

Town Of West Boylston



**A REVIEW OF DEBT MANAGEMENT
AND
LONG RANGE CAPITAL PLANNING**

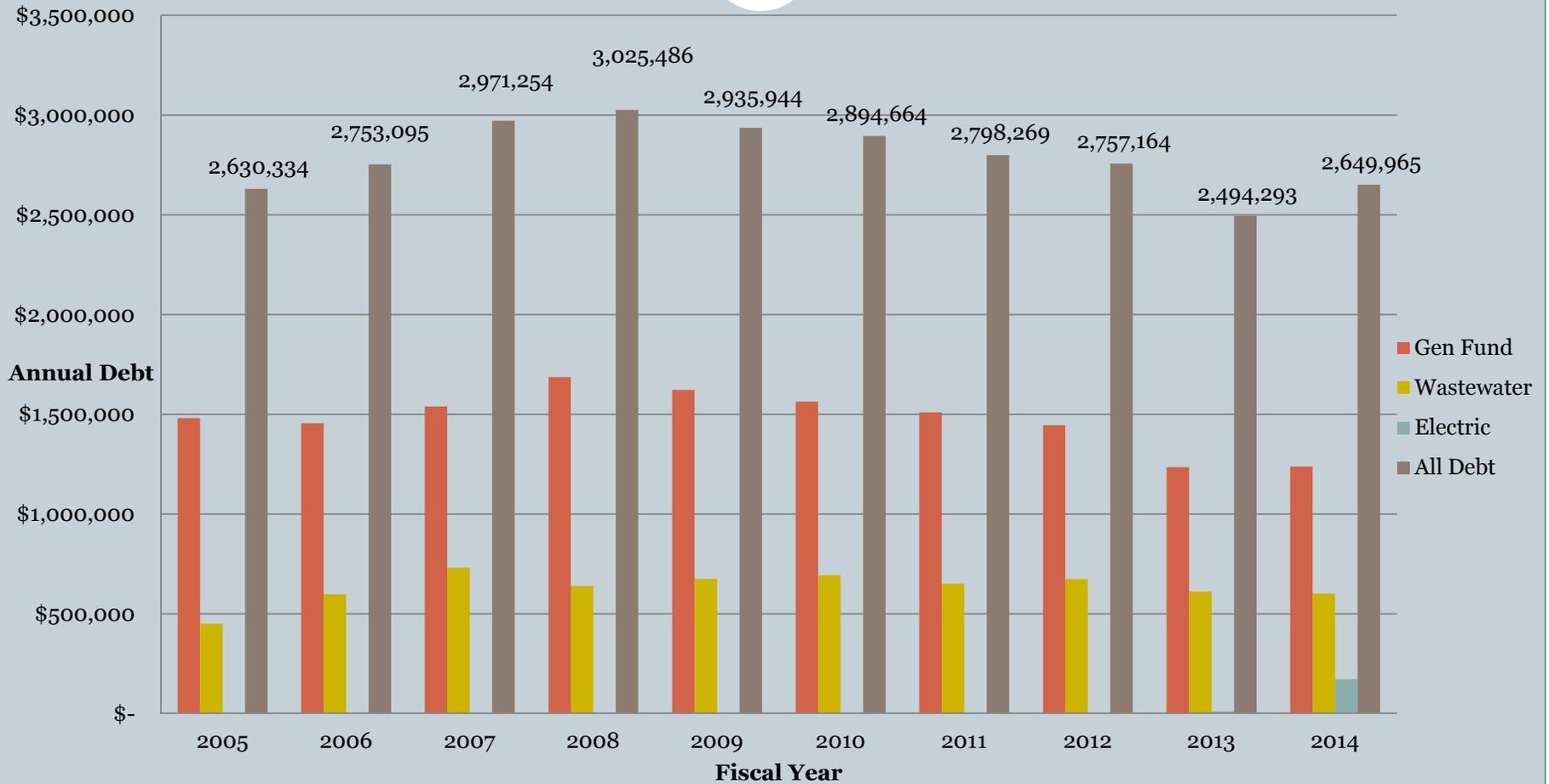
NOVEMBER 5, 2014

Town Of West Boylston Topics For Review Tonight

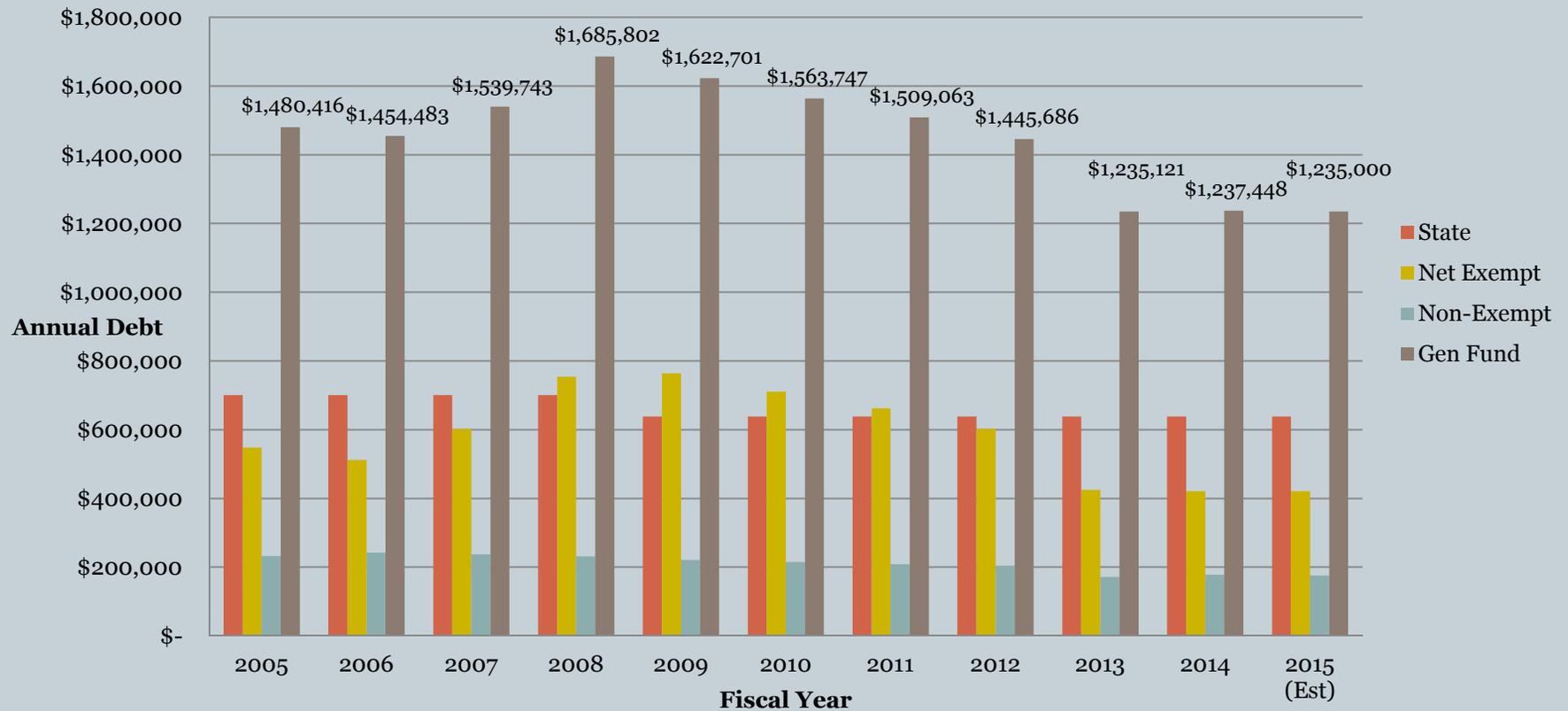


- **Historical Use Of Debt**
 - Annual Debt Service
 - ✦ Exempt Debt
 - ✦ Non-Exempt Debt
 - ✦ Debt Portion Of Annual Budget
- **Recent Use Of Debt**
 - New Town Hall – Exempt Debt In Use
 - ESCO – Non-Exempt Debt In Use
- **Future Uses Of Debt By Town**
 - Public Safety Facility
 - Senior Center
 - Other Pending Projects
- **Future Debt Policy Discussions**
 - What Is An Adequate Level Of Exempt Debt?
 - What Is An Adequate Level Of Non-Exempt Debt?
 - What Is An Adequate Level Of Total GF Net Debt Service?

