

# FY17-22 GF Capital Budget Recommendation

---

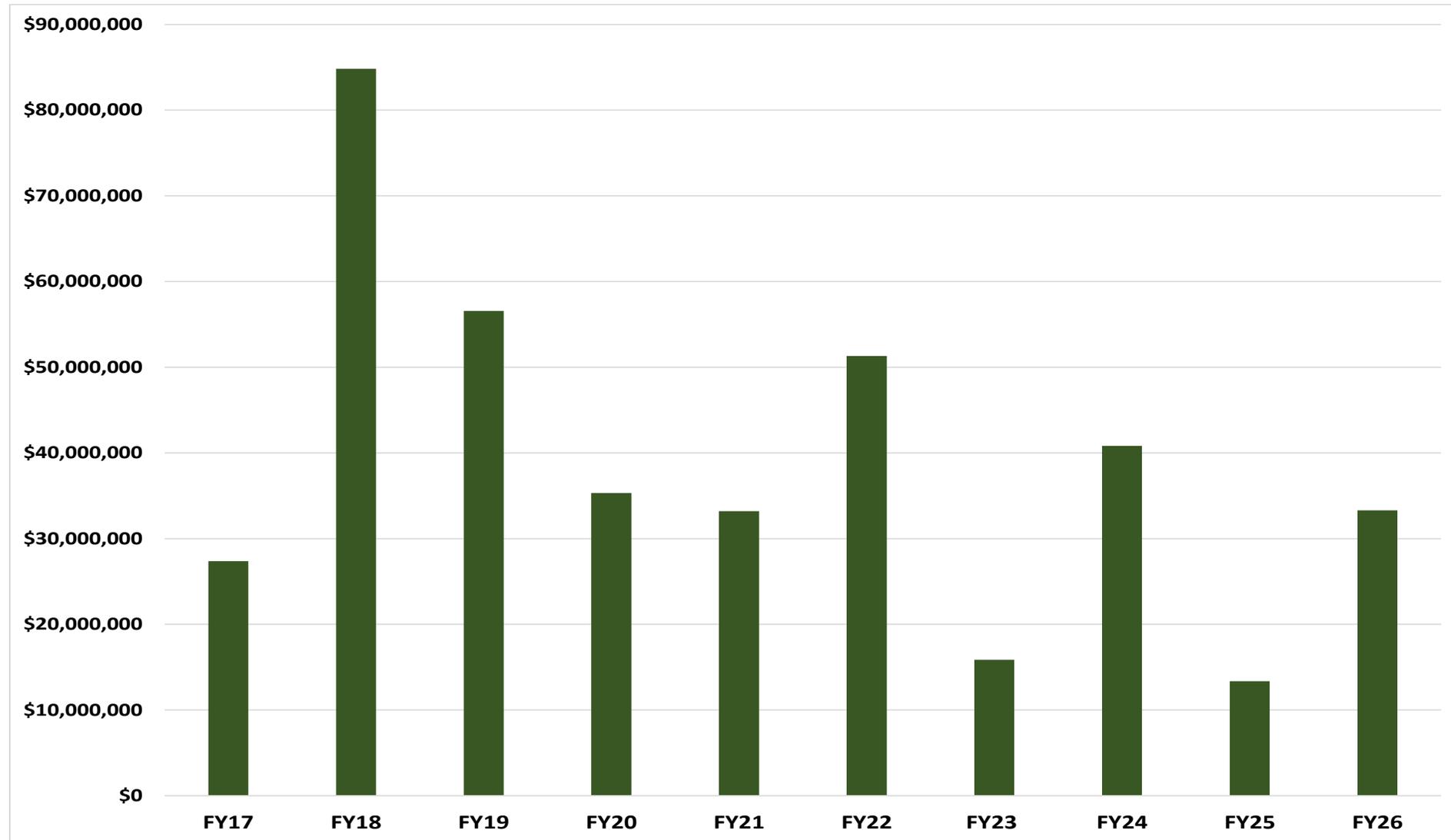
2016

Annual Town Meeting

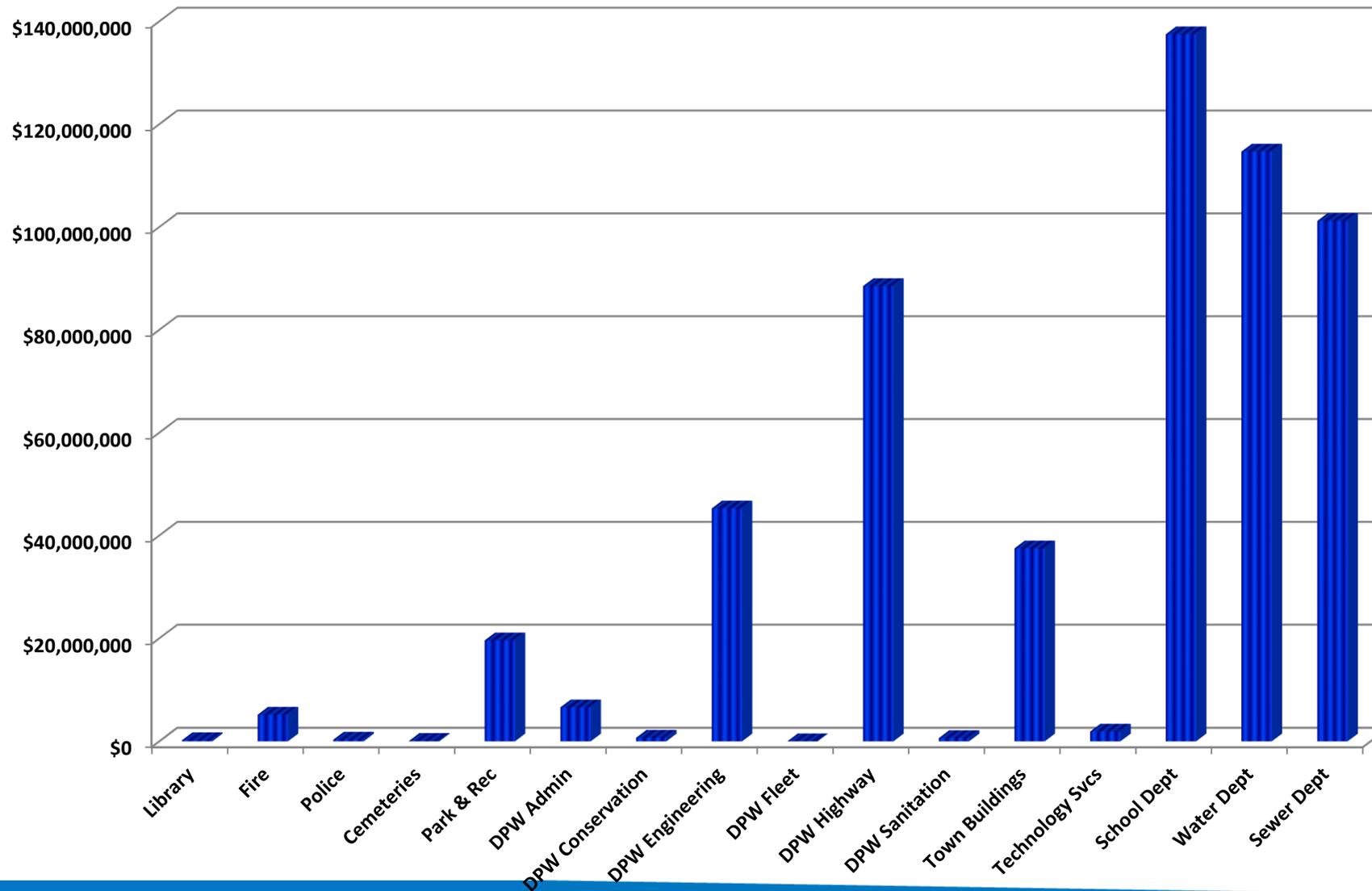
# Decision-making Metrics

- Impact of the debt service on operating budget - 5 year look
  - Property tax levy cap and impact of residential tax bills
- Management capacity to complete projects promptly
  - Current backlog of approved projects not completed
  - Risks if project/purchase deferred to subsequent year
- Ability to obtain alternative sources of funding (grants, *no* interest loans, TELP)

