

Maynard Capital Planning

Quad Board Presentation
June 11, 2024



Agenda

- Definition
- Goals
- Town Assets
- 5 - year project needs
- Debt Servicing
- Funding Sources
- Recommendations



What is a Capital Expenditure?

➤ Municipal infrastructure or equipment

- costing greater than \$25,000
- with a useful life of at least five years

or

➤ Land, buildings, or building improvements

- with a cost greater than \$50,000
- with a useful life of at least ten years.

Prioritizing Capital Projects

Operational Necessity

Community Vision

Supports New Growth

Public Safety

Legal Regulations

Cost Savings and Efficiency

Capital Planning Committee Goals

Recommend capital expenditures by following a defined process of prioritization.

Produce recommended capital spending plan with the goal of stabilizing and leveling the town's debt.

Recommend projects on annual basis in the amount of \$1,500,000.

Keep debt service costs below 10%.

Promote greater coordination among Town departments concerning all capital projects and the management of capital assets.

Solicit greater community participation in planning capital projects and ensure that recommended projects best serve the community's needs.

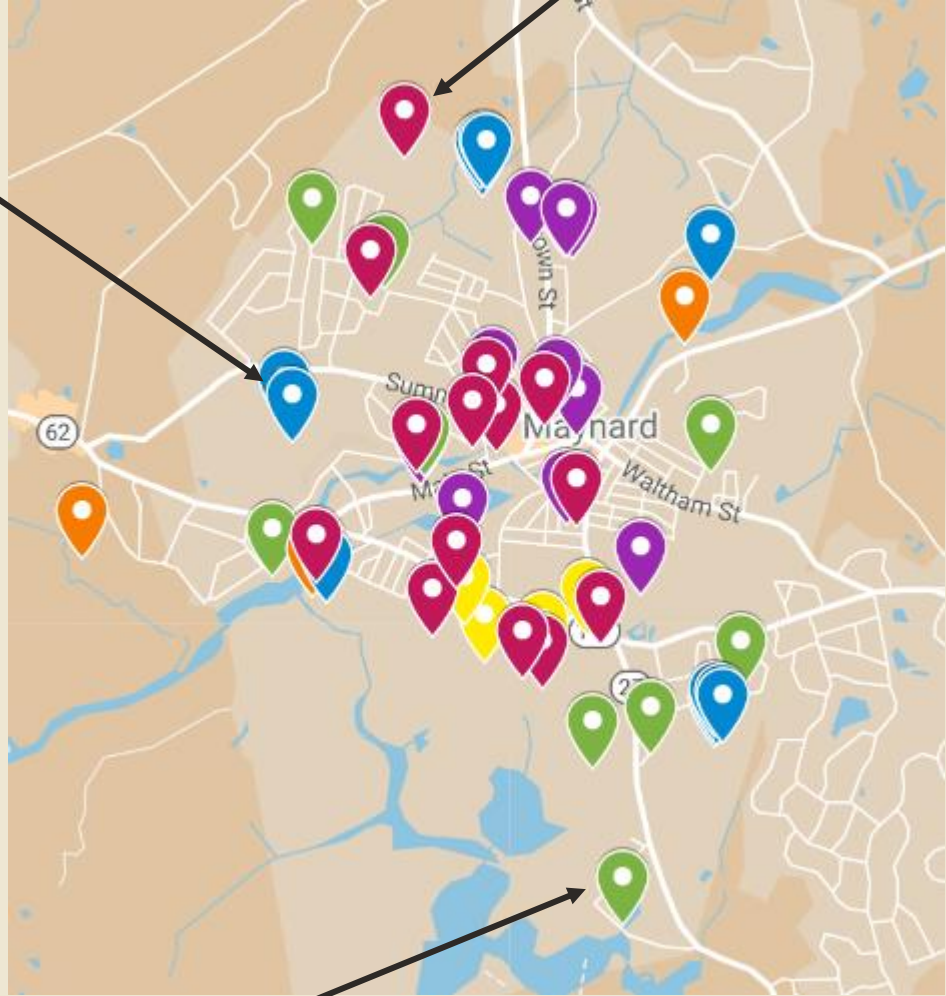
Keep a record of the town's assets updated on an annual basis.

