

FY2020 – FY2024 Capital Improvement Plan Town of Hubbardston

January 22, 2019

Introduction

- ▶ Collins Center
- ▶ What is a capital project?
 - ▶ Major, non-recurring expense typically with a cost of more than \$10,000 and a useful life of at least 3 years
- ▶ What is a capital improvement plan?
 - ▶ Multi-year
 - ▶ Comprehensive
 - ▶ All funding sources, all departments, with project details
 - ▶ Financially-viable

Without a CIP, a municipality may face...

- ▶ Negative impact on public health and safety and legal liability
- ▶ Staff inefficiency or ineffectiveness
- ▶ Costly, emergency repairs
- ▶ Poorly-managed or poorly-timed projects
- ▶ Inconsistent debt service negatively impacting operating budgeting
- ▶ Financial disorder and negative impacts on bond ratings

Hubbardston's Capital Assets

- ▶ 4 Town facilities, 1 elementary school, and various small buildings
- ▶ IT assets, including 29 computers and 4 servers
- ▶ Recreational field complex, playground, skate park, and conservation area
- ▶ 82.5 miles of Town-owned roads
- ▶ 22 bridges and large culverts and many smaller culverts
- ▶ 42 vehicles or pieces of major equipment

Capital Planning Process

- ▶ Assessing capital needs
- ▶ Scoring and prioritizing capital project requests
- ▶ Developing the *Capital Investment Strategy*
- ▶ Finalizing the plan
- ▶ Managing the plan

- ▶ Repeat annually

Summary of Capital Needs

- ▶ 68 requests totaling just over \$34.7 million
- ▶ Largest projects
 - ▶ \$15 million to build a new combined Senior Center, Public Safety Building, and Town offices using excluded debt
 - ▶ \$13.25 million in combined State and Federal funding for multiple significant road and bridge projects
 - ▶ \$1.5 million to replace the roof at the Center School (with slightly more than half anticipated to be reimbursed by MSBA)

Scoring Capital Requests

Criteria

- ▶ State/Federal mandate/legal obligation or liability
- ▶ Threat to health/safety
- ▶ Advancement of adopted plans/studies/goals
- ▶ Department priority
- ▶ Impact on service to residents/businesses
- ▶ Distribution of benefit
- ▶ Economic and Environmental benefits
- ▶ Impact on operating budget
- ▶ Availability and likelihood of external funding
- ▶ Risk and impact of failure
- ▶ Impact on internal effectiveness and/or efficiency

Capital Investment Strategy – Historic Data

	FY17	FY18	FY19
Existing General Fund Non-Excluded Debt	277,745	273,752	217,450
Authorized & Unissued General Fund Non-Excl. Debt	-	-	51,855
QRSD Debt Assessment	57,762	31,896	32,515
General Fund Pay as You Go Spending	161,688	263,890	230,110
TOTAL	497,195	569,538	531,930
Net Budget (Proj. 2.1% growth)	8,503,478	8,693,148	8,963,949
General Fund Capital Spending as % of Net Budget	5.85%	6.55%	5.93%

Capital Investment Strategy

FY2020-FY2024 Capital Improvement Plan

	FY20	FY21	FY22	FY23	FY24
Existing General Fund Non-Excluded Debt	206,750	196,200	190,800	185,400	-
Authorized & Unissued General Fund Non-Excl. Debt	88,750	86,425	84,100	81,775	54,450
QRSD Debt Assessment	30,104	29,363	28,623	28,130	27,636
General Fund Pay as You Go Spending					
TOTAL	325,604	311,988	303,523	295,305	82,086
Net Budget (Proj. 2.1% growth)	9,152,192	9,344,388	9,540,620	9,740,973	9,945,534
General Fund Capital Spending as % of Net Budget	6.00%	6.00%	6.00%	6.00%	6.00%
Target Capital Spending @6.0% of Net Budget	549,132	560,663	572,437	584,458	596,732
Available General Fund Resources for New Capital	223,528	248,675	268,914	289,154	514,646

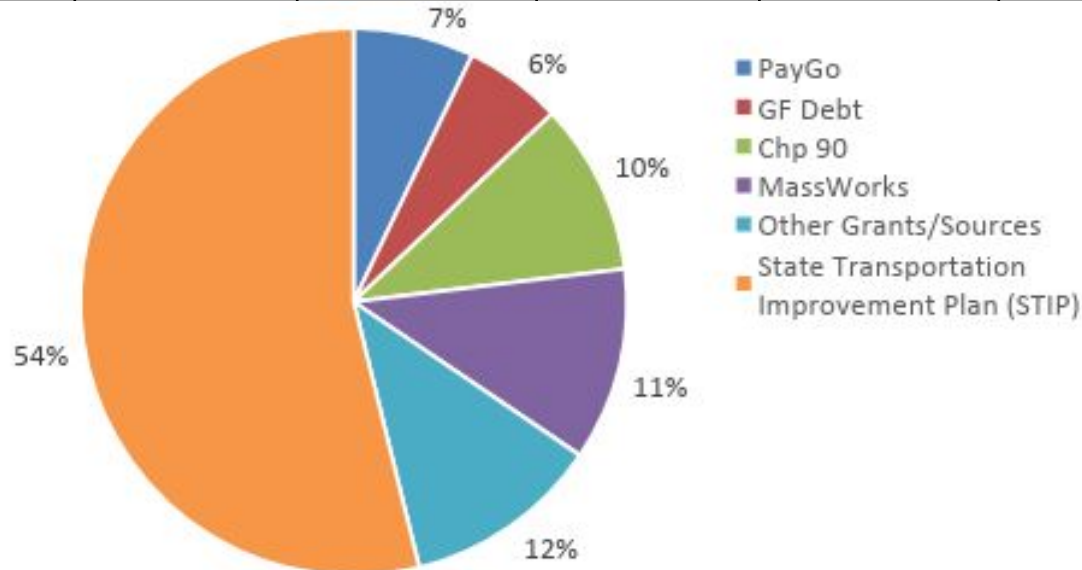
Finalizing the Plan

- ▶ Compare costs of top-priority projects with available resources to determine what can be funded
 - ▶ Calculate projected debt service for debt-funded projects
- ▶ Identify additional grant opportunities
- ▶ Create multiple iterations till CIP is balanced
- ▶ Final plan includes 45 projects costing nearly \$17.6 million

