

# TOWN OF MARSHFIELD STRATEGIC BUDGET/ CAPITAL PLAN



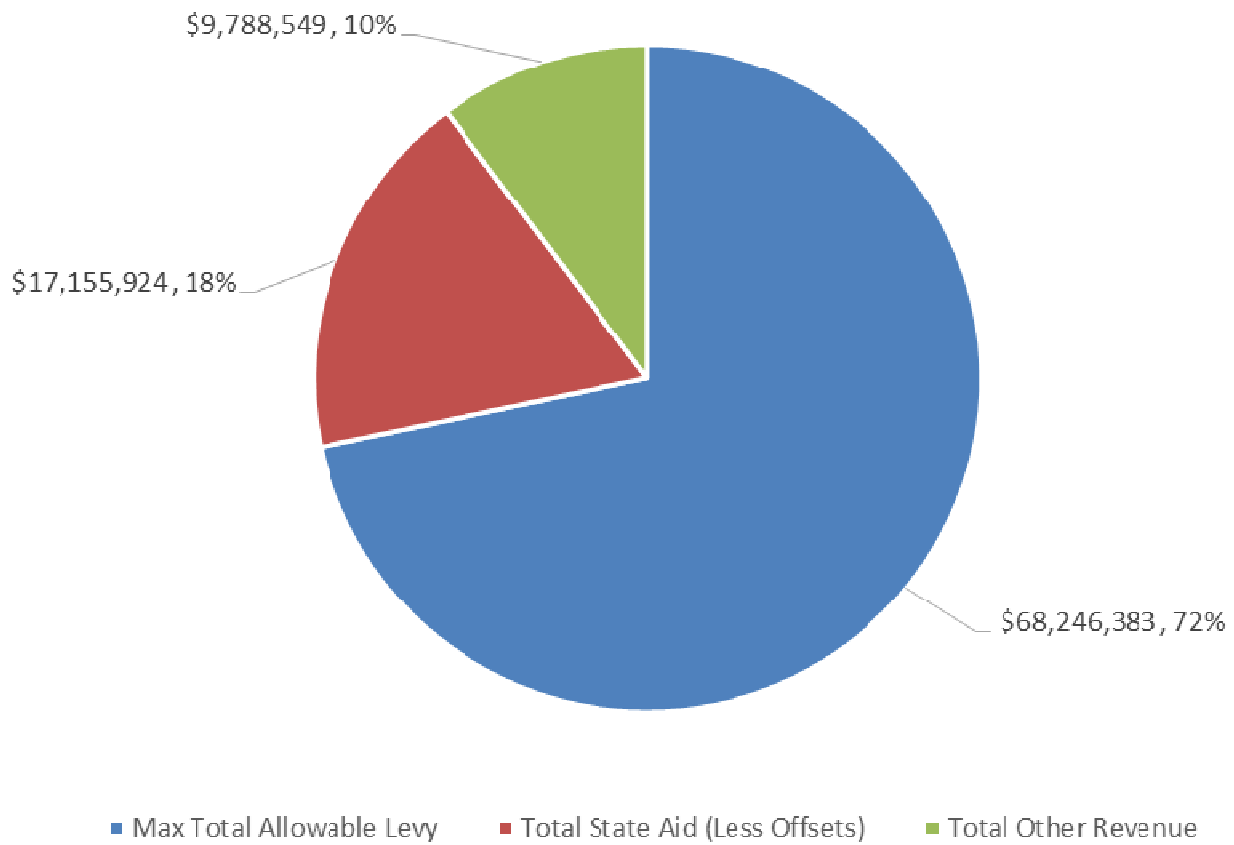
Presented by Michael A. Maresco Town Administrator

# OVERVIEW

- ▶ To present to the Board of Selectman a 3 year strategic spending plan with capital improvements
- ▶ To explain The Town's Debt Service Budgets
- ▶ To explain how borrowing impacts our Fixed Cost in our Operating Budget
- ▶ To explain the impact a debt exclusion for needed projects has on a single family home
- ▶ To present the proposed Debt Exclusion Items



