 5 year plan, and there is substantially more information available regarding public safety communications equipment than in the past thanks to major Fire Department efforts to inventory and catalogue the devices that support their work.
- An automated gate is proposed for installation at Indian Brook Park. This project has significant benefit to the Town in the area of public safety, by being able to restrict access to the Park after hours. Essex Police have indicated strong support for this project for that reason. Year round revenue collection, beyond the current season where the gate is staffed, would allow for increased investments in the Park and/or offsetting other Department needs given there will be a “gate attendant” 24 hours a day/365 days a year. This will also ensure that park entrants have paid the appropriate entry fee, whereas enforcement currently is limited to times when the gate is staffed or otherwise available onsite. The ability to restrict access to the site during times where environmental conditions would result in damage just under regular use is valuable ecologically.
- For the proposed municipal complex at 80 and 90 Upper Main St., spending is proposed for FY27 consistent with the memo presented to the Selectboard at the November 10, 2025 meeting. This includes continued application of interest income generated by capital fund investment to this account, and the designation of \$67,724 of capital tax revenue to this fund. It is assumed that design work on Town infrastructure in the public right-of-way will begin in FY27 and take three years, the last of which (FY29) and the following (FY30) will also be spent developing designs for the first municipal building to be constructed. Construction on the public infrastructure components of the site is planned for FY31, with the “gap” year of FY30 in between completing design and beginning construction to be used to gain funding approval given it’s probable a bond vote will be needed. Staff has proposed the addition of \$6,150 in interest revenue received from Essex’s American Rescue Plan Act (ARPA) funds to this account as well.

Overall capital expenses budgeted for FY27 are \$3,546,025 fueled mostly by Capital Equipment purchases, roadway investments, and park improvements. These will be supported by \$2,604,915 in revenues, with the Capital fund balance providing the remaining \$941,110 in funding needed to fully support expenses.

Cost

n/a

Recommendation

This information is presented for discussion.



Town of Essex, Vermont

Five Year Capital Budget Program

FY27-31

Adopted by the Essex Selectboard _____, 2026

Table of Contents	Page Number
Section 1.0, Executive Summary	2
Section 2.0, FY27-31 Capital Budget Program	4
Section 2.1, FY27 Revenues	4
Section 2.2, FY27 Expenses	5
Section 2.3, FY27-31 Capital Budget Funding Areas	6
A. Buildings	7
B. Municipal Complex	8
C. Highways	9
D. Capital Equipment	11
E. Parks & Trails	14
F. Sidewalks, Paths & Bridges	15
G. Stormwater	17
H. IT	18
I. Natural Resource Management	19
J. Undesignated	20
Section 3.0, Overall Capital Fund Summary	21

Section 1.0: Executive Summary

The Capital Budget Program (CBP) is a multi-year tool used by the Town of Essex in accordance with the Selectboard's adopted *Capital Projects Resolution*, to identify and plan for the Town's long-term capital needs. The CBP consists of a capital budget, which lists and describes the capital projects to be undertaken during the coming fiscal year, and a capital program, which is a plan of capital projects proposed to be undertaken during each of the following four years. The two together present the Town's planned capital investments from FY27-FY31.

The plan by nature is dynamic and will change from year to year as priorities, needs and funding amounts change. The CBP is a guide for the prioritization and implementation of infrastructure projects, including for roads, sidewalks, bike paths and trails, storm drains and treatment practices, buildings, parks, the acquisition of rolling stock equipment, public safety equipment, and IT and communications equipment necessary to provide critical services to the community. The projects and expenditures eligible for inclusion in the CBP involve significant maintenance and replacement of existing infrastructure, facilities, equipment, and construction of new infrastructure.

The CBP utilizes a variety of funding sources as authorized by voters or the Town's Selectboard. A significant portion of the funding contained within the CBP is from the Town's voter-approved \$0.05 capital tax. Additional funding comes from state and federal grants, approved financing agreements, development fees, interest income, any approved operating budget transfers, equipment trade-ins, and impact fees adopted in accordance with 24 VSA Chapter 131.

The CBP, or its amendment or repeal, shall be adopted or rejected annually by an act of the Selectboard in accordance with 24 VSA, Chapter 117, §4443. The Selectboard's adopted Capital Projects Resolution requires the procedure described below, and provides the following definitions of eligible capital projects:

The following procedure will be used for the presentation and adoption of a capital budget: The Manager will submit a capital budget with shows anticipated capital expenditures; financing and tax requirements for the next 5 years. The Selectboard will review the budget and make necessary revisions. The capital budget will be warned and presented to the voters prior to Town Meeting.

- 1. Any project requiring debt obligation or borrowing;*
- 2. Any acquisition or lease of land;*
- 3. Purchasing of major equipment and vehicles with a life expectancy of five years or more, and with an expected cost of more than \$50,000;*

4. *Construction of new buildings or rehabilitation of existing facilities, which can include engineering, design, and other pre-construction costs;*
5. *A project which does not recur annually and results in a fixed asset.*

The proposed FY27 Capital budget contains \$3,546,025 in planned spending. Approximately 42% or \$1,492,232 is expected to come from capital tax revenues, with the remaining 58% funded by state and federal grants, development or impact fees, interest revenue, fund balance assignments, or other sources. A more detailed accounting of the proposed FY27 activity is contained within the following sections.

Section 2.0: FY27-31 Capital Budget Program

The CBP consists of a capital budget, which lists and describes the capital projects to be undertaken during the coming fiscal year, and a capital program, which is a plan of capital projects proposed to be undertaken during each of the following four years. The two together present the Town’s planned capital investments from FY27-FY31.