Maynard Assets

- Property: \$187,000,000
- Vehicles: \$5,600,000
- Special Property : \$4,000,000
 - Unique town assets such as equipment, instruments, trailers, etc.
- Manually mapped all property owned by the town including:
 - Water Infrastructure (Blue)
 - Sewer Infrastructure (Green)
 - Parks (Maroon)
 - School Buildings (Yellow)
 - Town Buildings (Purple)
 - Pumps (Orange)

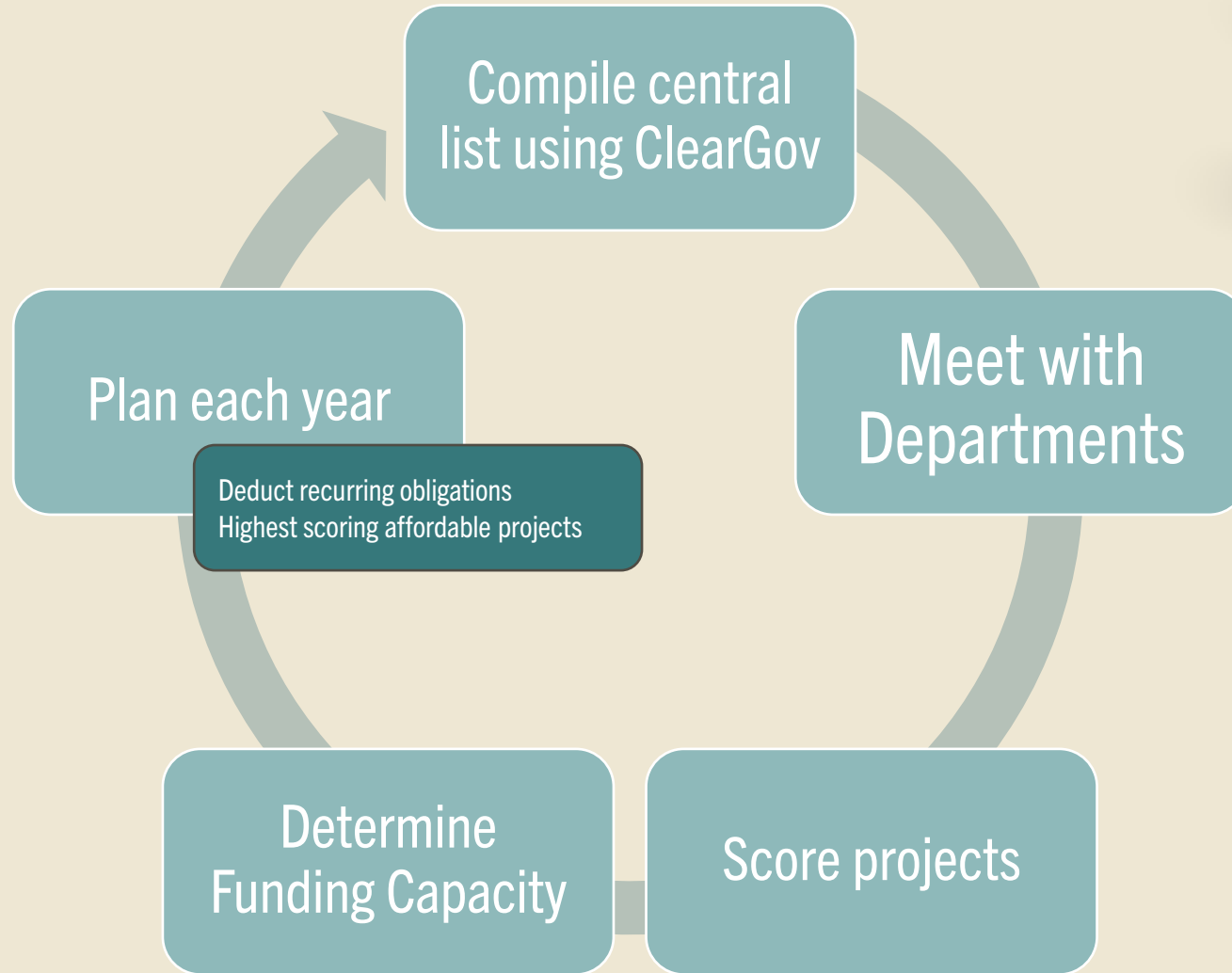
Water Tank:
Tower Rd

Rockland Avenue
Fields



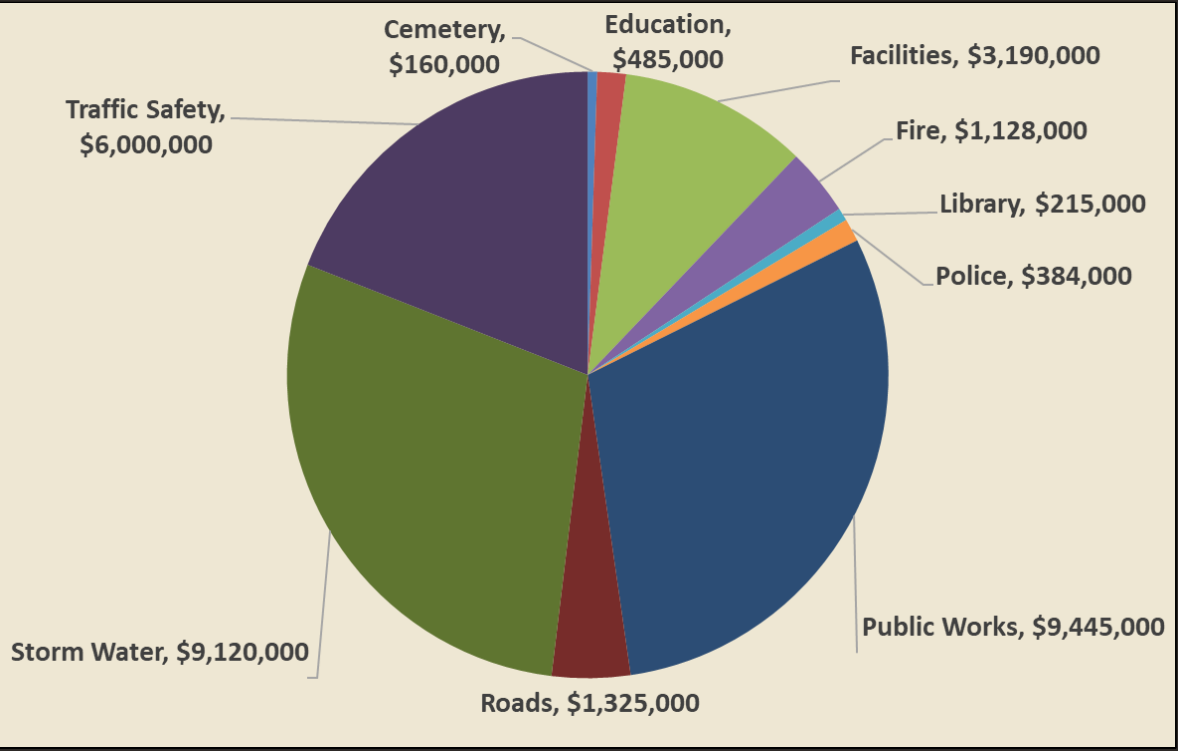
Sewer Lift Station:
Puffer Rd

Approach to Planning Pay-As-You Go



Town Requests and Funding Sources