	FY2020-FY2024 Capital Improvement Plan				
	FY20	FY21	FY22	FY23	FY24
Available GF Resources for New Capital	223,528	248,675	268,914	289,154	514,646
Project Plan - GF PayGo	195,952	223,103	242,913	262,107	333,567
Project Plan - GF Debt	27,000	26,300	25,600	24,900	134,752
Project Plan - Total GF Resources Committed	222,952	249,403	268,513	287,007	468,319
Balance	576	(727)	401	2,146	46,327

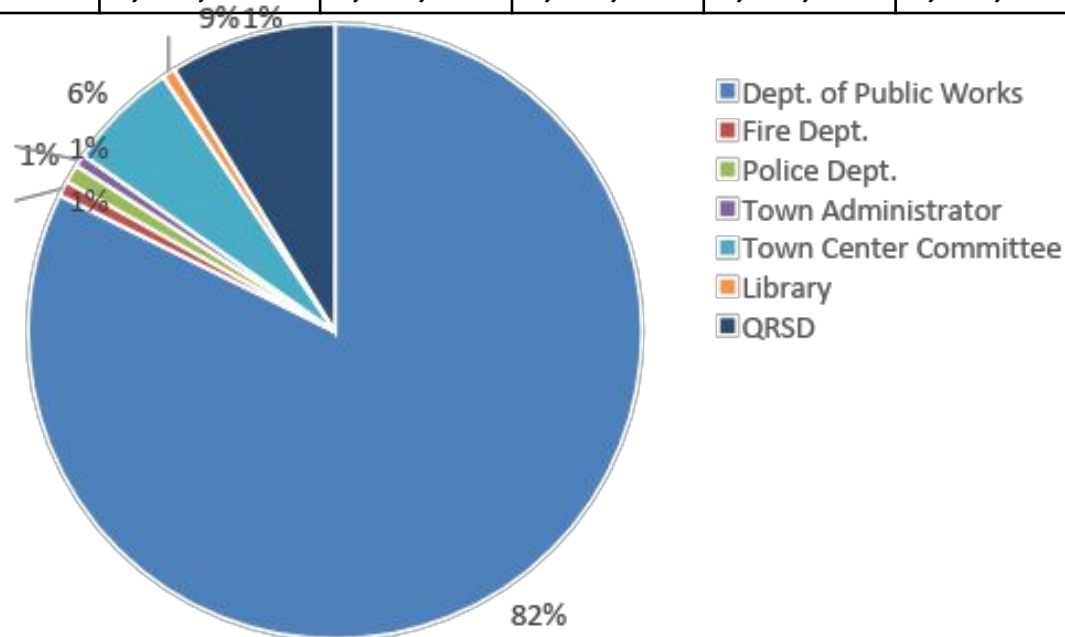
FY20 – FY24 CIP Summary: Spending by Source and Fiscal Year

	FY20	FY21	FY22	FY23	FY24	Total
PayGo	195,952	223,103	242,913	262,107	333,567	1,257,642
GF Debt (Project Cost)	200,000	-	-	-	818,900	1,018,900
Chp 90	356,673	356,673	356,673	356,673	356,673	1,783,365
MassWorks	-	1,000,000	-	-	1,000,000	2,000,000
Other Grants/Sources	141,000	70,000	550,000	275,000	1,016,100	2,052,100
State Transportation Improvement Plan (STIP)	6,325,778	2,263,642	-	884,240	-	9,473,660
Total	7,219,403	3,913,417	1,149,586	1,778,020	3,525,240	17,585,667



FY20 – FY24 CIP Summary: Spending by Department and Fiscal Year

	FY20	FY21	FY22	FY23	FY24	Total	Proj. Count
Dept. of Public Works	7,012,451	3,753,777	483,067	1,439,629	1,785,921	14,474,846	19
Fire Dept.	25,000	0	43,394	43,392	27,866	139,651	7
Police Dept.	57,952	54,640	55,125	0	0	167,717	4
Town Administrator	61,000	55,000	0	0	0	116,000	3
Town Center Committee	0	50,000	550,000	275,000	150,000	1,025,000	5
Library	20,000	0	18,000	20,000	61,453	119,453	4
QRSD	43,000	0	0	0	1,500,000	1,543,000	3
Total	7,219,403	3,913,417	1,149,586	1,778,020	3,525,240	17,585,667	45



FY20 – FY24 CIP Summary: Project Count and Cost by Asset Type

	Project Count	Total Cost	Cost as a % of Total
Bridges	3	5,429,284	30.9%
Facilities	10	1,830,429	10.4%
Information Technology	6	148,765	0.8%
Parks and Open Space	1	100,000	0.6%
Roads and Infrastructure	10	9,152,741	52.0%
Vehicles and Equipment	15	924,448	5.3%
Total	45	17,585,667	

Thank you for the opportunity to work with
the Town of Hubbardston.

Questions or Comments?