Section 2.1: FY27 Revenues

The CBP relies on revenues from multiple sources, including a \$0.05 capital tax approved by voters, state and federal grants, development and impact fees, interest income, equipment sales and trades, and other miscellaneous forms of revenue.

The proposed FY27 Capital Budget contains revenues totaling \$2,604,916 with additional information regarding revenues contained in the table below and following sections.

Table 1: FY27 Anticipated Revenues.

FY27 Capital Budget Revenue Summary	Beginning Fund Balance	Allocated 5c Cap Tax Funding	Transfers In or (Out)	Other Funding Sources	Funding Totals
Buildings	\$ 645,164	\$ 80,000	\$ 94,617	\$ 4,500	\$ 824,281
Municipal Complex	\$ 126,496	\$ 67,724	\$ -	\$ 49,150	\$ 243,370
Highways	\$ 283,689	\$ 300,500		\$ 175,000	\$ 759,189
Capital Equipment	\$ 777,692	\$ 829,000	\$ 9,006	\$ 317,800	\$ 1,933,498
Parks & Trails	\$ 373,553	\$ 30,000	\$ -	\$ 297,000	\$ 700,553
Sidewalks, Paths & Bridges	\$ 286,197	\$ 47,000	\$ -	\$ 102,133	\$ 435,330
Stormwater	\$ 297,666	\$ 115,000	\$ -	\$ 130,500	\$ 543,166
IT	\$ 78,501	\$ -	\$ -	\$ -	\$ 78,501
Natural Resource Management	\$ 6,944	\$ 23,008	\$ -	\$ 4,600	\$ 34,552
Undesignated Funds	\$ 995,939	\$ -	\$ (103,623)	\$ 32,000	\$ 924,316
Totals	\$ 3,871,841	\$ 1,492,232	\$ -	\$ 1,112,683	\$ 6,476,756

Section 2.2: FY27 Expenses

The proposed FY27 Capital Budget proposes expenses totaling \$3,546,025, with more information regarding the planned expenses contained within the table below. Additional detail can be found in the following sections regarding each fund’s planned activity.

Table 2: FY27 Planned Expenses.

FY27 Capital Budget Expenditures	Buildings	Municipal Complex	Highways	Capital Equipment	Parks & Trails	Sidewalks, Paths & Bridges	Stormwater	IT	NR Management
HVAC Upgrades	\$ 105,000								
Windows & Insulation	\$ 106,000								
Salt Shed	\$ 320,000								
Upper Main St Public ROW Design		\$ 133,333							
Road Reconstruction			\$ 425,000						
Gravel Roads			\$ 15,500						
Public Works, Major Equipment				\$ 308,000					
Fire, Vehicles				\$ 865,017					
Public Works, Admin Vehicle				\$ 20,000					
Fire, Minor Equipment				\$ 30,000					
Police Dispatch Console				\$ 400,000					
Parks Vehicles & Equipment				\$ 30,000					
Automated Entry Gate, Indian Brook					\$ 185,000				
Asset Replacement					\$ 22,500				
Indian Brook Dam Repairs					\$ 100,000				
Grant Match					\$ 10,000				
Route 15 Sidewalk (Orleans to Circ)						\$ 127,667			
ADA Compliance						\$ 10,000			
General Sidewalks & Paths						\$ 40,000			
Stormwater, Drainage Projects							\$ 30,000		
Stormwater, Regulatory							\$ 75,000		
Osgood Hill Culvert Replacements							\$ 150,000		
Grant Match							\$ 15,000		
Tree Replacements									\$ 23,008
Totals	\$ 531,000	\$ 133,333	\$ 440,500	\$ 1,653,017	\$ 317,500	\$ 177,667	\$ 270,000	\$ -	\$ 23,008

Section 2.3: FY27-31 Capital Budget Funding Areas

The FY27-31 Capital Budget Program consists of 10 different funding areas:

- A. Buildings
- B. Municipal Complex (80-90 Upper Main Street)
- C. Highways
- D. Capital Equipment
- E. Parks & Trails
- F. Sidewalks, Paths & Bridges
- G. Stormwater
- H. IT
- I. Natural Resource Management
- J. Undesignated Funds

These different funding areas do not receive fixed funding allocations from the capital tax, and are instead assigned variable funding levels based on the funding need and nature of the project or expenditure. Each funding area and activity within the fund during the CBP is described in more detail in the following sections.

A. Buildings

This funding area provides capital needed to maintain existing Town-owned buildings and facilities, including the Municipal Office Complex at 81 Main Street, as well as the Town Fire Station, Police Station, Library, Public Works Office and Garage, Parks Maintenance Garage, Memorial Hall, and other municipal facilities associated with historic or recreational uses. The tables below present a financial summary of this funding area, as well as information about which specific projects are proposed for implementation within the timeframe of this CBP.

The Department of Public Works completed a condition assessment and inventory of each Town-owned facility listed above in 2025. This has resulted in the Buildings fund seeing a number of projects be added to the capital plan, including \$531,000 in spending proposed for FY27. HVAC improvements are paired with insulation and window replacement projects to ensure buildings are moving holistically towards improvements in energy conservation. In each year of the CBP there is \$5,000 reserved for the Essex Free Library elevator replacement, which is original to the Library taking residence in the historic structure in 1988.

Table 3 below provides a look at the overall Buildings fund throughout the life of this CBP, and Table 4 provides more detail about the projects that are planned for completion. Assumptions include 3% inflation per year, that Police costs will be shared with the City, and the Water Tower project receiving a \$25,000 grant in FY30.