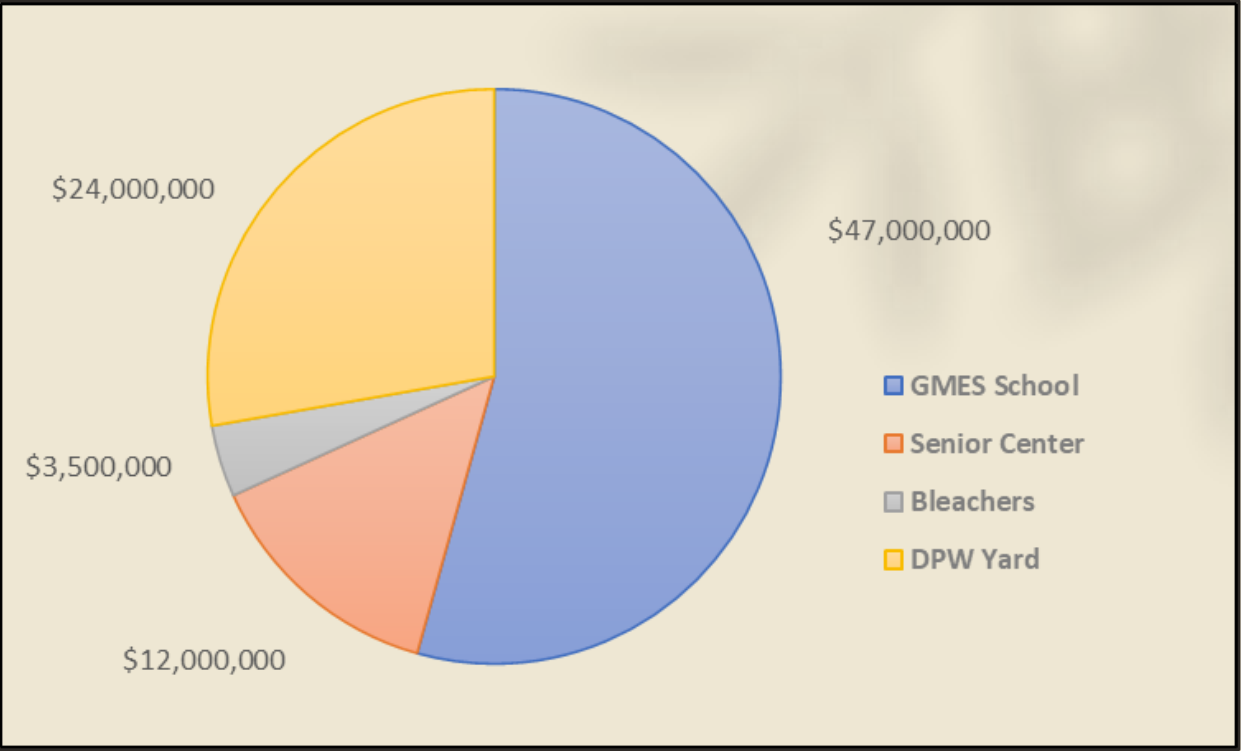
Pay-As-You-Go Funded



\$35.4 M

Does not include Water and Sewer Projects

Debt Funded



\$86.5 M

Pay-As-You-Go Funding Capacity

Scenario 1

Using 2024 Annual Town Meeting as baseline for capital spending capacity



Free Cash	\$	805,000
Capital Line Item	\$	50,000
Non-Excluded Debt	\$	116,000
Receipts	\$	300,000
Total	\$	1,271,000

\$1.25M Capacity–Scenario 1

2025	
Debt Servicing	\$ 116,000
Ambulance/Fire Lease	\$ 300,000
Sidewalk pedestrian improvements	\$ 50,000
Police Cruiser Replacement Plan	\$ 55,000
Roadway improvements	\$ 200,000
Storm water drainage @ Main Street / Sudbury	\$ 350,000
Extraction Tool	\$ 55,000
LUCAS	\$ 15,000
Storm water at Acton Street drainage repair/upgrade	\$ 70,000
Library Parking Lot Lights	\$ 10,000
Capital Stabilization	\$ 29,000
Total	\$ 1,250,000

2026	
Debt Servicing	\$ 116,000
Ambulance/Fire Lease	\$ 300,000
Sidewalk pedestrian improvements	\$ 50,000
Police Cruiser Replacement Plan	\$ 55,000
Roadway improvements	\$ 200,000
Personal Protection Equipment (PPE)	\$ 248,000
Portable Radios 2027	\$ 210,000
Municipal Bridge Inspection	\$ 50,000
Capital Stabilization	\$ 21,000
Total	\$ 1,250,000