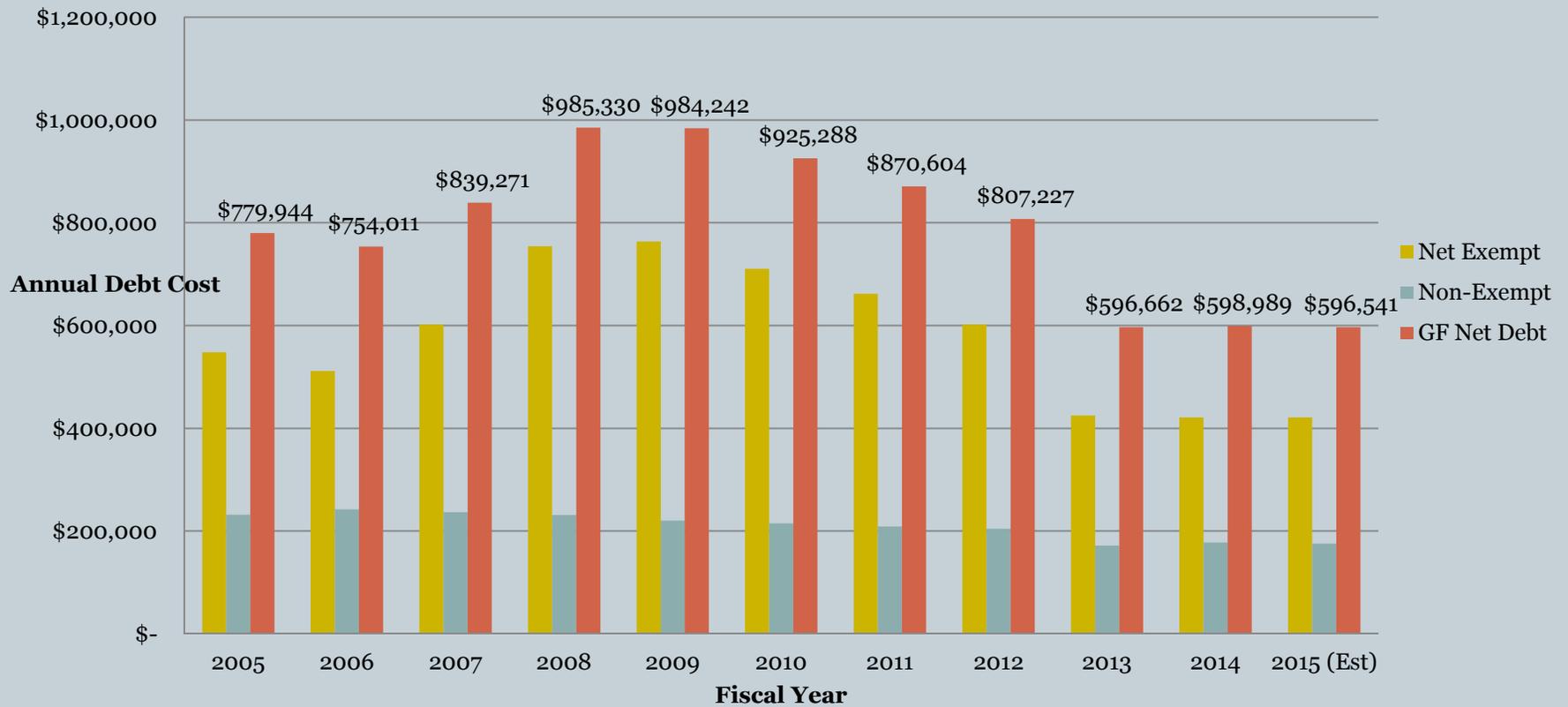
Town Of West Boylston Annual Gross Debt Payments 2005 -2014