### FY19 Total Budgeted Revenue

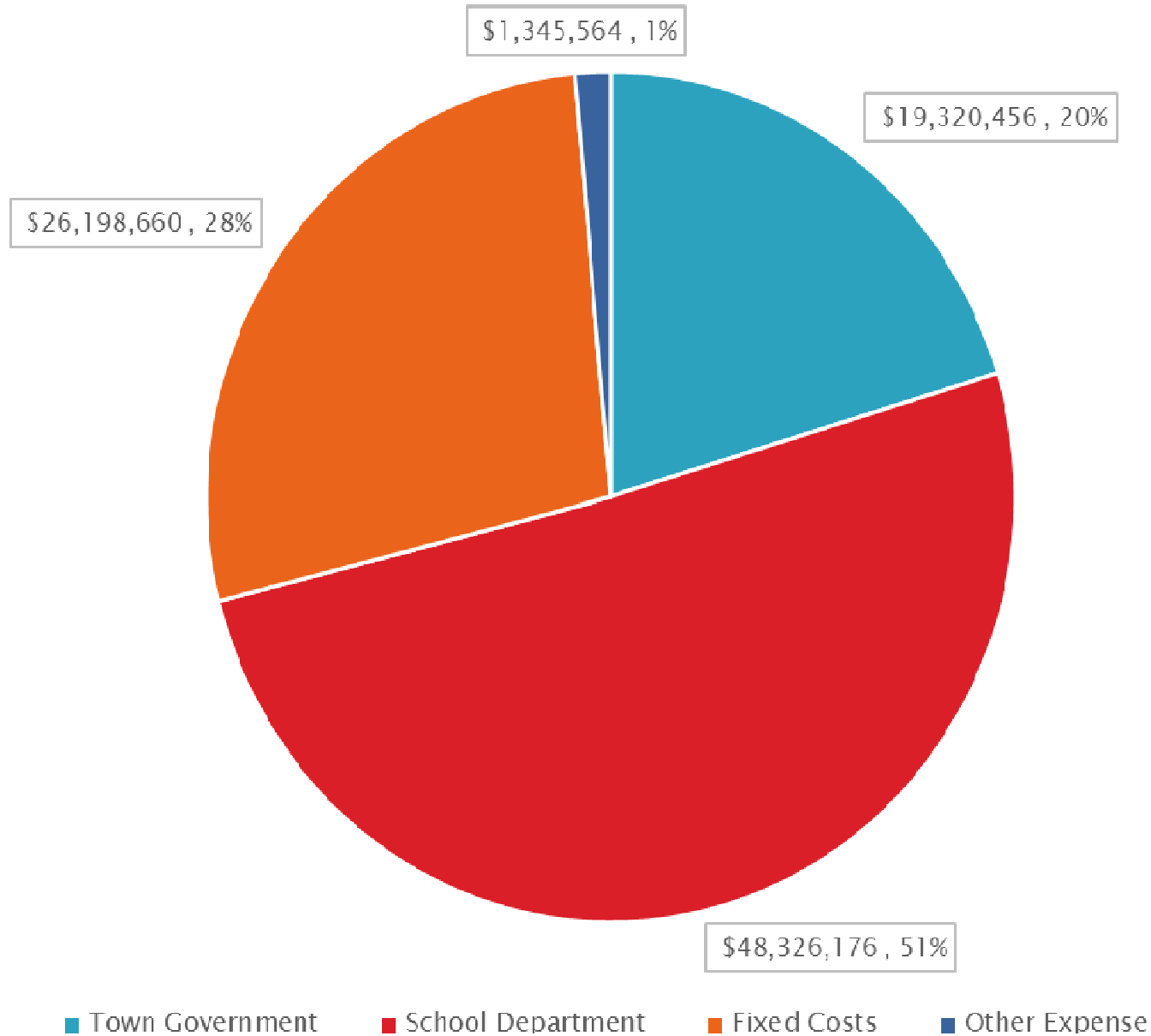


# REVENUE – 3 YEAR PROJECTION

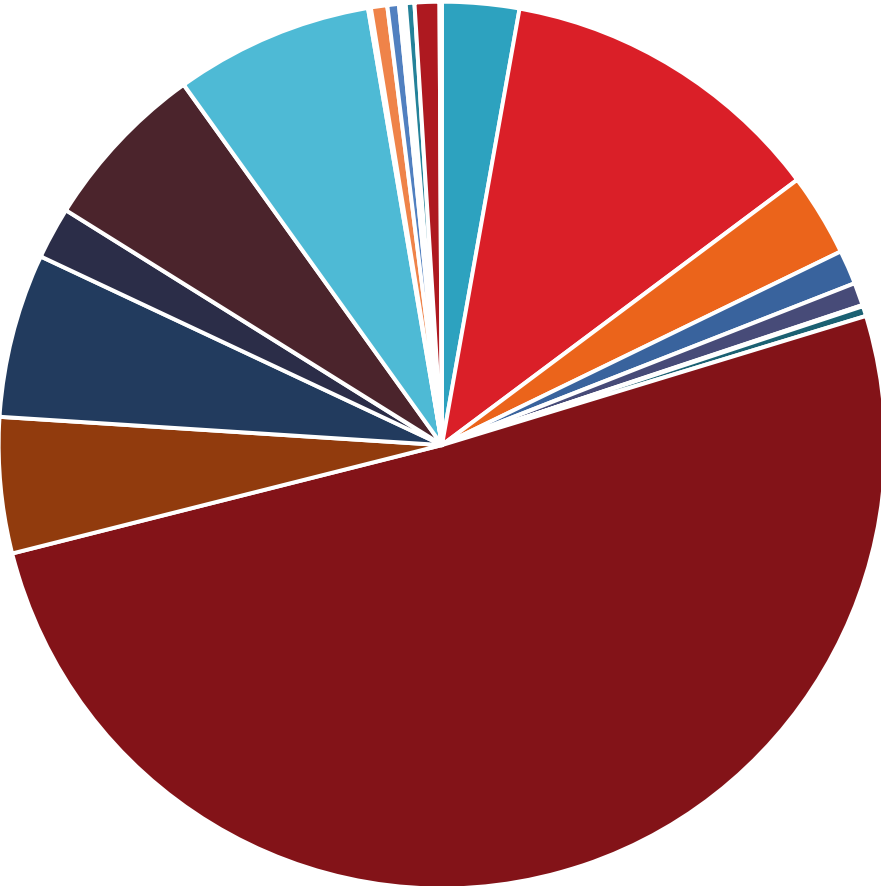
	ESTIMATED FY 20	NEW REV / EXP OVER FY 19	ESTIMATED FY 21	NEW REV / EXP OVER FY 20	ESTIMATED FY 22	NEW REV / EXP OVER FY 21
Base Tax Levy	\$ 62,800,714.50		\$ 64,870,732.36		\$ 67,042,500.67	
Statutory 2 1/2 Increase	\$ 1,570,017.86		\$ 1,621,768.31		\$ 1,676,062.52	
New Growth	\$ 500,000.00		\$ 550,000.00		\$ 550,000.00	
<b>Levy Limit</b>	<b>\$ 64,870,732.36</b>	<b>2,070,018</b>	<b>\$ 67,042,500.67</b>	<b>2,171,768</b>	<b>\$ 69,268,563.19</b>	<b>2,226,063</b>
FB/Martinson & MHS Debt Exclusion	\$ 5,365,593.50	(80,075)	\$ 5,149,707.00	(215,887)	\$ 5,386,125.00	236,418
<b>Max Total Allowable Levy</b>	<b>\$ 70,236,325.86</b>	<b>1,989,943</b>	<b>\$ 72,192,207.67</b>	<b>1,955,882</b>	<b>\$ 74,654,688.19</b>	<b>2,462,481</b>
State Aid	\$ 17,377,983.24	172,059	\$ 17,551,763.07	173,780	\$ 17,727,280.70	175,518
Less Offsets	\$ (50,000.00)		\$ (54,000.00)	(4,000)	\$ (57,000.00)	(3,000)
<b>Total State Aid (Less Offsets)</b>	<b>\$ 17,327,983.24</b>	<b>172,059</b>	<b>\$ 17,497,763.07</b>	<b>169,780</b>	<b>\$ 17,670,280.70</b>	<b>172,518</b>
Local Receipts	\$ 7,150,000.00	150,000	\$ 7,300,000.00	150,000	\$ 7,450,000.00	150,000
Debt Reserve Transfer		(800,000)				
Free Cash / Old Article	\$ -		\$ -		\$ -	
MSBA Reimbursement						
Use of Reserved Bond Premium	\$ 243,902.00		\$ 243,902.00			(243,902)
Waterways	\$ 30,000.00		\$ 30,000.00		\$ 30,000.00	
Wetland Protection	\$ 20,000.00		\$ 20,000.00		\$ 20,000.00	
Licensing & Keeping of Dogs	\$ 20,000.00		\$ 20,000.00		\$ 20,000.00	
Cemetery Perpetual Care	\$ 20,000.00		\$ 20,000.00		\$ 20,000.00	
Enterprise Indirects	\$ 1,400,000.00	51,353	\$ 1,450,000.00	50,000	\$ 1,500,000.00	50,000
solar panel	\$ 175,000.00	25,000	\$ 175,000.00		\$ 200,000.00	25,000
coa state grant	\$ 49,500.00		\$ 53,000.00	3,500	\$ 55,000.00	2,000
coa gatra reimbursement	\$ 106,500.00		\$ 110,000.00	3,500	\$ 115,000.00	5,000
overlay reserve transfer					\$ 200,000.00	200,000
<b>Total Other Revenue</b>	<b>\$ 9,214,902.00</b>	<b>(573,647)</b>	<b>\$ 9,421,902.00</b>	<b>207,000</b>	<b>\$ 9,610,000.00</b>	<b>188,098</b>
						0
	<b>\$ 96,779,211.10</b>	<b>\$ 1,588,355.31</b>	<b>\$ 99,111,872.74</b>	<b>\$ 2,332,661.64</b>	<b>\$ 101,934,968.89</b>	<b>\$ 2,823,096.15</b>



## FY19 Total Budgeted Expenses



# FY19 Total Budgeted Expenses



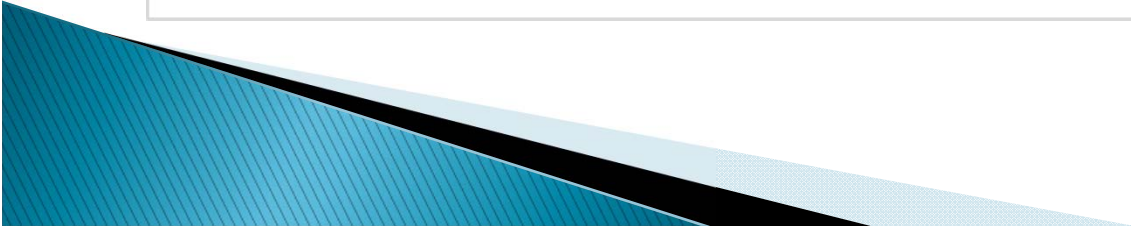
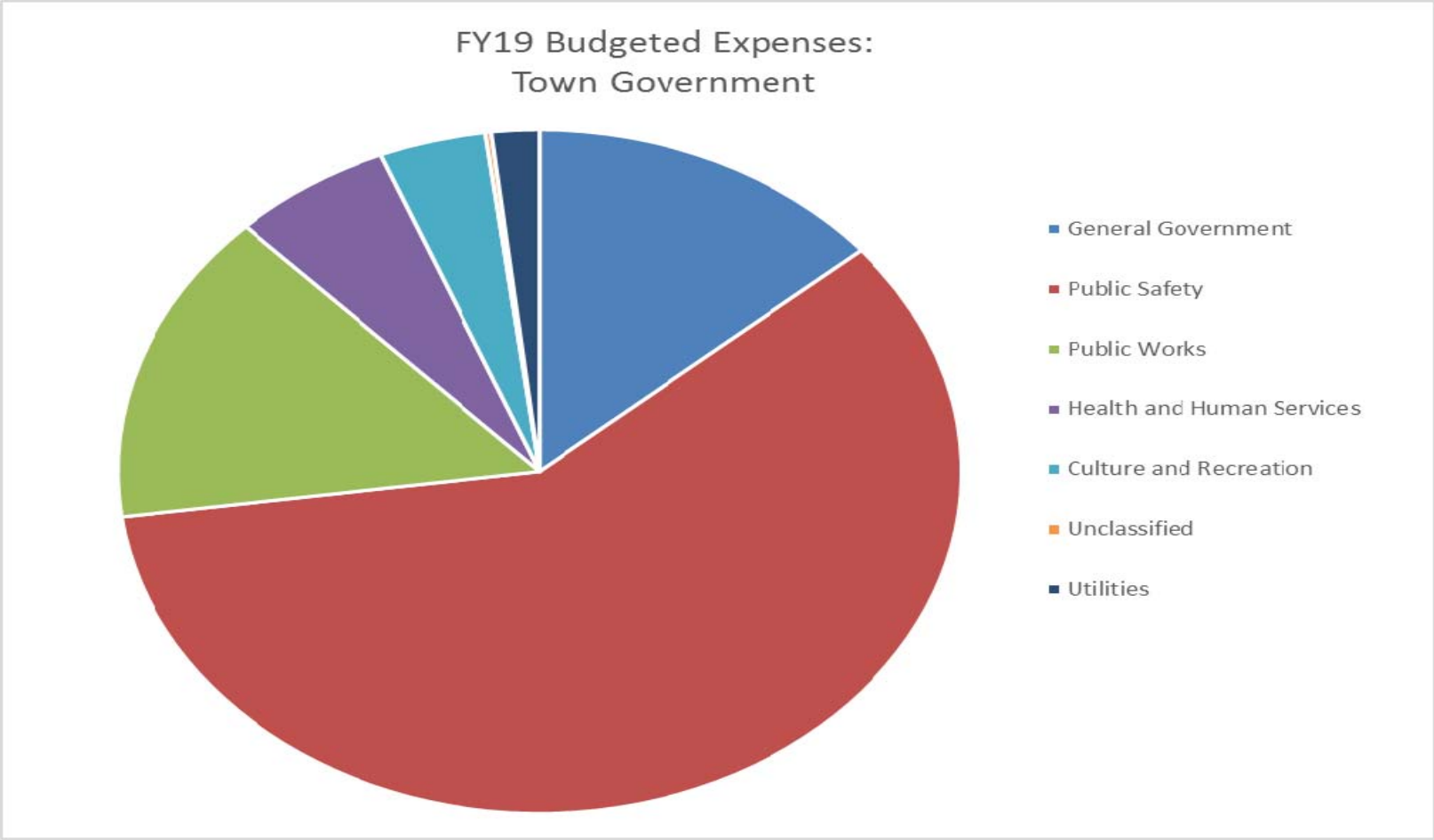
- General Government
- Health and Human Services
- Utilities
- Debt Service-Excluded
- Employee Health/Life Insurance
- Snow & Ice
- Overlay