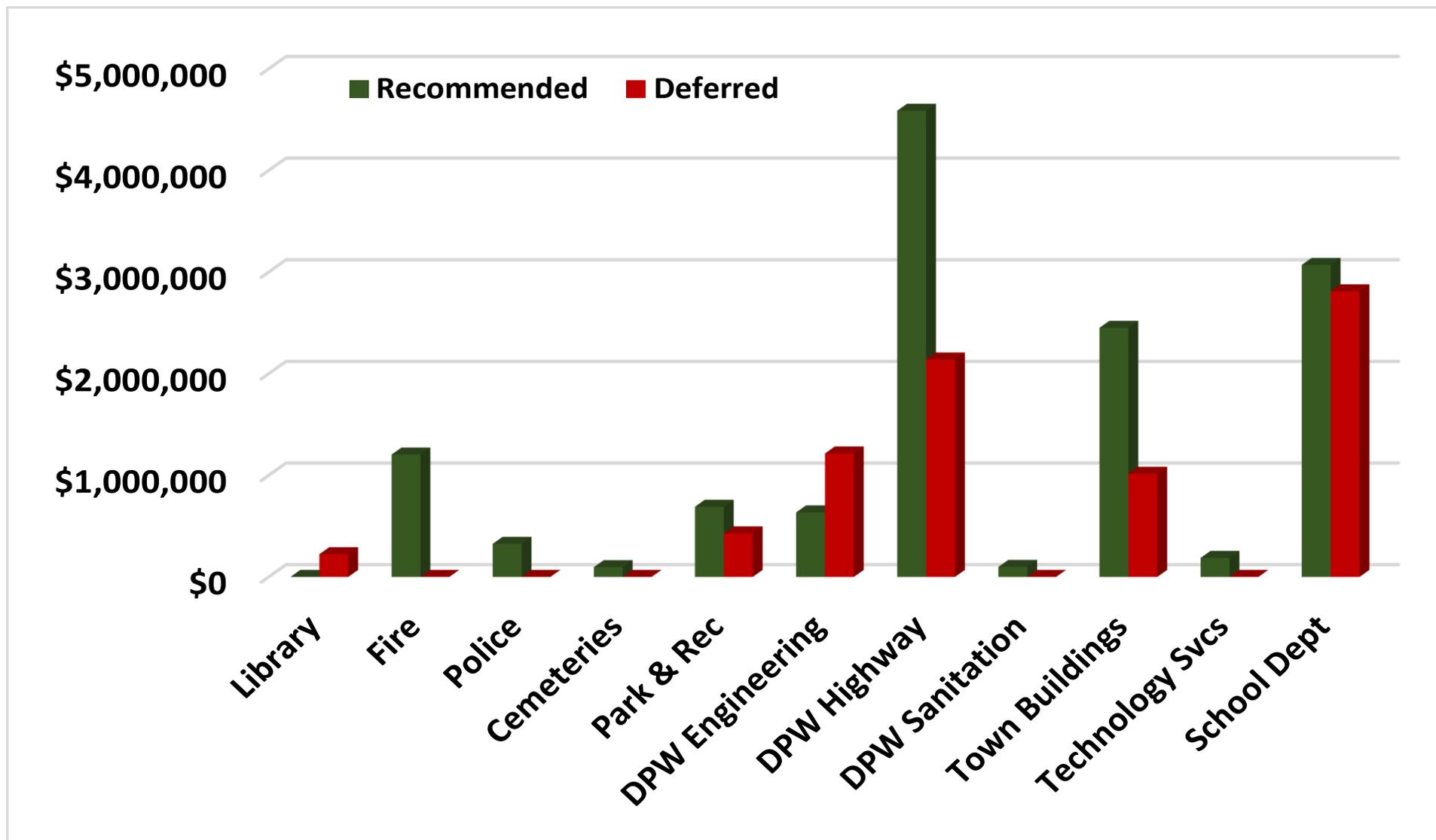
# Capital Requests by Fiscal Year (w/o new school)



# Total Requests by Department FY16-25 (10 Years)



# FY17 Recommended/Deferred by Dept



# FY17 Recomm/Defer by Dept

Department	Requested	Recommended	Deferred	% Rec	% Def
Library	\$223,403	\$0	\$223,403	0%	100%
Fire	\$1,203,715	\$1,203,715	\$0	100%	0%
Police	\$325,687	\$325,687	\$0	100%	0%
Cemeteries	\$95,925	\$95,925	\$0	100%	0%
Park & Rec	\$1,118,794	\$690,800	\$427,994	62%	38%
DPW Engineering	\$1,850,000	\$635,000	\$1,215,000	34%	66%
DPW Highway	\$6,726,552	\$4,586,974	\$2,139,578	68%	32%
DPW Sanitation	\$98,466	\$98,466	\$0	100%	0%
Town Buildings	\$3,216,386	\$2,451,041	\$1,015,345	76%	32%
Technology Svcs	\$187,000	\$187,000	\$0	100%	0%
School Dept	\$5,880,000	\$3,070,000	\$2,810,000	52%	48%
<b>Total General Fund</b>	<b>\$20,925,928</b>	<b>\$13,344,608</b>	<b>\$7,831,320</b>	<b>64%</b>	<b>37%</b>

# Notable Recommendations

- Memorial Bldg - design of envelope, roof and compliance project (\$482,000)
- Fire Station 5 Repairs (\$555,292)
- Replace Fire Platform 1 (\$1.2M)
- Roadway Improvements (\$4.2M)
- Skate Park Construction (\$400K)
- School Technology Upgrades (\$1M)
- Stapleton School Paving/Site Work (\$1.4M)

# Notable Deferrals

---

- Library Costin Room (\$223K)
- Callahan Senior Center (\$1M)
- Stormwater Master Plan (\$450K)
- Roadway Improvements (\$1.8M)
- Annual Traffic Calming (\$200K)
- Stapleton School Masonry Repointing (\$1M)
- School HVAC (\$900K)