Table 3: Buildings, Financial Summary

FY27-31 Buildings Capital Budget Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 645,164	\$ 293,281	\$ 97,940	\$ 118,902	\$ 14,736
FY Additions Capital tax	\$ 80,000	\$ 106,069	\$ 50,000	\$ 74,784	\$ 50,000
Transfers Between Projects	\$ 94,617	\$ 75,000		\$ -	\$ -
Non Capital Budgeted Transfer	\$ -	\$ -	\$ -	\$ -	\$ -
Other Funding, (Grants, Fees)	\$ 4,500	\$ 9,935	\$ 4,775	\$ 41,450	\$ 5,075
Planned Spend	\$ 531,000	\$ 386,345	\$ 33,813	\$ 220,400	\$ 10,150
Ending Fund Balance	\$ 293,281	\$ 97,940	\$ 118,902	\$ 14,736	\$ 59,661

Table 4: Buildings, Project Details

FY27-31 Buildings Expenses Detail	Project Estimates (December 2025)	Proposed Budget FY27	Planned Capital Program FY28-31			
			FY28	FY29	FY30	FY31
HVAC Upgrades						
81 Main	\$ 50,000	\$ 50,000				
Fire Station	\$ 5,000	\$ 5,000				
Library	\$ 10,000	\$ 10,000				
Parks Maintenance Garage	\$ 8,500	\$ 8,500				
Public Works Garage - Heating Units (2/yr, 6 total)	\$ 30,000	\$ 10,000	\$ 10,500	\$ 11,000		
Memorial Hall	\$ 12,500	\$ 12,500				
Police Station (3 units/yr, 18 total)	\$ 50,000	\$ 9,000	\$ 9,270	\$ 9,550	\$ 9,900	\$ 10,150
Energy Conservation						
Memorial Hall - Insulate crawl space	\$ 21,000	\$ 21,000				
Memorial Hall - Replace Windows	\$ 35,000	\$ 35,000				
Powell Museum: Insulate basement	\$ 10,000	\$ 10,000				
Powell Museum - Replace Windows	\$ 40,000	\$ 40,000				
Facility Upgrades						
Public Works - Salt Shed	\$ 640,000	\$ 320,000	\$320,000			
Fire Alarm System Upgrades						
81 Main	\$ 20,000		\$ 20,250			
Public Wx Admin	\$ 5,000		\$ 5,125			
Doors						
Police	\$ 10,000		\$ 10,600			
Memorial Hall	\$ 10,000		\$ 10,600			
Study						
Public Wx Admin - Structural Study	\$ 4,500			\$ 4,775		
Roof						
Tree Farm Complex	\$ 40,000				\$ 50,000	
Cultural						
Powell Museum: Furnace	\$ 8,000			\$ 8,488		
Fort Water Tower - Masonry Work	\$ 115,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
Fort Water Tower - Stair Repairs	\$ 120,000					\$ 25,000
Air & Insulation						
Police - Sewer Gas Issue	\$ 20,000				\$ 23,000	
Public Works Admin - Insulate crawl space	\$ 10,000				\$ 12,500	
Elevator						
Library - Elevator replacement, Annual Reserve	\$5,000/year	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Project Totals	\$ 1,274,500	\$ 561,000	\$416,345	\$ 63,813	\$ 125,400	\$ 40,150

Note that the “Project Totals” line above may differ from the “Planned Spend” line in Table 3 due to annual allocations to the Water Tower and Library Elevator funds.

HVAC Upgrades: Various improvements are planned for the HVAC systems serving 81 Main Street, the Fire Station, Library, Parks Maintenance Garage, and Memorial Hall. These projects have all been programmed for the same year in hopes of receiving competitive pricing. Projects include simple control upgrades (Fire Station) to installation of a new HVAC system (Memorial Hall). The heating units at the Public Works Garage, and

compressors at the Police station are proposed for staggered replacement over the next 3-5 years.

Energy Conservation: Memorial Hall and the Powell Museum are proposed for window replacement and insulation treatments in order to capitalize on the HVAC improvements noted above.

Salt Shed: Public Works has been developing plans for a new salt shed over the last two years, due to age and lack of storage within the existing facility. Construction is planned for F27-28, and construction will likely span two fiscal years.

Fire Alarm Upgrades: There are updates needed to the fire alarm systems at 81 Main Street and the Public Works Administrative Building planned for FY28.

Door Replacements: needed at Memorial Hall and the Police Station and planned for FY28.

Structural Study - Public Works Admin: This historic structure was built in 1933 and served as the Town's first library until 1986, when Essex Free Library was opened in its current location. During the assessment, insulating the crawl space was identified as a practical energy conservation measure, however the foundation is starting to show its age. A structural study should be completed to ensure safety of Town staff given the age and proximity of the site to the roadway before making investments in insulation or other treatments.

Roof at Tree Farm: The large white storage building at the Tree Farm is proposed for a roof replacement. While the property is under shared Town and City ownership, the Town alone is responsible for managing this storage facility and the small cluster of surrounding buildings.

Powell Museum Furnace: A replacement is planned for FY29.

Fort Water Tower: This water tower [underwent improvements](#) in 2023, with the next phase to involve repointing and repair of the exterior masonry. An annual reserve of \$25,000 has been dedicated in years FY27-30, with this accruing enough in reserve to complete construction in FY30. After that time, allocations would pivot interior staircase repairs.

FY30 Air & Insulation: projects planned for the Police Station and Public Works Admin, presuming the Study in FY29 indicates this is appropriate.