2027	
Debt Servicing	\$ 116,000
Ambulance/Fire Lease	\$ 300,000
Sidewalk pedestrian improvements	\$ 50,000
Police Cruiser Replacement Plan	\$ 55,000
Roadway improvements	\$ 200,000
SCBA 2025	\$ 300,000
Library Envelope	\$ 100,000
Library HVAC	\$ 105,000
Capital Stabilization	\$ 24,000
Total	\$ 1,250,000

2028	
Debt Servicing	\$ 116,000
Ambulance/Fire Lease	\$ 300,000
Sidewalk pedestrian improvements	\$ 50,000
Police Cruiser Replacement Plan	\$ 55,000
Roadway improvements	\$ 200,000
Mark43 CAD and Operational Software	\$ 300,000
Active Shooter/Hostile Events Response (ASHER) Equipment	\$ 29,000
Schools HVAC	\$ 150,000
MHS Lighting Control Repairs	\$ 35,000
Capital Stabilization	\$ 15,000
Total	\$ 1,250,000

\$1.5M Capacity–Scenario 2

2025		
Debt Servicing	\$	116,000
Ambulance/Fire Lease	\$	300,000
Sidewalk pedestrian improvements	\$	50,000
Police Cruiser Replacement Plan	\$	55,000
Roadway improvements	\$	200,000
storm water drainage @ Main Street / Sudbury	\$	350,000
Personal Protection Equipment (PPE)	\$	248,000
Extraction Tool	\$	55,000
LUCAS	\$	15,000
Storm water at Acton Street drainage	\$	70,000
Library Parking Lot Lights	\$	10,000
Active Shooter/Hostile Events Response (ASHER) Equipment	\$	29,000
Capital Stabilization	\$	2,000
Total	\$	1,500,000

2026		
Debt Servicing	\$	116,000
Ambulance/Fire Lease	\$	300,000
Sidewalk pedestrian improvements	\$	50,000
Police Cruiser Replacement Plan	\$	55,000
Roadway improvements	\$	200,000
Country Club Roof	\$	770,000
Capital Stabilization	\$	9,000
Total	\$	1,500,000

2027		
Debt Servicing	\$	116,000
Ambulance/Fire Lease	\$	300,000
Sidewalk pedestrian improvements	\$	50,000
Police Cruiser Replacement Plan	\$	55,000
Roadway improvements	\$	200,000
Storm water at Great Road and Old Mill	\$	650,000
Road improvement	\$	50,000
Municipal Bridge Inspection	\$	50,000
MHS Lighting Control Repairs	\$	35,000
Capital Stabilization	\$	44,000
Total	\$	1,500,000

2028		
Debt Servicing	\$	116,000
Ambulance/Fire Lease	\$	300,000
Sidewalk pedestrian improvements	\$	50,000
Police Cruiser Replacement Plan	\$	55,000
Roadway improvements	\$	200,000
SCBA 2025	\$	300,000
Mark43 CAD and Operational Software	\$	300,000
Library Envelope	\$	100,000
Security Camera Upgrade	\$	75,000
Capital Stabilization	\$	4,000
Total	\$	1,500,000

Observations

1.25M Scenario

- 2.1% of revenues
- 31 years of projects
- 28.7M unfunded over 5 years
- 19 projects unable to be planned

1.5M Scenario

- 2.6% of revenues
- 25 years of projects
- 27.4M unfunded over 5 years
- 13 projects unable to be planned

Both Scenarios

- Heavily dependent on Free Cash
- Approximately \$725K committed
- High priority needs will require a grant or large free cash:
 - *Stormwater projects*
 - *Traffic Safety*
 - *Larger Facilities Projects*

