

Sticker Shock: Truro’s Capital Plan Skyrockets to \$66 Million Over 5 Years

A **Capital Improvement Plan (CIP)** is a long-term roadmap, typically spanning 5 years, that helps a town determine which major projects are most important and how they will be funded. Unlike the yearly budget, which covers everyday costs like salaries, a CIP focuses on "big ticket" items. These are items that are typically very expensive, costing many thousands or even millions of dollars, and last a long time (from 5 to over 50 years), and aren't purchased very often. Think of it as planning for major investments rather than daily expenses.

Common examples of these big projects include building or renovating buildings; fixing roads and bridges; upgrading water-related systems; or buying essential equipment like fire trucks. A well-made CIP isn't just a wish list; it's a smart document that connects a town's long-term goals to real projects. It ensures that money is spent wisely to meet the community's needs now and well into the future.

Truro’s CIP plan can be found in several places: the printed Warrant in the appendix, and the Digital Budget Book <https://town-truro-ma-budget-book.cleargov.com/18922/budget-overview/capital-improvement-plan> under the Budget Overview Tab.

The report heading format is shown below:

PROJECTED CAPITAL NEEDS		Funding Proposals - 03.20.2025					Anticipated Budget Cycle				
Department:	Item or Project Descriptions:	FY '26	Grants	R & A	Cap Stab	Free Cash	Authorization/ Reauthorize	FY '27	FY '28	FY '29	FY '30

Department – who is requesting the Capital

Projected Capital Needs – Brief description of the need

Funding Proposal – How the Town hopes to pay for it – the options are:

- Grants
- R&A – Raise and Appropriate; Found in the in Operating Budget
- Cap Stab – Funds come from the Capital Stabilization Fund (rainy day fund)
- Free Cash (recent budget surpluses)
- Authorization/Reauthorization – Previously authorized, borrowed but not spent funds
- Anticipated Budget Cycle – what year over the next 5 years is the Capital needed

Truro CIP Plan

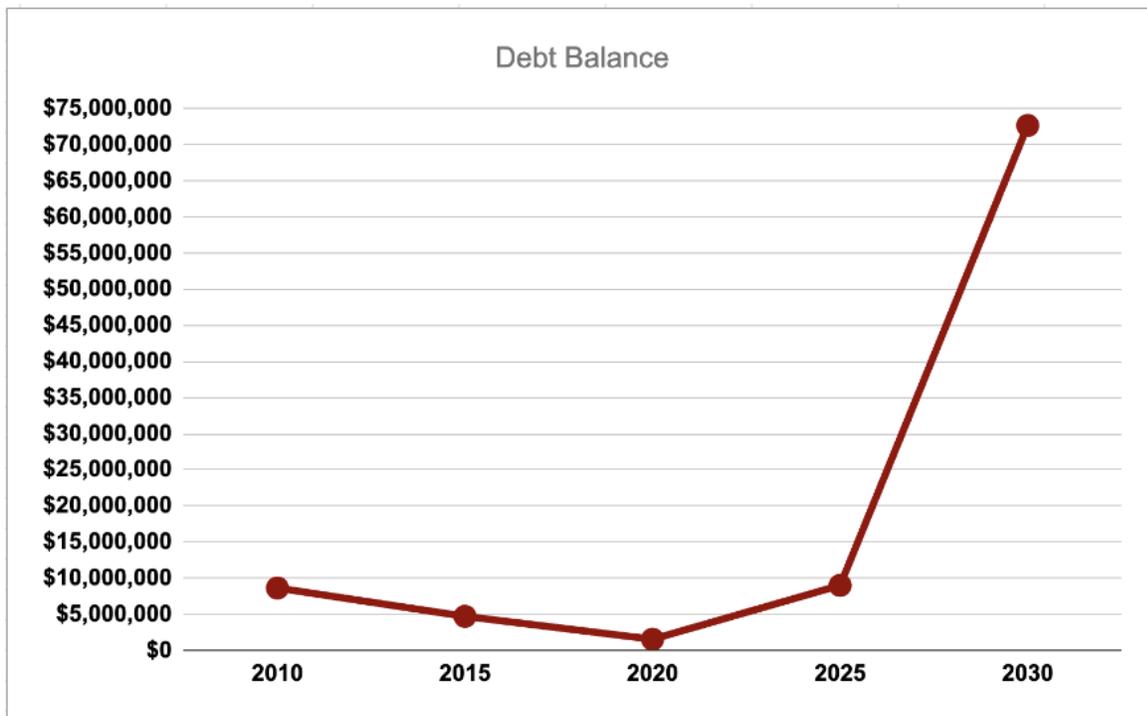
In the May 2025 Warrant, we have the following:

	Total	Grants	R&A	Cap Stab	Free Cash	Authorization/ Reauthorization
FY26	\$ 5,514,417	\$ 521,520	\$ 497,897	\$ -	\$ 845,000	\$ 3,650,000
FY27	\$ 37,707,250	n/a	n/a	n/a	n/a	n/a
FY28	\$ 20,063,000	n/a	n/a	n/a	n/a	n/a
FY29	\$ 1,235,000	n/a	n/a	n/a	n/a	n/a
FY30	\$ 1,747,000	n/a	n/a	n/a	n/a	n/a
Total	\$ 66,266,667	n/a	n/a	n/a	n/a	n/a

Over the next 5 years, we expect to need **\$66 million for capital projects**, which is double our entire town's operating budget. And even that huge number doesn't cover everything. We still have no funds for critical infrastructure like the Walsh project, the Truro Motor Inn, or dealing with nitrogen pollution from stormwater or wastewater.

To put this in perspective the prior 5-year period, FY21-FY25 had a CIP totaling \$3,730,000 for all 5 years! The 5 years before that, FY16-FY2020 had a CIP totaling \$5,098,000. **The projected next 5-year plan of \$66.3 million is more than 15 times the average of the two prior 5-year periods of \$4.4 million.**

Below is a graph depicting the huge increase in capital spending that town leadership projects asking for voter authorization.



Actual and Projected Debt Balance

Facing Truro's Big Capital Choices

We are facing immense capital needs in Truro, and we cannot fund every project. A consistent challenge highlighted in past Capital Improvement Plan (CIP) reports has been accurately predicting our town's long-term capital needs beyond a single year. This isn't the fault of the process or the dedicated individuals, but rather the inherent difficulty of forecasting. As a result, our 5-year projections consistently shift, and I expect capital needs for Fiscal Years 2028, 2029, and 2030 to increase even further.

You can find support for this on the Local Comprehensive Plan Committee webpage (<https://www.truro-ma.gov/local-comprehensive-plan-committee>).

Their Draft Capital Facilities Plan

(https://www.truro-ma.gov/sites/g/files/vyhlf9766/f/uploads/draft_capital_facilities_plans.pdf) includes many capital projects not in our current 5-year CIP, often simply because a 'valid estimate' isn't yet available, despite the projects being real.

In a future article, we'll next shift our focus to the crucial question of how we can fund these capital projects.

-Michael Forgione