B. Municipal Complex

The Town purchased the properties at 80-90 Upper Main Street in November 2023, with the long term vision for this site set forth in the Conceptual Master Plan adopted by the Selectboard in March of 2025. The Plan envisions new Town Offices, a Fire Station, Library, and Community Center facilities, as well as recreation areas and other improvements. The project is to be implemented in phases to ensure affordability, and as a result this vision will take many years to achieve.

The initial phase of infrastructure development to serve a portion of the intended public right-of-way is planned in FY27-29. Total overall costs for this work are anticipated to be approximately \$1.5 million, with a formal funding plan for those expenses still under development. The Town is eligible for grant funding of \$500,000, with the remaining \$1 million in Town costs could be covered by a variety of sources. The ongoing discussion around this match requirement may result in ballot questions in March of 2026 that provide voter input on Local Option Taxes, which are another possible funding source if approved.

Consistent with the Selectboard's adopted work plan, this CBP shows continued progress towards implementing the Conceptual Plan. The Fund is called to contribute \$133,333 in FY27 to support engineering tasks. This would be supported by contributions from the capital tax as well as anticipated FY27 interest income of \$43,000 and actual accrued interest of \$6,150. \$50,000 in interest income is assigned to this Fund annually in FY28-31 as well as fluctuating capital tax contributions. These varied amounts are the result of prioritizing needs in other funding areas to meet community needs, as this Fund is the last of the 10 to be considered for capital tax allocations.

In the coming years, community conversations will need to guide the first focus for the site and project schedules. In this CBP, design costs to complete engineering for the first building – whatever department(s) it may serve – are programmed for FY29 and FY30. There is an assumption of \$500,000 in funds received in FY31 to begin site preparation, as any construction will need to involve preparing the site for development with re-grading, land clearing, surveying and marking of sensitive areas. This could come from voter approved bonds, interest income, capital tax revenue, or other various sources.

Table 5: Municipal Complex, Financial Summary

FY27-31 Municipal Complex Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 126,496	\$ 110,037	\$ 123,550	\$ 43,908	\$ 6,094
Program Funding	\$ 67,724	\$ 43,513	\$ 112,358	\$ 112,186	\$ 158,352
Other Funding	\$ 49,150	\$ 50,000	\$ 50,000	\$ 50,000	\$ 550,000
Expenditures	\$ (133,333)	\$ (80,000)	\$ (242,000)	\$ (200,000)	\$ (500,000)
Ending Fund Balance	\$ 110,037	\$ 123,550	\$ 43,908	\$ 6,094	\$ 214,446

Table 6: Municipal Complex, Expenditures

FY27-31 Municipal Complex Expenditures Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Public ROW Design	\$ 133,333	\$ 80,000	\$ 167,000	\$ -	\$ -
Building #1 Design			\$ 75,000	\$ 200,000	
Public ROW Construction					\$ 500,000
Project Totals	\$ 133,333	\$ 80,000	\$ 242,000	\$ 200,000	\$ 500,000

C. Highways

This funding area provides for investments on the approximately 77 total miles of Town-owned paved and gravel roadways. Eligible projects include roadway paving and reconstruction, intersection improvements, gravel roadway upgrades, transportation scoping studies, and engineering design work associated with construction projects. In addition to capital tax revenues and grants as funding sources, the Department of Public Works collects development fees at the time of Town approvals and keeps them in reserve for traffic improvements serving specific intersections or roadways; there are currently no projects to be completed during the term of this CBP that would utilize these funds. The tables below present a financial summary of this funding area, as well as information about which specific projects are proposed for implementation within the CBP.

Table 7: Highways, Financial Summary

FY27-31 Capital Budget Highway Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 283,689	\$ 318,689	\$ 312,689	\$ 296,189	\$ 269,189
Program Funding	\$ 300,500	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000
Other Funding	\$ 175,000	\$ -	\$ -	\$ -	
Expenditures	\$ (440,500)	\$ (291,000)	\$ (301,500)	\$ (312,000)	\$ (322,500)
Ending Fund Balance	\$ 318,689	\$ 312,689	\$ 296,189	\$ 269,189	\$ 231,689

A pavement assessment involving inspection of all public roadways is completed every five years to determine existing pavement condition, with the most recent assessment completed in 2022. Roadways are assigned a numerical score between 0 and 100 referred to as the “Pavement Condition Index” or PCI, based on variables including the type of roadway distress observed, and the number of areas of distress and severity observed along surveyed road segments. The Town aims to keep all roadway scores above 55; roadways are selected for capital investment within the 5 year funding plan using this PCI score. Segments may also be selected for inclusion with a higher score if they are in close proximity to other segments with low scores to capitalize on contractor mobilization costs. On average, annually the Town is able to repave approximately 2 miles of roadway.

The 5 year paving plan is highly subject to change; factors influencing changes within the 5 year plan include an updated PCI survey to be completed in calendar year 2027; unexpected roadway damage occurring, changing the roadway’s score in between surveys; the availability of Class 2 roadway paving grants from the VT Agency of Transportation; and availability of highway crews to provide interim repairs extending the life of existing

pavement, which fluctuates based on staffing levels and severity of weather. The current 5 year plan for roadway improvements within the term of this CBP, is shown in Figure 1.