# Debt Service

- The annual amounts needed to “pay down” the bonds
  - aka Loan payments
- This is an operating budget expense
  - Competes with other budget priorities like police, school, fire, DPW, Park & Rec and Economic Development
  - Impacts our ability to manage the increase in the tax levy

# Debt Service Impact

## FY2017-2022 General Fund Debt Service Impact (FY18 School excluded)

General Fund	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
General Fund Estimated Revenue	\$ 263,932,315	\$ 270,740,769	\$ 279,510,213	\$ 288,587,732	\$ 296,860,680	\$ 306,657,082
Debt Service Policy Limit of 5%	\$ 13,196,616	\$ 13,537,038	\$ 13,975,511	\$ 14,429,387	\$ 14,843,034	\$ 15,332,854
Existing General Fund Debt Service Total	\$ 12,912,044	\$ 11,410,206	\$ 9,846,373	\$ 8,050,568	\$ 5,622,522	\$ 4,910,434
Authorized but Unissued Total	\$ 418,136	\$ 3,182,356	\$ 3,067,754	\$ 3,185,896	\$ 3,083,728	\$ 2,987,923
<b>Total Debt Service on Existing General Fund Debt</b>	<b>\$ 13,330,180</b>	<b>\$14,592,562</b>	<b>\$12,914,127</b>	<b>\$ 11,236,464</b>	<b>\$ 8,706,250</b>	<b>\$ 7,898,357</b>
LESS State Debt Service Reimbursements	\$ (2,510,995)	\$ (2,510,995)	\$ (2,129,671)	\$ (2,129,671)	\$ (2,129,671)	\$ (2,129,667)
<b>Net Available Debt Service</b>	<b>\$ 10,819,185</b>	<b>\$12,081,567</b>	<b>\$10,784,456</b>	<b>\$ 9,106,793</b>	<b>\$ 6,576,579</b>	<b>\$ 7,898,357</b>
Debt Service for FY2017 Capital Budget Projects	\$ 209,160	\$ 1,224,814	\$ 1,237,284	\$ 1,203,398	\$ 1,171,743	\$ 1,140,089
Debt Service for FY2018 Capital Plan Projects*		\$ 656,879	\$ 3,714,049	\$ 3,536,425	\$ 3,447,617	\$ 3,358,802
Debt Service for FY2019 Capital Plan Projects*			\$ 900,706	\$ 5,240,813	\$ 4,972,544	\$ 4,838,407
Debt Service for FY2020 Capital Plan Projects*				\$ 706,564	\$ 4,098,172	\$ 3,883,365
Debt Service for FY2021 Capital Plan Projects*					\$ 664,254	\$ 3,398,789
Debt Service for FY2022 Capital Plan Projects*						\$ 795,532
<b>Subtotal Future Debt Service:</b>	<b>\$ 209,160</b>	<b>\$ 1,881,693</b>	<b>\$ 5,852,039</b>	<b>\$ 10,687,200</b>	<b>\$ 14,354,330</b>	<b>\$ 16,619,452</b>
<b>New (Gross) Debt Service</b>	<b>\$ 13,539,340</b>	<b>\$16,474,255</b>	<b>\$18,766,166</b>	<b>\$ 21,923,664</b>	<b>\$ 23,060,580</b>	<b>\$ 24,517,809</b>
LESS State Debt Service Reimbursements	\$ (2,510,995)	\$ (2,510,995)	\$ (2,129,671)	\$ (2,129,671)	\$ (2,129,671)	\$ -
<b>Net Debt Service Calculation for Policy Limit</b>	<b>\$ 11,028,345</b>	<b>\$13,963,260</b>	<b>\$16,636,495</b>	<b>\$ 19,793,993</b>	<b>\$ 20,930,909</b>	<b>\$ 24,517,809</b>
Percentage of Operating Budget	4.2%	5.2%	6.0%	6.9%	7.1%	8.0%

\*Assumes most projects requested in FY18 to FY22 are authorized and debt service is calculated. Each year is evaluated as they are authorized and reduced by vote of Town Meeting to not exceed available budget. Assumes MA School Building Authority funding for future projects.

# Near Term Debt Service Reduction

General Fund	FY17	FY18	FY19	FY20	FY21	FY22
Reduced impact on operating budget	-\$160,180	-\$1,032,701	-\$907,840	-\$885,529	-\$860,986	-\$836,443

Balance responsibility to maintain, repair, rehabilitate and improve Community assets with the financial capacity to fund such responsibility AND the financial capacity for fund ongoing departmental operations and obligations

# Capital - No Borrowing

- Archived Document Scanning: \$187,000
  - Fund from Free Cash, cannot borrow
  - Archiving historical data (older than 5 years) may be bonded
  - Archiving current data (less than 5 years) cannot be bonded
  - Intend to incorporate next three years of Archiving project via free cash allocation