Capital Planning: Small Town Incremental Approach

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Capital planning isn't just for large municipalities with big budgets. Regardless of your size, it is a practical way to look ahead, prioritize needs, and avoid costly surprises. Roads, bridges, buildings, vehicles, water systems, and other public assets eventually need major repairs or replacement. A capital plan helps local officials anticipate those expenses, make thoughtful choices about timing and funding, and communicate those choices to residents. Even the smallest town benefits from knowing what is coming. Simply put, capital planning turns large, predictable expenses from future emergencies into manageable decisions.

With this thinking in mind, VLCT has developed a set of simple, paper-friendly tools to help small Vermont towns get started with capital improvement planning and capital budgeting. The tools are designed to make the process manageable and easy to fit into a town's existing work.

Members now have access to three short forms (linked under "Documents"):

- **General Fund Capital Improvement Intake Form** – for buildings, facilities, technology, and other non-highway capital needs.
- **Highway Infrastructure Capital Improvement Intake Form** – for paving, bridges and culverts, major facility work, and other highway infrastructure.
- **Highway Vehicle & Equipment Replacement Planning Form** – for plow trucks, graders, loaders, and other highway equipment that needs to be replaced on a regular cycle.

The forms help town staff collect the basic information needed for capital planning. Treasurers, town administrators, highway supervisors, and department heads can use them to:

- Describe a project or equipment need.
- Explain why it is needed.
- Estimate when the work or purchase should happen.

- Estimate the cost.
- Identify possible funding sources.

The forms are designed for everyday use. They fit easily on a clipboard or in a three-ring binder and can be scanned for digital recordkeeping.

VLCT has also created a **Gantt-style schedule** (linked) to help towns turn this information into a capital budget. Instead of asking a Selectboard to complete the process all at once, the schedule breaks the work into short, 15-minute segments that can be added to regular Selectboard meetings.

Over about four months and six Selectboard meetings, the modules guide a town through:

- Gathering and reviewing existing inventories.
- Developing a Highway Vehicle & Equipment Replacement Plan.
- Identifying upcoming capital needs.
- Preparing simple capital improvement plans for buildings, facilities, and roads.

Together, the forms and schedule, provide a practical way for small Vermont towns to create their first capital budget. Towns can work through the process a little at a time, using their regular Selectboard meetings – without special software or additional meetings.

VLCT has a robust list of resources to help with capital planning. Whether your municipality is just thinking about it or is ready to take it to the next level, we are here to help. And as always, if you need a human to help you navigate, don't hesitate to ask us! Email the Municipal Operations Support Team: mos@vlct.org.

Disclaimer: This resource was created by Municipal Operations Support (MOS) staff of non-legal professionals with expertise of the subject matter. It is only intended to provide information and does **NOT** constitute legal advice. Readers with legal questions are encouraged to contact an attorney. The use or downloading of this resource does **NOT** create an attorney-client relationship and will not be treated in a confidential manner. Non-legal questions about this resource can be directed to MOS staff at mos@vlct.org.

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