Debt Funded Project Needs

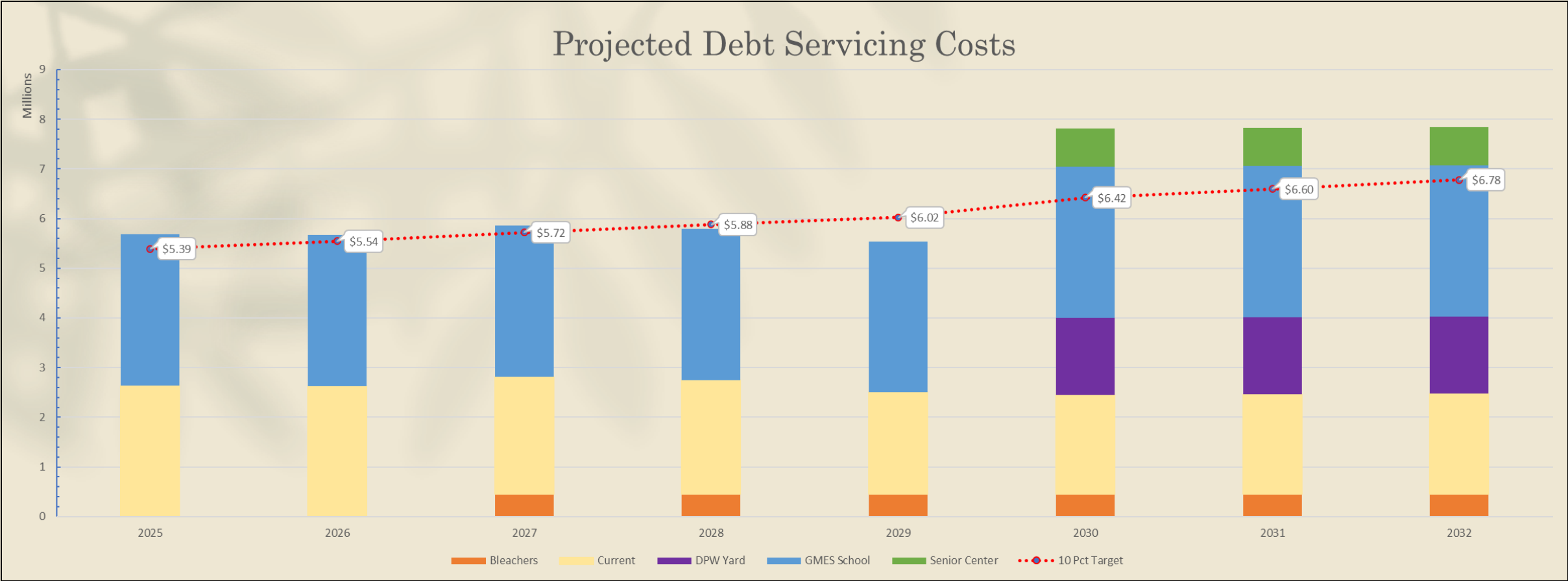


Assumptions:

Project Name	Start Debt	Issuance	Term	Annual Debt Service Cost
GMES School	2025	\$ 47,000,000	0	3 \$(3,041,219)
Senior Center	2030	\$ 12,000,000	0	3 \$(776,482)
Bleachers	2027	\$ 3,500,000	0	1 \$(449,030)
DPW Yard	2030	\$ 24,000,000	0	3 \$(1,552,963)

