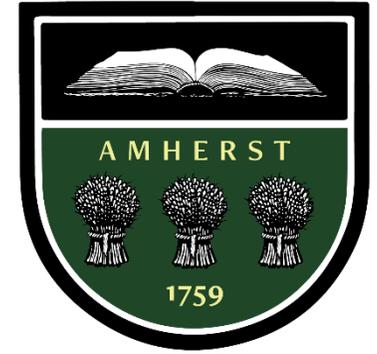


# TOWN OF AMHERST FY21 CAPITAL IMPROVEMENT PROGRAM

ZOOM MEETING

JUNE 15, 2020 – 5:30 P.M.



# AGENDA

- Capital Improvement Program
- Joint Capital Planning Committee
- Process
- COVID-19 Impact
- FY21 Recommended Projects
- Five Year Plan
- Impact on Maintenance/Operating Costs
- Feedback/Input



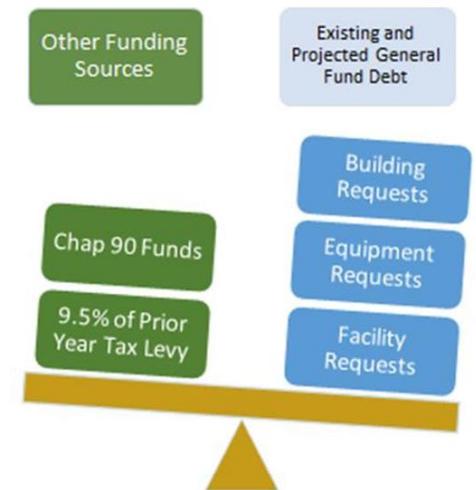
# CAPITAL IMPROVEMENT PROGRAM (CIP)

“The Town Manager, with advice of a Joint Capital Planning Committee composed of, at a minimum, representatives from the Town Council, School Committee, and Library Trustees, shall create a capital improvement program, which shall include:”

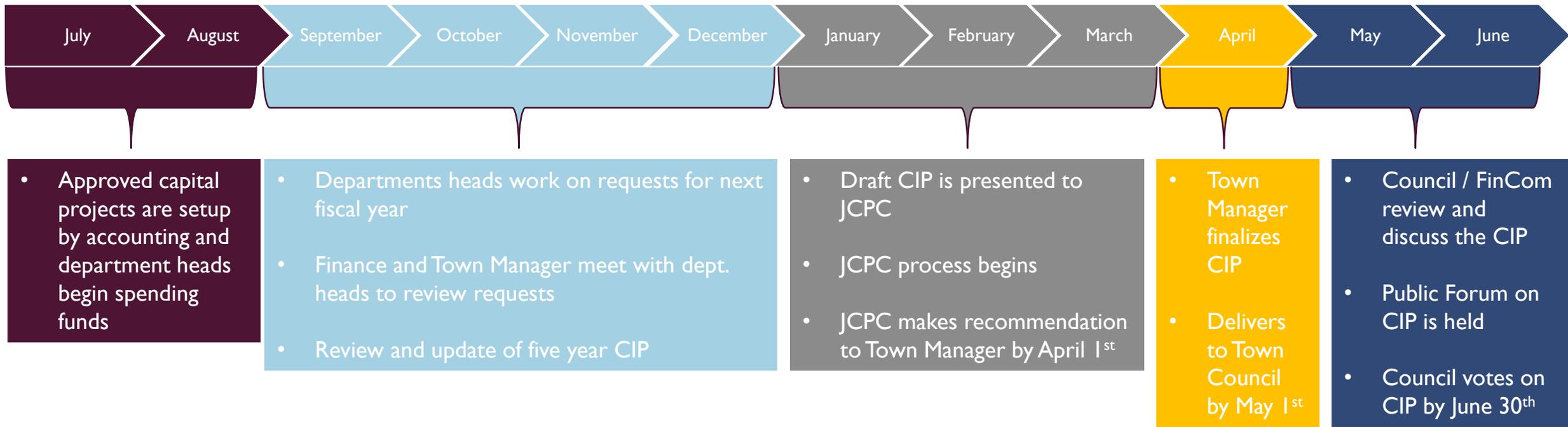
- Clear summary of contents
- List of all capital improvements proposed to be undertaken during the next 5 fiscal years with supporting data and rationale
- Cost estimates, method of financing, and recommended time schedules
- Estimated annual cost of operating and maintaining the facilities and/or equipment included