Table 8: Highways, Project Details

FY27-31 Capital Budget Highway Detail	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Roadway Reconstruction	\$ 425,000	\$ 275,000	\$ 285,000	\$ 295,000	\$ 305,000
Gravel Road Improvements	\$ 15,500	\$ 16,000	\$ 16,500	\$ 17,000	\$ 17,500
Total Highway Projects	\$ 440,500	\$ 291,000	\$ 301,500	\$ 312,000	\$ 322,500

Figure 1: Five Year Roadway Paving Plan

Roadway Name	FY27	FY28	FY29	FY30	FY31
Essex Highlands	X				
Weed Road	X				
Pinecrest Drive*	X				
Iris Street		X			
Damon Drive		X			
Heatherbush Road		X			
Pinewood Drive		X			
Wildwood Drive		X			
Colbert Street		X			
Perkins Drive		X			
River View Drive			X		
Valley View Drive			X		
Bluestem Road			X		
Creek Road			X		
Towers Road			X		
Douglass Road				X	
Lamell Avenue				X	
Logwood Circle				X	
Richard Street				X	
Sunset Drive				X	
Chapin Road					X
David Drive					X
Weathersfield Bow					X
Forest Road					X
Hickory Lane					X
Gauthier Drive					X
Parizo Drive					X
Cindy Lane					X

*Dependent on being awarded Class 2 Paving Grant

D. Capital Equipment

The capital equipment fund supports the short and long term needs of the Town's rolling stock equipment and involves the purchase or lease of vehicles and equipment supporting Public Works, Police, Fire, Parks Maintenance and Senior Van Programs, and the Municipal Office.

The Public Works Capital Equipment Replacement Plan provides for the purchase/replacement of the following vehicles:

- Excavator (to be purchased in FY26, will replace existing backhoe)
- Front End Loader
- 2 Sidewalk Plows
- Skid Steer
- Street Sweeper
- 9 Dump Trucks
- 2 administrative vehicles, one for buildings manager and one shared by admin staff
- 3 pickup trucks; a 1-ton, a $\frac{3}{4}$ regular cab, and a $\frac{1}{2}$ ton crew cab

Vehicles listed above are assigned a planning life span ranging from 8 years (dump trucks) to 15 years (most heavy equipment) depending on observed life spans of vehicles and available warranties. As vehicles approach the end of their project life, they are evaluated to determine remaining useful life, trade-in value, and actual condition to determine whether a purchase is necessary. See below for anticipated purchases during the term of the CBP.

The Fire Department Capital Equipment Replacement Plan provides for the purchase/replacement of the following:

- 3 Fire engines
- 1 Tanker Truck
- 1 Aerial truck (scheduled to be purchased in 2030 for the first time with an anticipated 5 year repayment period)
- 2 cars
- 1 squad vehicle
- 1 utility vehicle, to be purchased in FY27

Vehicles listed above are assigned a planning life span ranging from 10 years (response cars) to 25 years (Tanker Truck), depending on observed life spans of vehicles and available warranties. As vehicles approach the end of their project life, they are evaluated to

determine remaining useful life, trade-in value, and actual condition to determine whether a purchase is necessary. See below for anticipated purchases during the term of the CBP.

Other vehicles and equipment that are included within the Capital Equipment fund for purposes of funding replacements include:

- Minor equipment for the Fire Department
- Equipment for the Police Department
- Parks vehicles and equipment (e.g., lawn mowers, Senior Vans, etc.)
- Administrative pool vehicle shared by Town Office staff

Funding outside of capital tax revenues is expected from equipment trades, Shared Service Agreements, and approved transfers from operating budgets and/or fund balances. This CBP does make assumptions about future operating budget transfers to this capital funding area, given the need. The tables below present a financial summary of this funding area, as well as information about which specific purchases are proposed for implementation within this CBP.

Table 9: Capital Equipment, Financial Summary.

FY27-31 Capital Equipment Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 777,692	\$ 280,481	\$ 611,064	\$ 941,657	\$ 926,557
Program Funding	\$ 829,000	\$ 630,000	\$ 595,000	\$ 715,000	\$ 769,122
Other Funding	\$ 326,806	\$ 39,400	\$ 52,651	\$ 46,000	\$ 26,544
Expenditures	\$ (1,653,017)	\$ (338,817)	\$ (317,058)	\$ (776,100)	\$ (877,188)
Ending Fund Balance	\$ 280,481	\$ 611,064	\$ 941,657	\$ 926,557	\$ 845,035

Table 10: Capital Equipment, Purchase Details

FY27-31 Capital Equipment Budget Detail	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Public Works Major Equipment					
Dump Truck (108)	\$ 210,000				
1/2 Ton Pickup	\$ 60,000				\$ 60,000
3/4 Ton Pickup	\$ 38,000				
Sidewalk Plow		\$ 34,800	\$ 34,800	\$ 34,800	\$ 34,800
Dump Truck (106)		\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000
Street Sweeper			\$ 65,000	\$ 65,000	\$ 65,000
Dump Truck (103)			\$ 40,300	\$ 40,300	\$ 40,300
Dump Truck (105)				\$ 46,000	\$ 46,000
Dump Truck (107)				\$ 46,000	\$ 46,000
F-600 (123)					\$ 41,088
Fire Department, Vehicles					
Fire Engine (3)	\$ 600,000				
Additional Utility Vehicle	\$ 90,000				
Debt Payment - Pierce Truck	\$ 102,064	\$ 102,064			
Debt Payment - Arrow Pumper	\$ 72,953	\$ 72,953	\$ 72,953		
Aerial Truck				\$ 440,000	\$ 440,000
Public Works, Admin Vehicle	\$ 20,000				
Fire Department, Minor Equipment	\$ 30,000	\$ 40,000	\$ 50,000	\$ 50,000	\$ 50,000
Police Department, Equipment	\$ 400,000	\$ 15,000	\$ -	\$ -	\$ -
Parks Vehicles & Equipment	\$ 30,000	\$ 30,000	\$ -		
Senior Vans	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000
Total Equipment Purchases	\$ 1,653,017	\$ 338,817	\$ 317,053	\$ 776,100	\$ 877,188