- Public Safety
- Culture and Recreation
- School Department
- General Insurance/Medicare
- Unemployment
- Audit/OPEB/Payroll
- State & County Assessments

- Public Works
- Unclassified
- Debt Service-Non excluded
- Pension Total
- Facilities
- Reserve Fund
- Town Meeting Appropriation



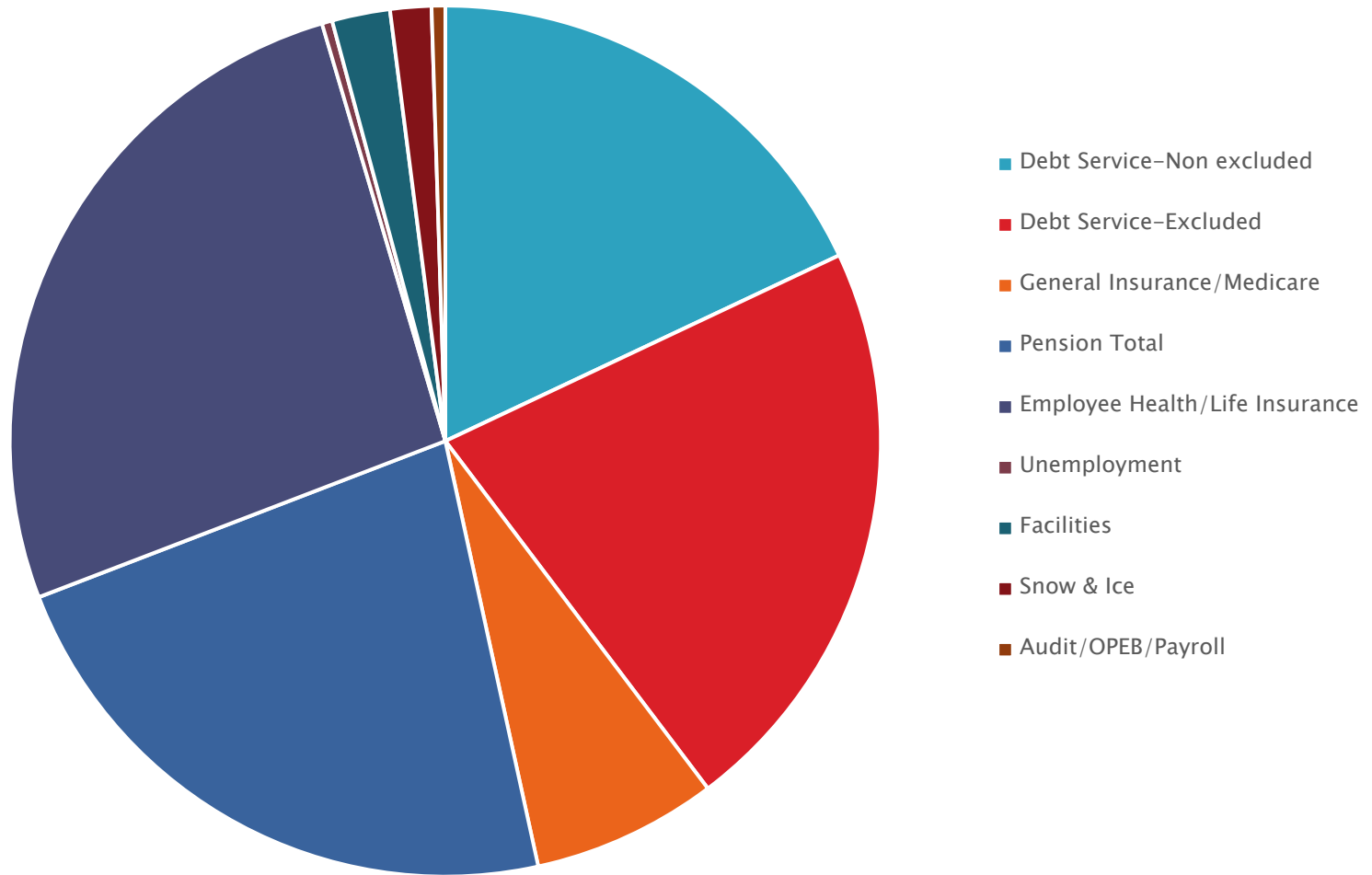
# TOWN GOVERNMENT BREAK OUT



# EXPENSE – 3 YEAR PROJECTION

Expenses	ESTIMATED FY 20	NEW REV / EXP OVER FY 19	ESTIMATED FY 21	NEW REV / EXP OVER FY 20	ESTIMATED FY 22	NEW REV / EXP OVER FY 21
<b>Town Government</b>						
General Government \$	2,745,592.72	79,969 \$	2,827,960.50	82,368 \$	2,912,799.32	84,839
Public Safety \$	11,828,772.97	413,943 \$	12,301,923.89	473,151 \$	12,794,000.84	492,077
Public Works \$	2,954,949.49	86,066 \$	3,043,597.97	88,648 \$	3,134,905.91	91,308
Health and Human Services \$	1,210,401.36	23,733 \$	1,234,609.39	24,208 \$	1,259,301.57	24,692
Culture and Recreation \$	806,579.28	15,815 \$	822,710.87	16,132 \$	839,165.08	16,454
Unclassified \$	43,000.00	\$	40,000.00	(3,000) \$	40,000.00	
Utilities \$	365,000.00	14,313 \$	365,000.00	14,313 \$	365,000.00	
<b>Totals \$</b>	<b>19,954,295.82</b>	<b>633,840 \$</b>	<b>20,635,802.62</b>	<b>697,526 \$</b>	<b>21,345,172.73</b>	<b>697,526</b>
<b>School Department</b>	<b>\$ 49,292,699.92</b>	<b>966,524 \$</b>	<b>50,278,553.92</b>	<b>985,854 \$</b>	<b>51,284,124.99</b>	<b>1,005,571</b>
Debt Service-Non excluded \$	4,037,445.70	(674,358) \$	3,719,331.15	(318,115) \$	3,294,888.49	(424,443)
Debt Service-Excluded \$	5,365,593.50	(323,977) \$	5,149,707.00	(215,887) \$	5,386,125.00	236,418
General Insurance/Medicare \$	1,891,160.25	90,055 \$	1,985,718.26	94,558 \$	2,085,004.18	99,286
Pension Total \$	6,213,751.95	295,893 \$	6,524,439.55	310,688 \$	6,850,661.52	326,222
Employee Health/Life Insurance \$	7,568,609.40	688,055 \$	8,325,470.34	756,861 \$	9,158,017.37	832,547
Unemployment \$	75,000.00	(25,000) \$	75,000.00	\$	75,000.00	
Facilities \$	564,901.00	\$	570,000.00	5,099 \$	575,000.00	5,000
Snow & Ice \$	400,000.00	\$	500,000.00	100,000 \$	500,000.00	
Audit/OPEB/Payroll \$	132,867.00	\$	140,000.00	7,133 \$	150,000.00	10,000
<b>Other Expense</b>						
Reserve Fund \$	100,000.00	\$	100,000.00	\$	100,000.00	
Overlay \$	300,000.00	\$	300,000.00	\$	300,000.00	
State & County Assessments \$	897,066.56	\$	932,949.22	35,883 \$	970,267.19	37,318
Town Meeting Appropriation Raised on Recap \$	83,000.00	\$	80,000.00	(3,000) \$	80,000.00	
<b>\$</b>	<b>96,876,391.10</b>	<b>1,685,535 \$</b>	<b>99,316,972.06</b>	<b>2,440,581 \$</b>	<b>102,154,261.48</b>	<b>2,837,289</b>
<b>Revenue-Expense Surplus/(Deficit)</b>	<b>\$ (97,180.00)</b>	<b>\$ (205,099.31)</b>	<b>\$ (219,292.59)</b>			
<b>SCHOOL REV</b>	<b>\$ 966,523.53</b>		<b>\$ 985,854.00</b>		<b>\$ 1,005,571.08</b>	
<b>TOWN REVENUE</b>	<b>\$ 633,839.82</b>		<b>\$ 697,525.81</b>		<b>\$ 697,525.81</b>	
<b>TOTAL</b>	<b>\$ 1,600,363.35</b>		<b>\$ 1,683,379.81</b>		<b>\$ 1,703,096.89</b>	
<b>SCHOOL %</b>		<b>60.394%</b>		<b>58.564%</b>		<b>59.044%</b>
<b>TOWN %</b>		<b>39.606%</b>		<b>41.436%</b>		<b>40.956%</b>