# JOINT CAPITAL PLANNING COMMITTEE

- Advisory to the Town Manager
- JCPC (in its original form) was created in 1992 and was responsible for weighing all of the capital needs that existed in Town (outside of enterprise funds and community preservation act projects)
- What exactly does JCPC do?
  - Reviews departmental capital requests and five year plans
  - Reviews available funding sources
  - Hears directly from department heads and has the opportunity to ask questions
  - Hears resident capital requests
  - Makes a recommendation to the Town Manager



# PROCESS (IN A TYPICAL YEAR)



# COVID-19 IMPACT

- JCPC halted when impacts of COVID-19 became clearer
- Funding allocated to capital reduced by half to help cope with the economic impact
- Creation of capital improvement program started over in April with a condensed JCPC review process
- The capital improvement program will be revisited in September with the JCPC to decide on a plan moving forward
- Some elements of the capital program that were anticipated to be complete have been delayed until the Fall
  - Town wide asset listing
  - Updated five year plan (reflecting impacts of COVID-19)
- FY21 CIP includes a capital reserve account to reflect the uncertainty of town operations next year

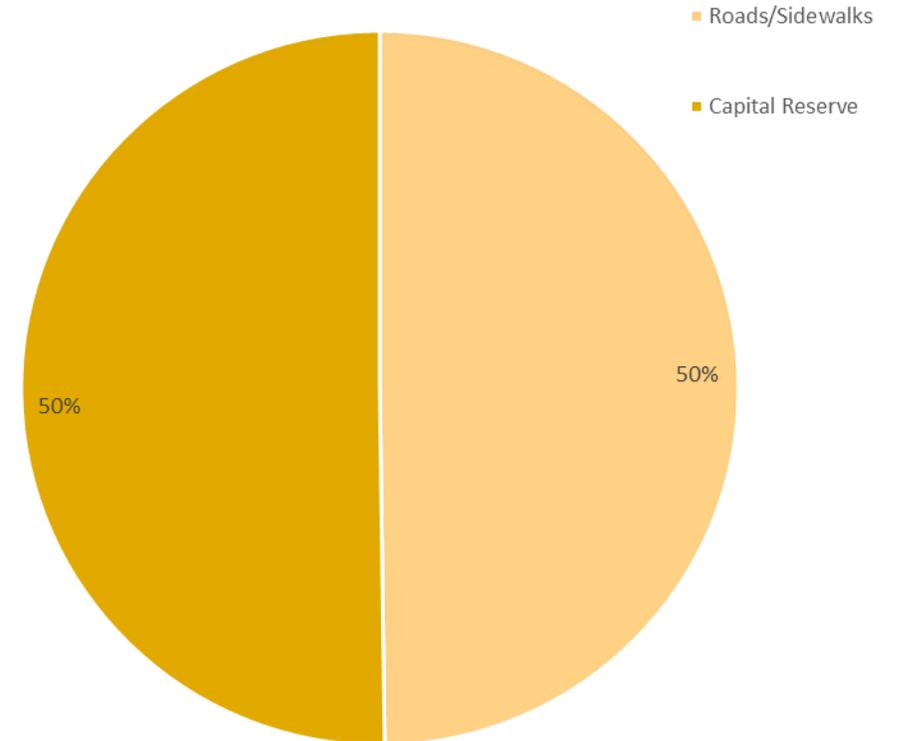
# FY21 RECOMMENDED PROJECTS

## ■ Cash Capital

Description	FY21 Proposed
Roads	\$530,000
Sidewalks	<u>\$170,000</u>
Subtotal	\$700,000
Capital Reserve*	\$706,651
Total Cash Capital	\$1,406,651

\*Reserve is intended to set aside dedicated capital funds for any urgent projects that may arise between now and the Fall.

Allocation of Cash Capital



# FY21 RECOMMENDED PROJECTS

- State Aid

Description	FY21 Proposed
Roads	\$841,883*

- Other

Description	FY21 Proposed
Downtown Improvements	\$62,000

\*Subject to State Budget, may be at risk this year due to the economic impacts of COVID-19