E. Parks & Trails

The Town owns and maintains Indian Brook Park, Myers Park, Pearl Street Park, Pinewood Park, Sand Hill Park & Pool, Saxonhollow Park, Forestdale Natural Area, and Mathieu Town Forest, and co-manages both the Fort Ethan Allen Parade Grounds and Park with the Town of Colchester, and the Tree Farm Recreational Facility with the City of Essex Junction. The Parks & Trails fund is supported through capital tax revenues and recreation impact fees. The Fund’s projects involve pavilion, gazebo and other shelter repairs and replacements, playground upgrades, court and parking lot improvements, campground services, trail repairs and upgrades, and other similar projects within recreation areas. In addition, funds may be used to support scoping studies and assessments, engineering designs, and easement or land acquisition. The tables below present a financial summary of this funding area, as well as information about which specific projects are proposed for implementation within this CBP.

As of FY26 a Recreation Needs Assessment is underway, with initial feedback very supportive of the Trails Coordinator position new to the Parks & Recreation Department. With this increase in staffing and capacity to manage upgrades, Trails (previously combined with Sidewalks & Paths) have been incorporated into the Parks Fund. Accessibility, resurfacing, and drainage improvements are planned for Town trails within this CBP.

Table 11: Parks & Trails, Financial Summary

FY27-31 Capital Budget Parks & Trails Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY27-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 373,553	\$ 383,053	\$ 433,053	\$ 439,053	\$ 352,919
Program Funding	\$ 30,000	\$ 150,000	\$ 175,000	\$ 121,866	\$ 100,000
Other Funding	\$ 297,000	\$ 15,000	\$ 16,000	\$ 17,000	\$ 18,000
Expenditures	\$ (317,500)	\$ (115,000)	\$ (185,000)	\$ (225,000)	\$ (190,000)
Ending Fund Balance	\$ 383,053	\$ 433,053	\$ 439,053	\$ 352,919	\$ 280,919

Table 12: Parks, Project Details

FY27-31 Capital Budget Parks & Trails Detail	Proposed Capital Expense FY27	Planned Capital Program FY27-31			
		FY28	FY29	FY30	FY31
Automatic Gate System at Indian Brook	\$ 185,000				
Sand Hill, Courts (tennis & basketball)	\$ 15,000			\$ 100,000	
Indian Brook Dam	\$ 100,000				
Indian Brook trail accessibility upgrades	\$ 7,500				
Indian Brook, boat launch dock		\$ 30,000			
Myers Park playground replacement		\$ 75,000			
Pearl Street Park courts & playground replacement			\$ 125,000		
Pinewood, drainage and path re-surfacing			\$ 10,000		
Tree Farm, Concept Plan			\$ 40,000		
Sand Hill Pool liner				\$ 75,000	
Indian Brook Wilderness Center Concept Plan				\$ 40,000	
Myers Park, pavillion and pickleball cts					\$ 180,000
Reserved grant match for projects	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Parks & Trails Investments	\$ 317,500	\$ 115,000	\$ 185,000	\$ 225,000	\$ 190,000

Playground, court, field, and other replacements and improvements are regularly programmed into the Fund, as demonstrated above.

Automatic Gate System at Indian Brook: This project, planned for FY27, will bring an automated gate system to the existing gatehouse at Indian Brook Park.

Indian Brook Dam Repairs: The Indian Brook Dam is to undergo an engineering assessment to determine what upgrades and repairs are necessary to ensure the dam is functioning properly and protecting residents downstream.

Tree Farm Concept Plan: The Town is responsible for a number of buildings on this property that are historic in nature and showing their age. The funding here would be used to support the development of a conceptual plan to formalize the vision for the future use of these facilities.

Indian Brook Wilderness Center Concept Plan: investing capital funds in a conceptual plan for a Wilderness Center the first step towards enhancing Indian Brook Park, which is the crown-jewel of our community. A simple outdoor space would be improved into a year-round Wilderness Center, with intentions of offering Wilderness first aid classes, summer wilderness camps, hiking classes, a snowmobiling outpost, and a general hub for nature-based recreation. This long-term project expands a community asset to further support recreation, education, conservation, and economic vitality.

A year-round facility will also enhance safety and visitor support via a more centralized staff presence, and provisions for first aid, restrooms, water, shelter during bad weather, and clear, current information about trail conditions.

F. Sidewalks, Paths, and Bridges

The Town is responsible for managing 55 miles of sidewalks and paths and 3 bridges in Essex (Gentes Rd, Pettingill Rd, North Williston Rd). Projects included in this Fund’s capital program include scoping and design work associated with network extensions or improvements within existing served areas, broader studies associated with mobility improvements like the ADA assessment completed in 2019, and construction of identified improvements. This capital funding area is also responsible for the four bridges that provide sidewalk, path, or trail crossings over waterways. There are also developer provided funds earmarked for specific projects within this funding area. The tables below present a financial summary of this funding area, with information about which specific projects are proposed for implementation within this CBP provided on the following page.