### FY19 Budgeted Expenses: Fixed Costs



# THE DEBT FACTOR

- ▶ General Fund cannot support large Projects such as seawall matches as we will present in the next slides
- ▶ Debt reduction allows operational growth
- ▶ Last year we borrowed at a net interest cost at 1.4%, this year we are expecting a 4.5% note
- ▶ Rising interest rates will cause less Brick and Mortar for projects Town wide



# FY 2019 DEBT OBLIGATION

## \$12,844,450

- ▶ This years General Fund Debt service obligation is \$4,711,804
- ▶ This years Excluded Debt is \$5,689,570
- ▶ This Years Cumulative Enterprise Fund Debt is \$2,443,076





# TOWN WIDE IMPROVEMENT STUDY

DORE & WHITTIER ARCHITECTS, INC. STUDY REPORT

August 1, 2016

The study commissioned by the Board of Selectmen did include the following buildings:

- Marshfield High School (New \$100 million dollar facility in 2014)
- Waste Water Treatment Plant (updates to plant on going)
- Furnace Brook Middle School (New \$8 million dollar Roof) and (Renovations in 1998)
- Martinson School (Renovations in 1998)
- Daniel Webster School
- Governor Winslow School
- Eames Way School
- South River School
- Seth Ventress Building (\$3,999,999 Renovation in 2009)
- Facilities Building
- DPW Highway Garage
- Town Hall
- Senior Center
- Library
- South River Fire Station (Renovations in 1989 and 2000)
- Old Main Street Fire Station (Renovations in 2004 and Floor replaced in 2018)
- Police Station
- Massasoit Fire House (Rebuilt in 2014)
- Animal Shelter (Repairs 2017-2018)
- Landscaping at Schools
- Landscaping at Town Buildings

# PROPOSAL 74 MILLION

- ▶ DPW BARN / OFFICES – 20 MILLION
- ▶ POLICE STATION – 20 MILLION
- ▶ COUNCIL ON AGING SECOND FLOOR ADDITON – 6.5 MILLION
- ▶ SEAWALLS 4 MILLION
- ▶ SCHOOL BUILDINGS 20 MILLION
- ▶ TOWN BUILDINGS 3.5 MILLION



# PROPOSAL FACTS

- ▶ SEAWALLS CAN POTENTIALLY BE MATCHED WITH FUNDING (FEDERAL / STATE REIMBURSEMENT GRANTS)
- ▶ SCHOOLS CAN BE MATCHED WITH FUNDING ( MSBA )
- ▶ ENTERPRISE FUNDS WILL OFFSET 20M EXPENSE BY 25% (5MILLION)
- ▶ RATE PAYER IMPACT OF 5M TO REDUCE OVERALL PROJECT COST
- ▶ \$133K PER YEAR IMPACT TO ENTERPRISE FUNDS ( NO ISSUE )
- ▶ BOND PREMIUM WILL BE USED TO OFFSET TOTAL COST EXPENDITURE (1.5M CONSERVATIVE ESTIMATE)
- ▶ Construction Cost Go up 7% a year taking away from Brick and Mortar needs

HIGHSCHOOL	\$ 3,811,125.00
FBM ROOF	\$ 597,400.00
PROPOSAL	\$ 5,365,683.00
YEAR ONE	
ACTUAL AMOUNT ON TAXES	\$ 9,774,208.00

# PROPOSAL FACTS CONTINUED

- ▶ VALUE OF A SINGLE FAMILY HOUSE IS APPX 408,000
- ▶ THE RECOMMENDATION FROM THE TOWN ADMINISTRATOR AND SUPPORTED BY TOWN TREASURER AS WELL AS THE TOWNS FINANCIAL ADVISORS IS A 30- YEAR DEBT EXCLUSION
- ▶ THE SCHOOL DEBT EXCLUSION COST PER HOUSEHOLD IN FY 2022 IS \$320.59

- ▶ IF ALL ITEMS ARE PASSED THE AGGREGATE TOTAL IMPACT ON A 408k HOUSE WOULD BE \$898.43

PROPOSAL	\$	519.95
HIGHSCHOOL	\$	320.59
FBM ROOF	\$	57.89

- ▶ THE ANNUAL MONETARY IMPACT TO EACH HOME WILL BE DISPLAYED ON THE FOLLOWING CHART



# TOTAL IMPACT ALL DEBT EXCLUSION ITEMS

<b>Date of Issue</b>					
<b>Total Cost: TOTAL CAPITAL ASSEMENT</b>	<b>\$ 116,278,750.00</b>				
<b>Principal:</b>	<b>68,500,000</b>				
<b>Rate:</b>	<b>4.50%</b>				
<b>Term:</b>	<b>30</b>				
<b>Total Town PV:</b>	<b>4,218,292,026</b>				
<b>AVGHome Value:</b>	<b>408,751</b>				
	<b>PROPOSAL COST</b>	<b>HIGH SCHOOL</b>	<b>MIDDLE SCHOOL ROOF</b>	<b>AGGREGATE COST ALL ITEMS ANNUALLY</b>	
FY 22	\$ 519.95	\$ 320.59	\$ 57.89	\$ 898.42	
FY23	\$ 509.99	\$ 309.42	\$ 56.09	\$ 875.51	
FY24	\$ 500.03	\$ 297.54	\$ 54.29	\$ 851.87	
FY 25	\$ 490.08	\$ 285.70	\$ 52.50	\$ 828.28	
FY 26	\$ 480.12	\$ 274.73	\$ 50.70	\$ 805.55	
FY 27	\$ 470.17	\$ 266.10	\$ 48.91	\$ 785.17	
FY 28	\$ 460.21	\$ 259.59	\$ 47.11	\$ 766.91	
FY 29	\$ 450.25	\$ 244.63	\$ 45.31	\$ 740.20	
FY 30	\$ 440.30	\$ 214.43	\$ 43.52	\$ 698.24	
FY 31	\$ 430.34	\$ 238.30	\$ 41.72	\$ 710.36	
FY 32	\$ 420.38	\$ 231.96		\$ 652.35	
FY 33	\$ 410.43	\$ 220.66		\$ 631.08	
FY 34	\$ 400.47	\$ 214.43		\$ 614.90	
FY 35	\$ 390.51	\$ 83.81		\$ 474.32	
FY 36	\$ 380.56	\$ 81.21		\$ 461.77	
FY 37	\$ 370.60				
FY 39	\$ 360.64				
FY 40	\$ 350.69				
FY 41	\$ 340.73				
FY 42	\$ 330.78				
FY 43	\$ 320.82				
FY 44	\$ 310.86				
FY 45	\$ 300.91				
FY 46	\$ 290.95				
FY 47	\$ 280.99				
FY 48	\$ 271.04				
FY 50	\$ 261.08				
FY 51	\$ 251.12				
FY 52	\$ 241.17				
FY 53	\$ 231.21				

# DEBT IMPACT ON AVERAGE PER TEN MILLION – 10M = 50 per year

<b>Rate:</b>	<b>4.50%</b>		
<b>Term:</b>	<b>30</b>		
<b>Total Town PV:</b>	<b>4,218,292,026</b>		
<b>AVGHome Valu</b>	<b>408,751</b>		
		<b>AMOUNT TO BE BORROWED</b>	<b>AVG ANNUAL COST</b>
		<b>10 MILLION AVERAGE</b>	<b>\$ 54.80</b>
		<b>20 MILLION AVERAGE</b>	<b>\$ 109.65</b>
		<b>30 MILLION AVERAGE</b>	<b>\$ 164.50</b>
		<b>40 MILLION AVERAGE</b>	<b>\$ 219.31</b>
		<b>50 MILLION AVERAGE</b>	<b>\$ 275.12</b>
		<b>60 MILLION AVERAGE</b>	<b>\$ 328.42</b>
		<b>70 MILLION AVERAGE</b>	<b>\$ 383.50</b>