# FIVE YEAR PLAN

<b>FY21-25 Capital Improvement Program Funding Summary</b>	<b>FY21 Projected</b>	<b>FY22 Projected</b>	<b>FY23 Projected</b>	<b>FY24 Projected</b>	<b>FY25 Projected</b>
Prior Year Levy Limit	54,963,386	56,787,471	58,807,158	60,877,337	62,999,270
+ 2.5% Allowable Increase	1,374,085	1,419,687	1,470,179	1,521,933	1,574,982
New Growth Estimate	450,000	600,000	600,000	600,000	600,000
Levy Limit Estimate	56,787,471	58,807,158	60,877,337	62,999,270	65,174,252
Cash Capital 5% (Goal 10%)	2,784,051	5,496,339	5,678,747	5,880,716	6,087,734
Borrowing	-	450,000	1,800,000	-	-
Other	62,000	-	200,000	-	181,500
State Aid	841,883	841,883	841,883	841,883	841,883
Total	3,687,934	6,788,222	8,520,630	6,722,599	7,111,117
<b>FY21-25 Capital Improvement Program Expenditure Summary</b>	<b>FY21 Projected</b>	<b>FY22 Projected</b>	<b>FY23 Projected</b>	<b>FY24 Projected</b>	<b>FY25 Projected</b>
Funded By Cash Capital					
Actual Debt	1,377,400	957,370	817,086	616,546	514,265
Projected Debt	-	279,500	331,550	557,750	544,550
Non Debt Purchases	1,406,651	6,847,125	4,728,725	4,167,225	3,863,025
Subtotal	2,784,051	8,083,995	5,877,361	5,341,521	4,921,840
Borrowing	-	450,000	1,800,000	-	-
Other	62,000	-	200,000	-	181,500
State Aid	841,883	841,883	841,883	841,883	841,883
Total	3,687,934	9,375,878	8,719,244	6,183,404	5,945,223
<b>Over/Under Available Funding</b>	<b>0</b>	<b>(2,587,656)</b>	<b>(198,614)</b>	<b>539,195</b>	<b>1,165,894</b>

- Expenditure summary does not include \$5.9 million of FY21 projects that have been delayed. These projects will either be funded via the capital reserve or reconsidered in the Fall.
- Strategies to address the funding gap:
  - Review possible financing options for future projects
  - Identify projects that may be CPA eligible or eligible for grants
  - Refine the vehicle replacement schedule and consider lease options
  - Remove or delay projects that are the lowest priorities for the Town

# FIVE YEAR PLAN

Department Summary	FY21	FY22	FY23	FY24	FY25
Capital Reserve	\$ 706,651	-	-	-	-
Conservation	\$ -	\$ 202,000	\$ 865,000	\$ 335,000	\$ -
Facilities	\$ -	\$ 180,000	\$ 250,000	\$ 255,000	\$ 300,000
Finance	\$ -	\$ 30,000	\$ -	\$ -	\$ -
Fire	\$ -	\$ 626,000	\$ 666,000	\$ 440,000	\$ 591,500
Information Technology	\$ -	\$ 228,125	\$ 290,125	\$ 262,125	\$ 189,425
Library	\$ -	\$ -	\$ 40,000	\$ -	\$ -
LSSE	\$ -	\$ 450,000	\$ 435,000	\$ 200,000	\$ -
Cherry Hill Golf Course	\$ -	\$ 109,500	\$ -	\$ 75,000	\$ 40,000
Planning	\$ -	\$ 170,000	\$ 60,000	\$ 50,000	\$ 100,000
Police	\$ -	\$ 760,000	\$ 220,000	\$ 393,000	\$ 225,000
Public Works - Administrative/Other	\$ -	\$ 195,000	\$ 185,000	\$ 160,000	\$ 190,000
Public Works - Highway	\$1,603,883	\$ 3,226,883	\$ 3,426,883	\$ 1,521,883	\$ 1,626,883
Public Works - Street & Traffic Lights	\$ -	\$ -	\$ 12,000	\$ -	\$ 12,000
Public Works - Tree & Grounds	\$ -	\$ 159,000	\$ 70,000	\$ 103,500	\$ 20,000
Schools	\$ -	\$ 1,725,100	\$ 1,050,600	\$ 1,213,600	\$ 1,591,600
Town Clerk	\$ -	\$ 77,400	\$ -	\$ -	\$ -
	<u>\$2,310,534</u>	<u>\$ 8,139,008</u>	<u>\$ 7,570,608</u>	<u>\$ 5,009,108</u>	<u>\$ 4,886,408</u>

# IMPACT ON MAINTENANCE/OPERATING COSTS

- Roads/sidewalks are the only FY21 projects identified at this time
  - Maintenance costs for the repaired roads and sidewalks will go down or be shifted to other areas of Town



QUESTIONS/FEEDBACK

Thank you!