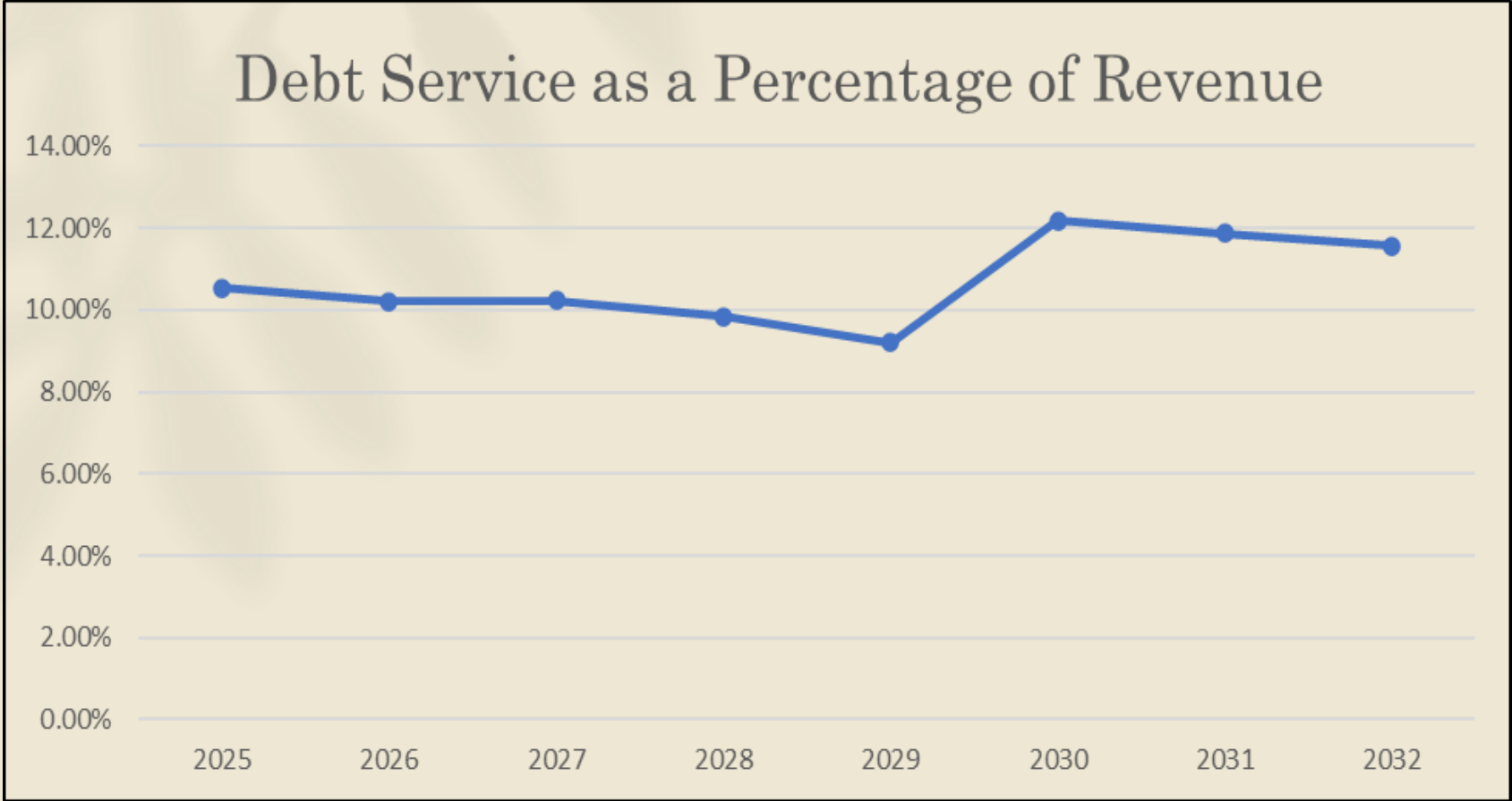
Last bond issuance 5% interest rate

Town Debt Management



Town Debt Management

- Debt Servicing close to 12% of revenues
- Recommended is 10%
- Senior Center and DPW will push to 12.8% in 2030



Recommendations



Increase capital funding overall



Funded capital line item



Use debt retirement schedule to plan for future projects



Add to stabilization annually



Keep debt servicing at 10%



Use asset inventory retirement schedule to plan



Find innovative and alternative funding sources for Capital

QUESTIONS?

APPENDICES

Capital Planning Committee Objective

As described in Section 6-7 of the town charter, annually prepare a capital improvement plan that includes a clear and concise list of all capital improvements proposed to be undertaken in the next five years.

Plan should include supporting information as to the need for each capital improvement including cost estimates, methods of financing and recommended time schedules.

Capital Planning Committee Timeline

- Organization of long-term projects
- Discuss large initiatives
- Interact across departments and committees to gather information for upcoming cycle

- Depts finalize and rank order projects in ClearGov
- CapComm reviews projects, meets with depts to discuss and ask questions

- CapComm prepares presentation for tri-board meeting
- CapComm reviews projects with Town admin