# DEPT PUBLIC WORKS 20 MILLION DOLLARS

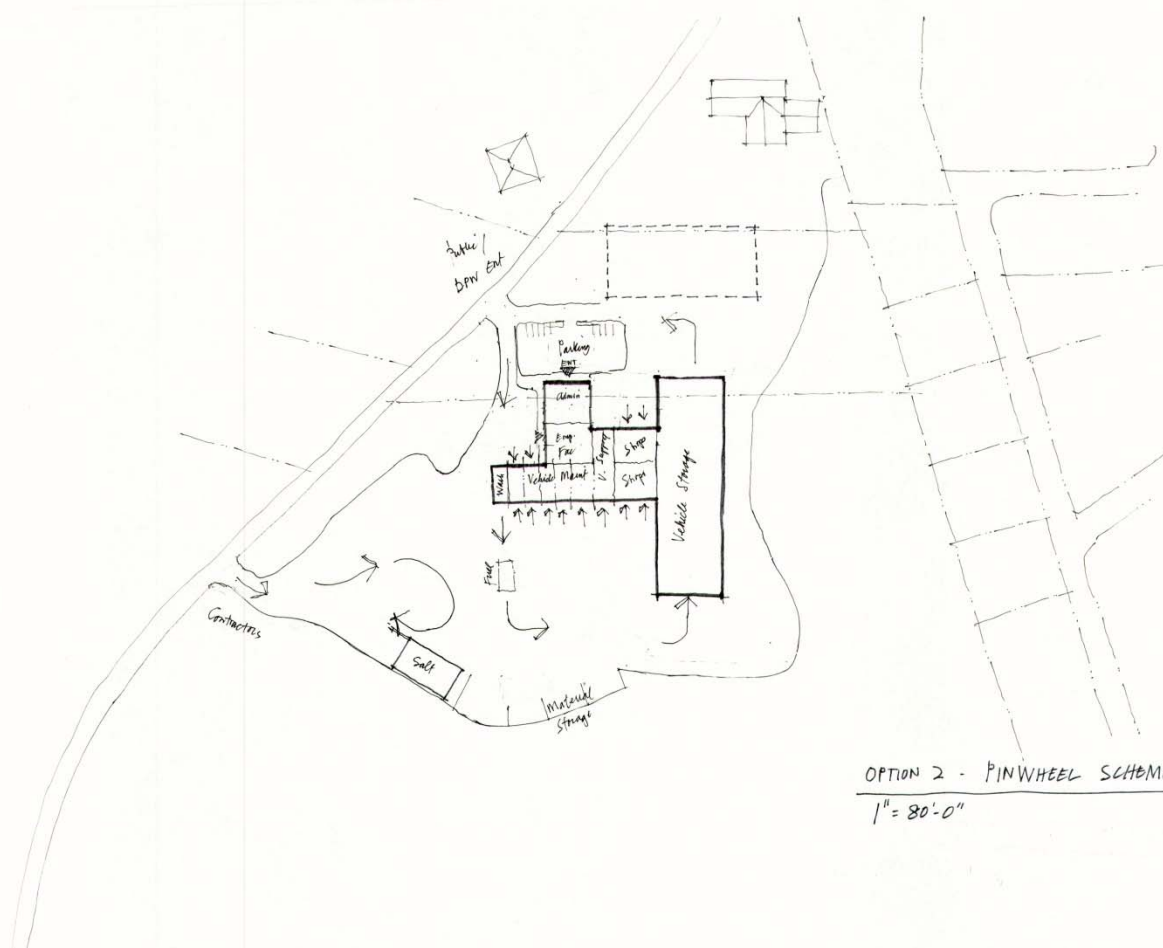




# DPW BARN PROBLEMS CONT'D

- Lack of Space: This department has without a doubt outgrown the present facility. Our equipment has to be inside during the winter months and currently everything is jammed in to a small area. This leaves absolutely no room for indoor work and is a hazard to employees trying to maneuver around the equipment.
- Not Enough Door Width or Height: with over \$3million in Town vehicles, mainly Fire and DPW vehicles that have to stay outside because they don't fit in the doorways. This poses a big problem when the vehicles need to be repaired, especially during the of winter months where the trucks have to idle outside to warm up.

These are many of the “bigger concerns” that we have here at the current facility. On the grand scheme of things, this place is a dump! Our employees deserve better than this. This is a very difficult place to try and live in when you have to spend several days and nights through the winter. We don't have adequate facilities within the building for our staff as in bathrooms, lockers, showers, and kitchen space/break area and office space.



OPTION 2 - PINWHEEL SCHEME  
 1" = 80'-0"

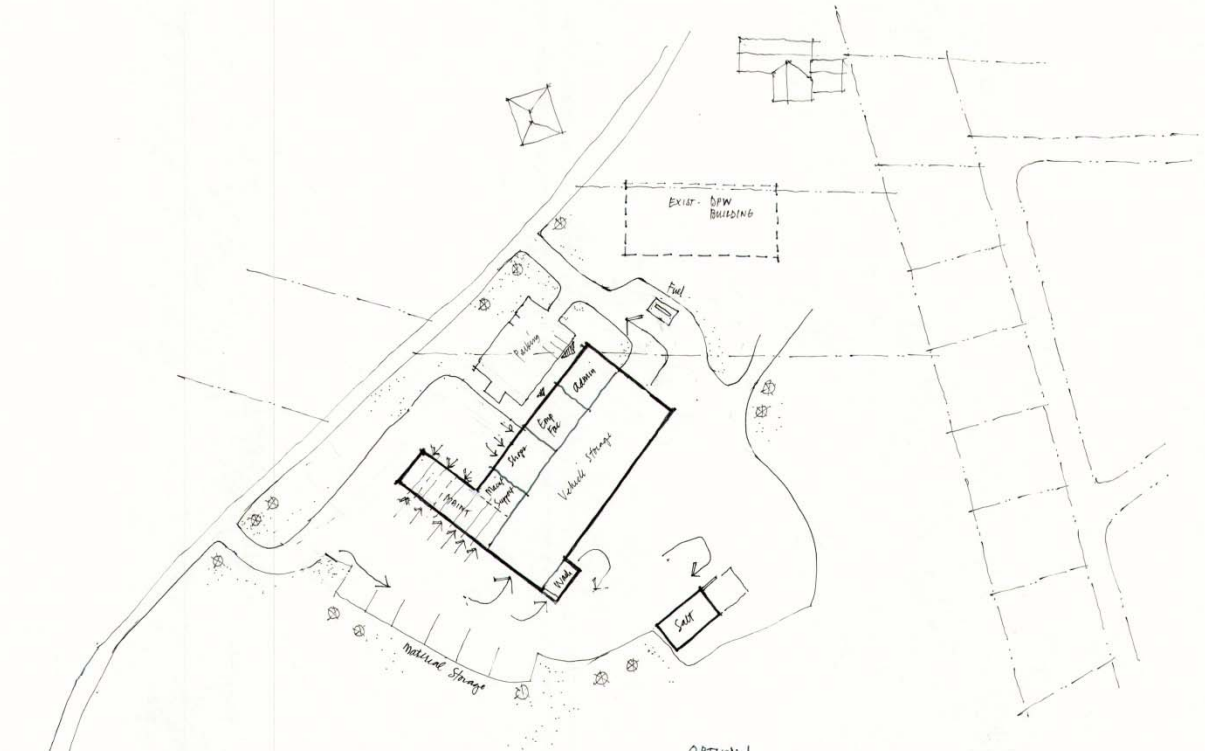
# DPW BARN MAJOR CONCERNS

- **Structural Integrity:** Our present building was built in the mid-60's. an addition was constructed in the mid 70's to house equipment maintenance. Many of the structural support columns are rotted at the base. We were told a few years ago, by our prior Facilities Manager, that the building could not withstand another winter with heavy snowfall. Temporary support columns were put in place to provide some support where the rotted columns are now.
- **Holes in the Roof:** There are several large holes in the roof, vehicle storage area. The area gets soaked every time it rains, especially during a wind driven rain.
- **Bird infestation:** Our vehicle storage area is infested with hundreds of birds. They are nesting in the insulation along the ceiling line. The birds leave all their droppings on our floor, equipment and at times on us. It's been a big problem for several years and in the past when proposed, we were told there was no funding available to address the problem. This a big health issue to our employees!
- **Black Mold:** Due to all the roof leaks and bird infestations, several areas on the ceiling and within the insulation are covered with black mold. This too is an extreme health hazard to our staff! Several employees experience respiratory issues, constant flu and cold symptoms all year round.
- **Lack of an Exhaust Extraction System:** Every time a vehicle is started in the building, the building fills up with exhaust fumes. This happens within the office area as well. This too is a health concern.