Town Of West Boylston Annual General Fund Debt 2005 - 2015

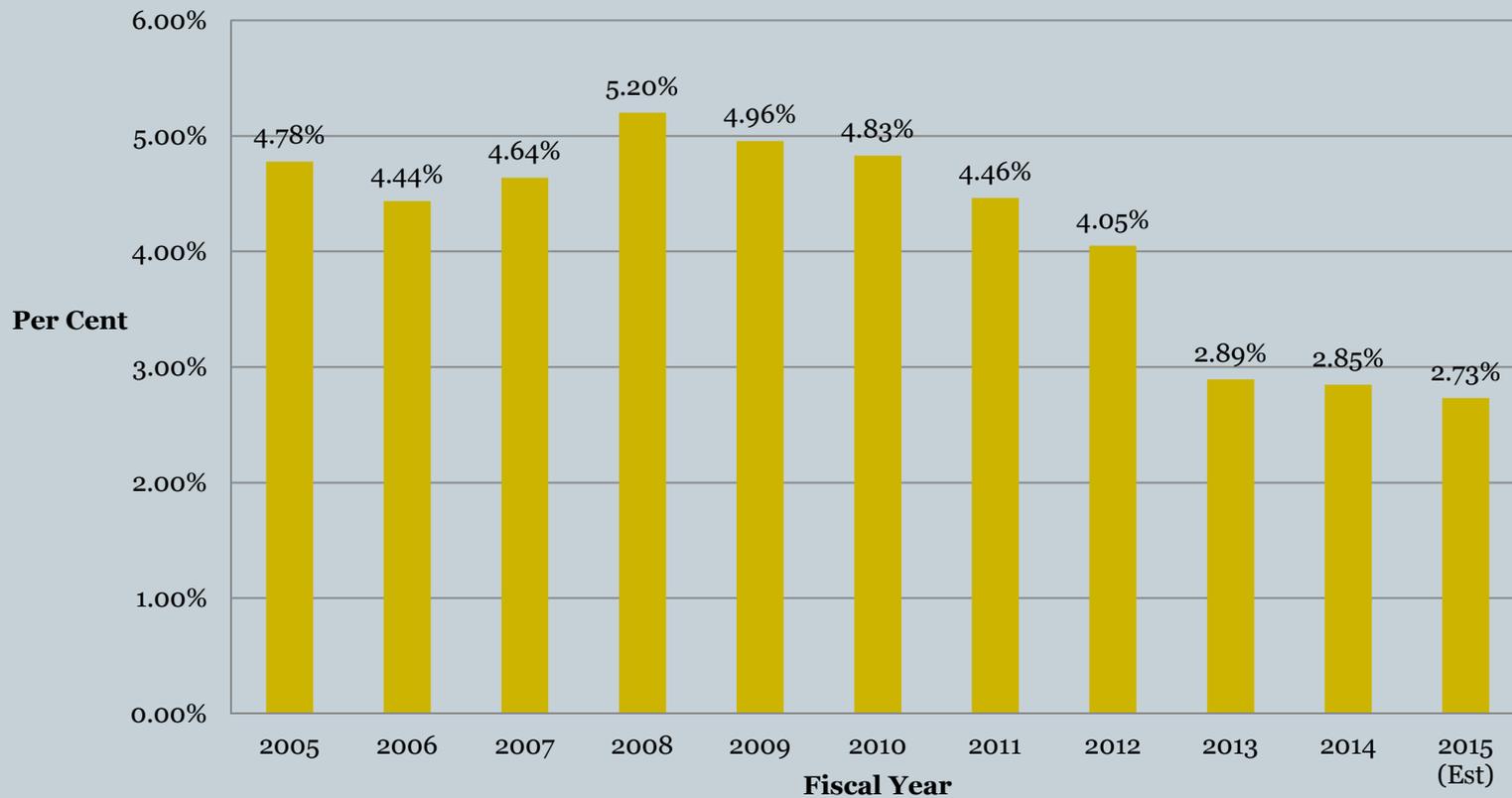


Town Of West Boylston Annual Taxpayer GF Debt Burden 2005 -2015



Town Of West Boylston

Net GF Debt As Percentage of GF Budget 2005 - 2015



Town Of West Boylston Recent Debt Trends



- Longer Term GF Debt Trends Are All Downward
- Present GF Debt Service Trends Are Flat
- Total Debt Cost Down 12% From 2008 High of \$3.025 Million
- Total FY 14 Debt Paid = \$2.650 Million (W/New Electric)
- Total GF Net Debt Down 39% From 2008 High of \$985,330
- Total FY 15 GF Net Debt Budgeted = \$596,541
- GF Net Debt Down 48% From 2008 High of 5.2% of Budget
- Total FY 15 GF Net Debt Budgeted = 2.73% of Budget

Town Of West Boylston Current Debt Plan



- Recent Annual GF Debt Cost Trends Are Flat By Design
- New ESCO Project Is Funded Via Lease/Purchase Arrangement
- FY 15 Will See Reduced GF Utility Costs To Cover New Lease Costs
- Other Budget Lines Benefit From Utility Savings Above Lease Costs

- New Town Hall Funded Via Exempt Debt
- Town Meeting Was Promised No New Taxation Impact
- Exempt Debt Will Remain Level at \$421,200 Through FY 2021

- Non Exempt Debt Costs Will Drop From Current Level of \$175,425 to \$156,550 And End In FY 2018

Town Of West Boylston Future Debt Needs



- **Two New Facilities In Planning Stages**
 - Senior Center Planning
 - ✦ Current Lease Budget Can Be Used To Pay Some Debt Service
 - Public Safety Facility
 - ✦ No Budgetary Resources For Debt Cost Offset

- **Other GF Major Capital Needs May Be Pending**
 - Buildings
 - Major Equipment
 - Infrastructure

Town Of West Boylston

Future Debt Policy Questions For Leadership's Consideration



- **What Is An Adequate GF Exempt Debt Level?**
 - Formerly Peaked in 2008 At \$674k - Is This Level Too High?
 - Currently At \$421k until FY 2021 – Is This Level OK?
 - ✦ New Town Hall Can Go Longer To Allow Another Project To Start
- **What Is An Adequate GF Non-Exempt Debt Level?**
 - Formerly Peaked in 2009 At \$242k - Is This Level Too High?
 - Currently At \$175k – Is This Level OK?
 - ✦ This level will allow A New Debt of \$1.6 Million To Start In FY16
- **What Is An Adequate GF Total Debt Level?**
 - Formerly Peaked in 2008 At \$985k - Is This Level Too High?
 - Currently At \$597k or 2.73% Of GF Budget – Is This Level OK?