Table 13: Sidewalks, Paths, & Bridges Financial Summary

FY27-31 Sidewalks, Paths & Bridges Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY27-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 286,197	\$ 257,663	\$ 309,130	\$ 283,595	\$ 147,595
Program Funding	\$ 47,000	\$ 127,000	\$ 130,000	\$ 104,000	\$ 105,403
Other Funding	\$ 102,133	\$ 102,134	\$ 102,133	\$ 600,000	\$ 600,000
Expenditures	\$ (177,667)	\$ (177,667)	\$ (257,668)	\$ (840,000)	\$ (800,000)
Ending Fund Balance	\$ 257,663	\$ 309,130	\$ 283,595	\$ 147,595	\$ 52,998

Table 14: Sidewalks, Paths, and Bridges, Project Details

FY27-31 Capital Budget Sidewalks & Paths Detail	Proposed Capital Expense FY27	Planned Capital Program FY27-31			
		FY28	FY29	FY30	FY31
Route 15 Path - Orleans Rd to Circ	\$ 127,667	\$ 127,667	\$ 127,668	\$ 750,000	\$ 750,000
ADA Improvements	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Susie Wilson Rd - Rite Aid to Pearl St Park	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ -
Susie Wilson Rd - Circ 2 Updates, Design	\$ -	\$ -	\$ 40,000	\$ -	\$ -
General Sidewalks & Paths	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Total Sidewalks & Paths Investments	\$ 177,667	\$ 177,667	\$ 257,668	\$ 840,000	\$ 800,000

Within this Fund is a "Bridge Reserves" account that will end FY26 with a balance of \$22,000. An annual set aside of \$2,000 in capital tax funding will occur in each year of the CBP, resulting in an ending earmark within the FY31 Ending Fund Balance of \$32,000. There are no expenditures planned out of that spending category at this time.

Specific projects planned during the CBP include:

ADA Compliance – Installation of ADA access ramps and other features where necessary to improve public safety and mobility.

Route 15 Path (Orleans Rd to Circ)- An 8 foot bike path is proposed along this section of roadway, with engineering work to be complete in FY29. The majority of expenses in this Fund are associated with construction of this project, planned to begin in FY30.

Susie Wilson Rd (Rite Aid to Pearl St) – A bike path has been preliminarily designed along this section of Susie Wilson Rd. Concerns over the path’s proximity to a neighboring wetland area will require additional design consideration, and funding is provided to complete all engineering, permitting, and any necessary right-of-way acquisition within the CBP.

Susie Wilson Corridor Improvements – Improvements for both vehicle and pedestrian traffic along with high-volume roadway with multiple crossings are planned.

General Sidewalks and Paths– These funds are set aside for basic repairs and upgrades of the existing sidewalk and path networks, and are often used to demonstrate available grant match to potential funding agencies.

G. Stormwater

This funding area supports the scoping, design, and construction of stormwater treatment practices, drainage upgrades, and projects associated with regulatory compliance within impaired waterways in Essex. The tables below present a financial summary of this funding area, as well as information about which specific projects are proposed for implementation within this CBP.

Table 15: Stormwater, Financial Summary

FY27-31 Capital Budget Stormwater Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 297,666	\$ 273,166	\$ 145,500	\$ 23,834	\$ 28,550
Program Funding	\$ 115,000	\$ 138,834	\$ 144,334	\$ 90,216	\$ 90,000
Other Funding	\$ 130,500	\$ 588,500	\$ 589,000	\$ 19,500	\$ 20,000
Expenditures	\$ (270,000)	\$ (855,000)	\$ (855,000)	\$ (105,000)	\$ (105,000)
Ending Fund Balance	\$ 273,166	\$ 145,500	\$ 23,834	\$ 28,550	\$ 33,550

Table 16: Stormwater, Project Details

FY27-31 Capital Budget Stormwater Detail	Proposed Capital Expense FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
General drainage improvements	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Regulatory Compliance projects	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Reserved Grant Match for Pinecrest Culvert Rehab	\$ 15,000				
Osgood Hill Culvert Improvements	\$ 150,000	\$ 750,000	\$ 750,000		
Total Stormwater Investments	\$ 270,000	\$ 855,000	\$ 855,000	\$ 105,000	\$ 105,000

Drainage improvements: These projects are aimed to reduce erosion from municipal roadways, and include upgrades to roadside ditches, stabilization of roadway shoulders, culverts, and drainage inlets/outlets, and upsizing of culverts to meet state standards.

Regulatory Compliance: The Town is responsible for completing a number of water quality projects associated with achieving regulatory compliance within impaired waterways (Sunderland Brook and Indian Brook), as well as the development of a program to meet National Pollution Discharge Elimination System (NPDES) Phase II requirements.

LDS Storm Pond Conversion: This project, involving the construction of an underground stormwater treatment facility near Essex Way to meet NPDES requirements, began in FY25 and will be completed in FY26.

Osgood Hill Road Culvert Replacements: Funds are programmed into FY27 for design work to upsize roadway culverts that have failed during recent storms. Construction is currently planned for FY28-29.

H. IT

This reserve fund supports scheduled replacements for IT and communications related equipment. This includes hardware and software as well as access control (keypad technology), security video recording systems, servers, switches, firewall, and power supplies.

Table 17: IT, Financial Summary

FY27-31 Capital Budget IT Financial Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 78,501	\$ 78,501	\$ 67,501	\$ 56,501	\$ 38,501
Program Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Other Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures	\$ -	\$ (11,000)	\$ (11,000)	\$ (18,000)	\$ -
Ending Fund Balance	\$ 78,501	\$ 67,501	\$ 56,501	\$ 38,501	\$ 38,501

Table 18: IT, Project Details

FY27-31 Capital Budget IT Detail	Proposed Capital Expense FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Access Control, Fire & Rec	\$ -	\$ 11,000	\$ -	\$ -	\$ -
Rec Pool Access Control	\$ -	\$ -	\$ 11,000	\$ -	\$ -
Town Office, Access Control	\$ -	\$ -	\$ -	\$ 18,000	

IT Projects proposed within the CBP include:

Fire and Rec Garage Access Control: This project involves replacing the keypad entry and network video recording systems at the Fire Station and the Parks Maintenance Garage at 188 Sandhill Road.