# DPW BARN PHOTOS



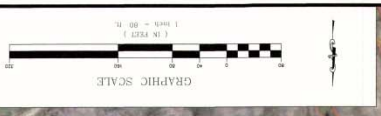




OPTION 1  
 BAR SCHEME W/  
 SOUTH-FACING MAINT.  
 1" = 80'-0"



WESTON & SAMPSON, INC. 03/20/2012 10:00 AM



**WESTON & SAMPSON**  
 100 Fairbank Road, 5200 Fairbank, MN  
 (952) 896-3333 (952) 893-8000 St. Paul, MN  
 www.westonandsampson.com

DATE	CONSTRUCTION	REVISION	BY
	D	V	E
	Q	R	F
	S	T	A
	U	V	W
	X	Y	Z

REGISTERED PROFESSIONAL ENGINEER \_\_\_\_\_ DATE \_\_\_\_\_

**TOWN OF MASSRHEAL, MASSACHUSETTS**  
 DEPARTMENT OF PUBLIC WORKS  
 OPEN FEAASIBILITY STUDY  
**35 PARSONAGE STREET**  
**EXISTING CONDITIONS PLAN**

SCALE AS SHOWN

DATE: MAY 2012

SHEET 1 OF 1

**CS**



# POLICE STATION PHOTOS

## 20 MILLION DOLLARS



The Police station was built in 1958 out of concrete block previous to the Internet, computers and other technology that needs to be wired and compatible to serve and other computer components.

**According to the 1986 Town of Marshfield Master Plan recommendations:**

1. Expansion of Police Headquarters

**According to the 2015 Town of Marshfield Master Plan recommendations:**

1. The facility does not meet current needs based on a 2013 survey.
2. Develop a plan to address the required upgrades to correct the Police Department Headquarters deficiencies.





## POLICE STATION ISSUES.....

**Building lacking modern security – confidential at time.**

**The entire building is not ADA compliant.**

**The male, female and juvenile cell blocks are in violation of the state suicide prevention guidelines.**

**The cell blocks fail the state Department of Public Health Inspections yearly.**

**Currently need double the square footage we have (12,395).**

**Evidence room needs expansion.**

**Roll Call room needs expansion.**

**Dispatch and other areas of the building not properly designed to function as a police station.**

**Plumbing** – Most of piping is cast iron and crumbles upon repair. Numerous calls regarding clogged cell toilets, as well as main bathrooms. Showers in locker rooms antiquated as is locker room for both men and women. All piping needs to be replaced

**Heating** – no heating in lobby of station. Have to put out portable heater each winter. Pipes have frozen in lobby bathroom which is available for public use. Heat management system does not function.

**Air Conditioning-** all parts of the building are covered by window units, split units or central air that have been piece mailed and do not work in conjunction with one another.







## POLICE STATION ISSUES.....

**Electricity** – We have exceeded our max electrical output per electrician and can no longer add on without newer expensive upgrades. The NPR breakers and electrical boards are a fire hazard.

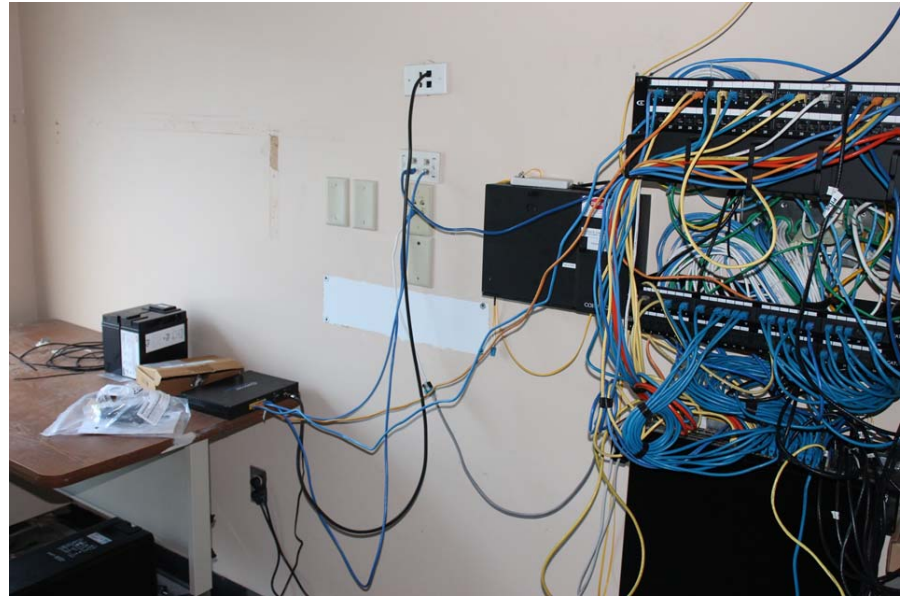
- Thursday June 22, 2018 our electrical panel blew out on our 911 system. This was discovered when a call to Air Conditioner Company was placed to repair system.

**Musty** – records in basement in danger every time excessive rains or flooding occurs.

**Gun Range**- forced to be shut down due to unsafe conditions in basement. No ventilation.

**Security Equipment** – Most of our technology equipment (phones, computers etc.) in either basement or attic which are not secure from elements during storms. We have experienced flooding in basement and leaking in roofs numerous times





# COUNCIL ON AGING 2<sup>ND</sup> FLOOR

## 6.5 Million





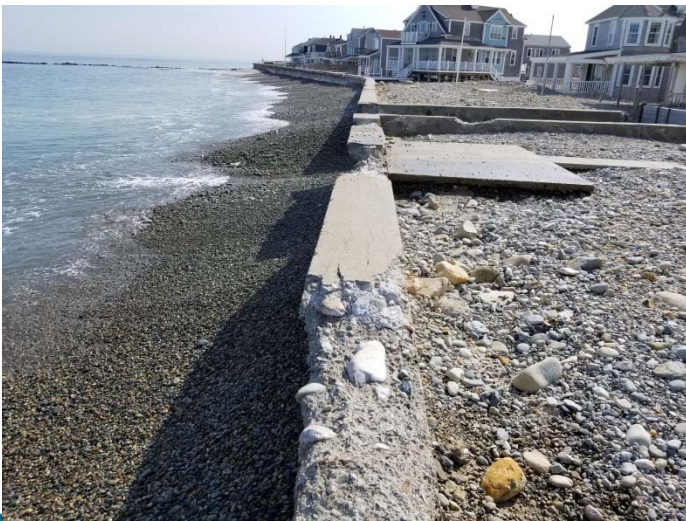
# COUNCIL ON AGING CONTNIUED



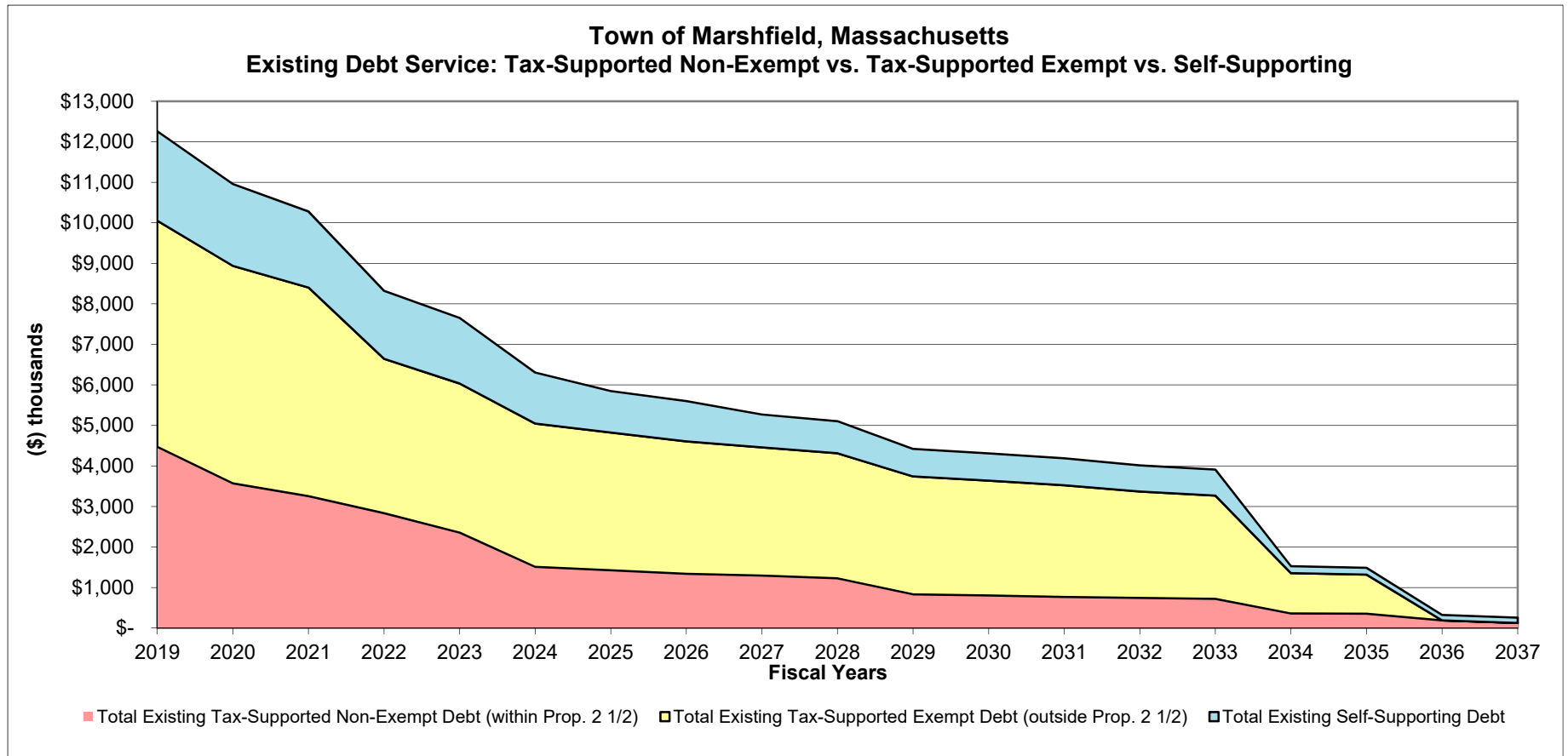


# SEA WALL - VARIOUS LOCATIONS

## 4 million



# DEBT – PAYDOWN MODEL



# SCHOOL DEBT

- ▶ The New High School is the main contributing factor to our excluded debt obligation is appx \$ 320.59 Per Household



# SCHOOL BUILDINGS 20 MILLION

## *Draft Capital Assessment Plan July, 2018*

Emergency Life Safety Lighting– DWS, EWS, MES, SRS	\$182,000*
Fire Alarm System Life Safety Upgrades– Elementary	2,581,000
Roof, Skylights & Beam Structure– MES (MSBA)	4,786,000
Address Accessibility Issues– SRS	2,190,000
Replace Original Gym Wood Floor & Add Wall Pads– DWS	312,000
Heating/HVAC/ADA Work–Elementary	5,412,000
Address Roofing Concerns– DWS, SRS	631,000
Window Sill Repair– DWS, EWS	153,000
Concrete, Brick, Flashing Repair– EWS	131,000
Wood Structure Repair– SRS	96,000

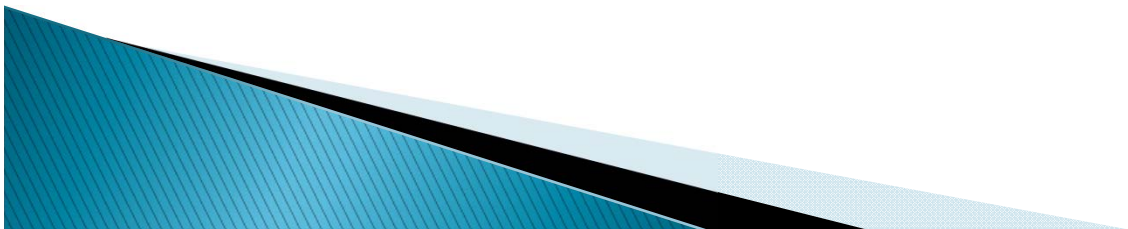
\* Costs based on 2016 Capital Assessment



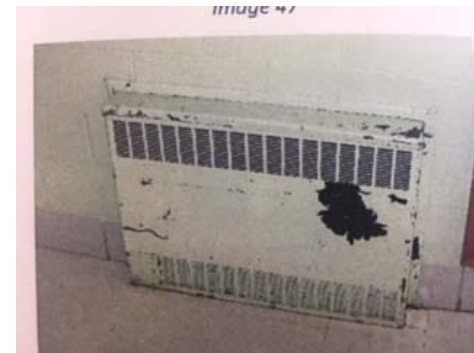
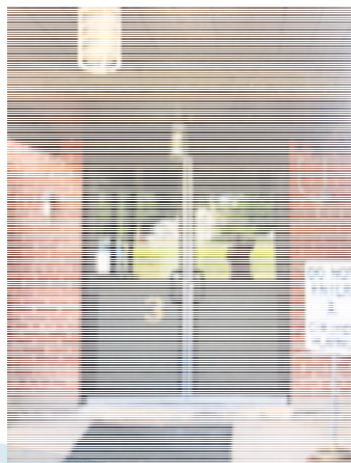
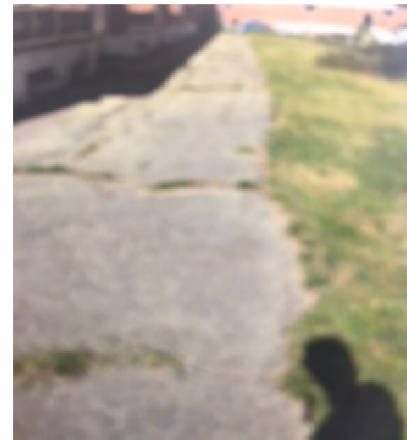
# SCHOOL BUILDINGS (cont.)

Replace General Exhaust Fans– DWS \$59,000  
Replace Drinking Fountains & Associated Wall Construction– SRS 49,000  
Reduce Pressure Backflow– MES 49,000  
Bituminous Paving/Curbing– GWS 572,000  
Bituminous Paving/Curbing– DWS 590,000  
Bituminous Paving/Curbing–SRS 440,000  
Bituminous Paving/Curbing– MES 459,000  
Bituminous Paving/Curbing– EWS 473,000  
21<sup>st</sup> Century Technology– Systemwide 835,000\*\*

\*\*District Technology Plan



# SCHOOL BUILDINGS (cont.)

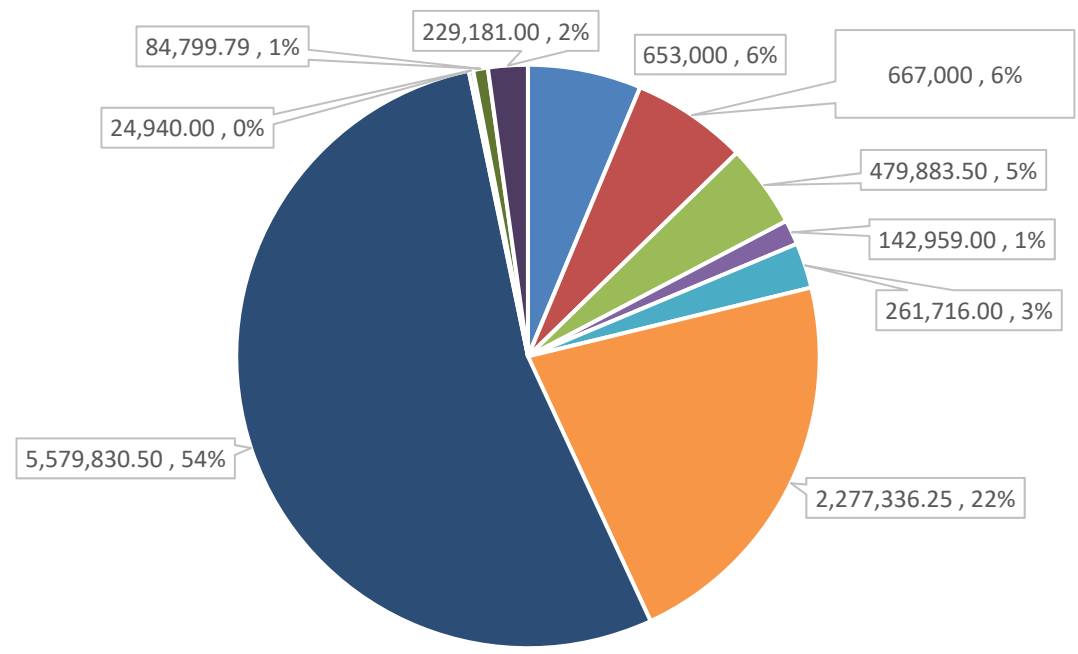


# SCHOOL BUILDINGS (cont.)

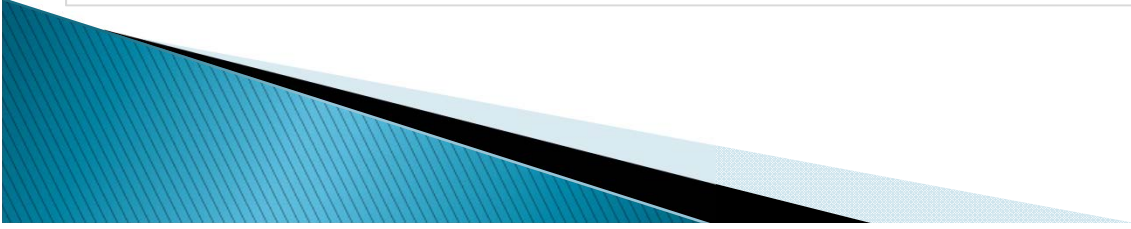


# 2019 DEBT BUDGET BREAK OUT

Total FY19 Budgeted Tax-Supported Debt Service by Type



- Town Buildings
- Departmental Equipment
- School Buildings
- School - Other
- Sewer
- Other Debt
- School Buildings (excluded)
- Other Debt (excluded)
- Short Term Interest (excluded)
- Other Debt Service