Rec Pool Access Control: This project involves replacing the keypad entry and network video recording systems at the Sandhill Pool facility at 208 Sandhill Road.

Town Offices Access Control: This project involves replacing the keypad entry and network video recording systems at the Town Office complex at 81 Main St.

I. Natural Resource Management

This program provides funding for tree installations within public rights-of-way and provides for replacement of trees that are damaged by pests or disease. Trees are observed regularly by Parks & Recreation and Public Works staff and replaced as needed, so there are no specific project locations associated with future year spending available at this time. To maintain a Tree City USA certification, the Town needs to demonstrate we are spending \$2 per capita between capital and operating expenses. With the 2020 census indicating the Town’s population to be 11,504, this is an annual investment of \$23,008. This amount is programmed into the capital budget for the next five years.

Table 19: Natural Resource Management, Financial Summary

FY27-31 Capital Budget Nat Resources Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 6,944	\$ 11,544	\$ 16,144	\$ 20,744	\$ 25,344
Program Funding	\$ 23,008	\$ 23,008	\$ 23,008	\$ 23,008	\$ 23,008
Other Funding	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600
Tree Replacement, General	\$ (23,008)	\$ (23,008)	\$ (23,008)	\$ (23,008)	\$ (23,008)
Ending Fund Balance	\$ 11,544	\$ 16,144	\$ 20,744	\$ 25,344	\$ 29,944

J. Undesignated Reserves

The Town has a practice of keeping 30-35% of funds within the overall Capital Program Budget, approximately \$1 million, reserved as undesignated. This allows the CBP to still be implemented in any given year even if project or vehicle purchases are higher than planned for within an individual funding area. Undesignated funds are also sometimes used to demonstrate grant match availability for capital projects, where the individual fund may not have the reserves to do so. Interest earned on invested capital funds is assigned to this undesignated fund as its sole source of revenue, and instead of expenditures, funds are “transferred out” to individual funds on an as-needed basis. These transfers would be included in any receiving fund’s “other funding sources” as shown within that fund’s financial summary. Table 19 below provides a financial summary of the Town’s undesignated capital funds within the 5 year CBP.

Table 20: Undesignated Funds, Financial Summary

FY27-31 Capital Budget Undesignated Fund	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Beginning Fund Balance	\$ 995,939	\$ 924,316	\$ 874,316	\$ 899,316	\$ 924,316
Interest Revenues	\$ 32,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Other Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	\$ (103,623)	\$ (75,000)	\$ -	\$ -	\$ (43,380)
Ending Fund Balance	\$ 924,316	\$ 874,316	\$ 899,316	\$ 924,316	\$ 905,936

Additional detail by year for the “transfers out” referenced in Table 20:

FY27: \$103,623 out to Buildings, all to support the salt shed project. \$75,000 transfer in FY28 for same reason.

FY31: \$43,380 out to the Municipal Complex Fund.

Section 3.0 – Overall Capital Budget Fund Summary

Over the course of the 5 year CBP, the Town is expecting to receive revenues of \$12,468,102, and incur expenses of \$13,597,263, as shown in Table 21 below. The expected overall capital fund balance at the end of the CBP is \$2,742,680. As shown in Table 20, the amount of undesignated funds at the close of the CBP is approximately \$905,936. Due to the increase in capital tax revenues approved by voters in March of 2025, no funds are in a deficit at the close of FY31 and funds only rarely end negative during years in between.

Table 21: Overall CBP Financial Summary

FY27-31 Capital Budget Overall Summary	Proposed Capital Budget FY27	Planned Capital Program FY28-31			
		FY28	FY29	FY30	FY31
Starting Fund Balance	\$ 3,871,841	\$ 2,930,732	\$ 2,990,888	\$ 3,123,700	\$ 2,733,802
Revenues	\$ 2,604,916	\$ 2,337,993	\$ 2,358,859	\$ 2,329,610	\$ 2,836,724
Expenses	\$ (3,546,025)	\$ (2,277,837)	\$ (2,226,047)	\$ (2,719,508)	\$ (2,827,846)
Ending Fund Balance	\$ 2,930,732	\$ 2,990,888	\$ 3,123,700	\$ 2,733,802	\$ 2,742,680

Appendix

Table or Figure #	Title	Page
Table 1	FY27 Anticipated Revenues	4
Table 2	FY27 Planned Expenses	5
Table 3	Buildings, Financial Summary	7
Table 4	Buildings, Detail	8
Table 5	Municipal Complex, Financial Summary	11
Table 6	Municipal Complex, Detail	11
Table 7	Highways, Financial Summary	12
Table 8	Highways, Project Details	13
Table 9	Capital Equipment, Financial Summary	15
Table 10	Capital Equipment, Purchase Details	16
Table 11	Parks, Financial Summary	17
Table 12	Parks, Project Details	18
Table 13	Sidewalks, Paths & Trails, Financial Summary	19
Table 14	Sidewalks, Paths & Trails, Project Details	19
Table 15	Stormwater, Financial Summary	21
Table 16	Stormwater, Project Details	21
Table 17	IT, Financial Summary	22
Table 18	IT, Project Details	22
Table 19	Natural Resource Management, Financial Summary	23
Table 20	Undesignated Funds, Financial Summary	24
Table 21	Overall CBP Financial Summary	25
Figure 1	Five Year Roadway Paving Plan	13