# MAJOR CONTRIBUTING FACTORS

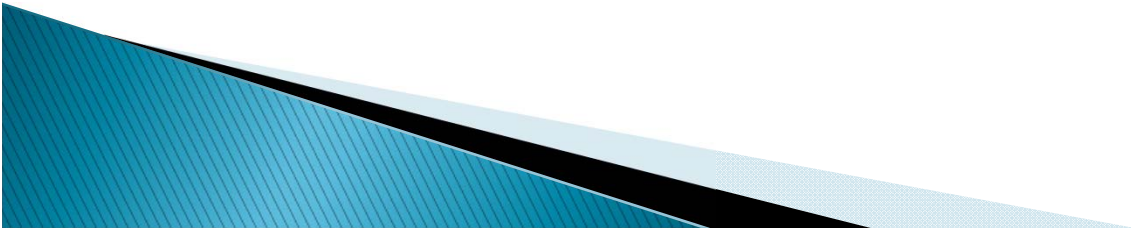
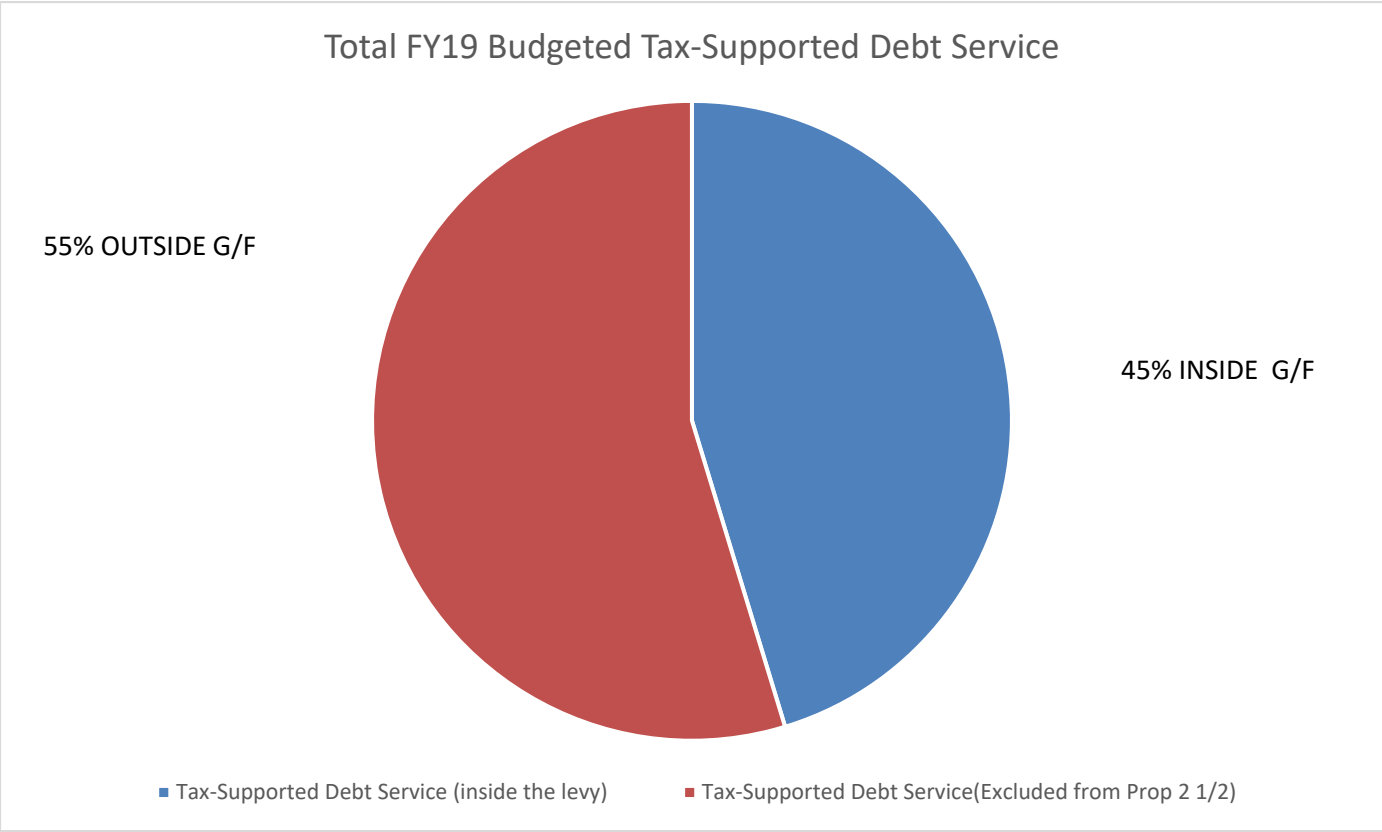
- ▶ SEA WALL SEA WALL SEA WALL!!!

This factor makes up the majority of inside debt. We need to pay for this outside the General Fund operating budget. It can no longer be supported inside. 1.8 Million a year is dedicated to the seawalls and that number will grow To appx 2.2M due to the recent approved spending at Town Meeting



# CURRENT DEBT RATIO EXCLUDED VS NON EXCLUDED

## \$10,401,374



# INTEREST RATES

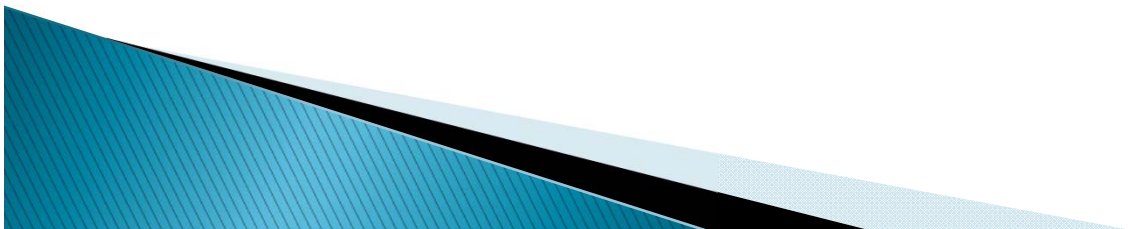
- ▶ As we will see in the next slides Interest is a cost that has to be weighed against annual cost per household
- ▶ Active management of Borrowing Cost is a must for our Town, The length of projects must be carefully considered on all items
- ▶ **\*\* Rates are Rising\*\***



# Where we stand...

## Debt Capacity in Relation to Debt Policy

- ▶ The Town of Marshfield has a Debt Policy which states we may only expend 5% of our operating budget on G/F Debt
- ▶ Some communities practice a debt to budget ratio of up to 15% of the overall operating budget.
- ▶ Marshfield's actual allowable Debt is compliant with the policy today and going forward
- ▶ \$193,000,000 is our maximum allowable borrowing capacity legally



# Comments From T/C

- ▶ The Treasurer's Office will continue to monitor the Bond market and interest rates with Assistance From our Financial Advisors. This will ensure we are making prudent and well planned financial decisions.
- ▶ A point we would like everyone to remember especially during this budget process is that every dollar we borrow inside the general fund today takes away from our operating budget tomorrow.
- ▶ The Town Administrator, Accountant, and Myself had a very great discussion with S&P Global. We had our Bond Rating reaffirmed at AA+ and also Achieved the Highest note rating possible. SP+1.
- ▶ The Town Also received a CAFR Award from the GFOA

# Comments From T/A

- ▶ COMMITTEE APPOINTMENT
- ▶ · Facility Director
- ▶ · School Appointment
- ▶ · BOS appointment
- ▶ · Engineer
- ▶ · Contractor



# Next Steps.....

- ▶ STM ARTICLES TO FUND CONSTRUCTION AND DESIGN PHASE OF PROJECTS
- ▶ DEBT EXCLUSION VOTE AT ATM
- ▶ VOTE FOR THE EXCLUSION TO TAKE PLACE AT ANNUAL ELECTION
- ▶ ALL TIMELINES FOR DESIRED PROJECTS MUST BE KEPT, A FAILURE TO COMPLY WITH TIMELINES WILL RESULT IN THE PROJECT BEING PUT OFF







QUESTIONS???