

DEBT SERVICE

700 DEBT MANAGEMENT

- **710 LONG TERM PRINCIPAL**
- **751 LONG TERM INTEREST**
- **752 SHORT TERM INTEREST**

PROGRAM SUMMARY: Debt Service (budget code 700)

COMMENTS:

The Debt Service Program includes principal and interest payments on all exempt and non-exempt debt and temporary borrowing of the General Fund. Sewer receipts are used to support debt service payments on sewer projects and are reflected in the Debt Service Budget for the Sewer Enterprise Fund.

The Long Term Principal Sub-Program includes annual principal payments for several long terms bond issues. These include: Landfill Closure, Sidewalk Replacement Bond, new Police Station, Town's 40% share of Combined Sewer Overflow Project, Montague Center School Roof, Sheffield School Roof, Sheffield Parking Lot, and the FRCOG Brown Fields loan for Strathmore debris pile cleanup.

The Long Term Interest Sub-Program includes the annual interest payments for the same projects described above.

The Short Term Interest Sub-Program includes an amount that the Treasurer/Collector appropriates annually for the purpose of paying interest on any short term borrowing.

Expenditure Profile:

Requested Fiscal 2015 spending for the Debt Service Program is \$662,036 or 8.1% of Total General Fund Operating expenses. This represents a 2.84% increase over Fiscal 2014.

Significant Changes

There are no significant changes in the Debt Service budget. Where changes do occur they are generally related to planned adjustments to the amortization schedule or required minimum pay downs on debt that is awaiting permanent financing.

Highlights of Goals and Objectives

The most important goals and objectives of the debt service program are:

- To develop debt polices.
- To formalize a cash flow management plan
- To work closely with the Capital Improvements Committee on the identification of future debt capacity as a means of developing a long term for the financing of town facilities.

General Category: Debt Service

Department DEBT

Dept # 700

EXPENDITURES		Actual 2013	Appropriated 2014	Expended thru 12/31/2013	FY15 Level Services Request	FY15 Fin Comm Recommend	FY15 Town Administrator Budget
710	Long Term Principal						
5910	FSA General Obligation Bond	40,000	35,000	35,000.00	35,000		35,000
5916	Multi-Purpose 2006	55,000	55,000	55,000.00	55,000		55,000
5920	Police Station 1/15/09	205,000	210,000	210,000.00	220,000		220,000
5930	CSO MWPAT #05-22 \$957,448	17,415	17,766	17,766.40	18,125		18,125
5931	CSO MWPAT #05-22A \$1,911,052	19,385	19,858	19,858.40	20,344		20,344
5932	CSO USDA #91-16 \$1,024,000	5,429	5,429	5,429.18	5,667		5,667
5933	CSO USDA #92-18 \$958,000	4,813	5,012	5,011.82	5,218		5,218
5934	6/2/07 Montague Center Roof \$95,475	5,000	5,000	5,000.00	5,000		5,000
5921	BAN paydown PSF		6,100				-
5935	BAN paydown Sheffield Roof		3,652				-
5936	FRCOG Brownfields Loan Principal		5,090	2,520.12	5,217		5,217
	Final PSF Prinicipal				8,691		8,691
	Sheffield Roof				5,729		5,729
	Sheffield Parking Lot				5,000		5,000
							-
	Long Term Principal	352,042	367,907	355,585.92	388,991	-	388,991
							-
751	Long Term Interest						
5910	FSA General Obligation Bond	14,445	12,478	6,702.50	10,605		10,605
5916	Multi-Purpose 2006	19,175	16,425	8,900.00	13,675		13,675
5920	Police Station 1/15/09	173,250	169,100	85,600.00	163,700		163,700
5930	CSO MWPAT #05-22 \$957,448	5,858	5,506	2,841.83	5,147		5,147
5930-100	CSO MWPAT #05-22 \$957,448 Adm	552	413	213.14	386		386
5931	CSO MWPAT #05-22A \$1,911,052	16,489	16,016	8,127.69	15,531		15,531
5931-100	CSO MWPAT #05-22A \$1,911,052 Adm	1,025	994	505.04	965		965
5932	CSO USDA #91-16 \$1,024,000	16,874	16,874	16,873.62	16,636		16,636
5933	CSO USDA #92-18 \$958,000	15,807	15,609	15,608.47	15,402		15,402
5934	6/2/07 Montague Center Roof \$95,475	2,875	2,775	1,412.50	2,650		2,650
5921	BAN paydown PSF Int						-
5935	BAN paydown Sheffield Roof Int						-
5936	FRCOG Brownfields Loan Interest		3,174	1,611.06	3,046		3,046

General Category: Debt Service

Department DEBT

Dept # 700

EXPENDITURES		Actual 2013	Appropriated 2014	Expended thru 12/31/2013	FY15 Level Services Request	FY15 Fin Comm Recommend	FY15 Town Administrator Budget
	Final PSF Interest				4,407		4,407
	Sheffield Roof				2,793		2,793
	Sheffield Parking Lot				3,102		3,102
							-
							-
	Long Term Interest	266,350	259,364	148,395.85	258,045	-	258,045
							-
							-
752-5920	S/T Interest Police Station	602	1,500	-			-
752-5921	Town share S/T Int CSO						15,000
752-5925	Interest on Short Term Notes	5,065	15,000	1,843.10	15,000		15,000
	Short Term Interest	5,668	16,500	1,843.10	15,000	-	15,000
							-
							-
	TOTAL DEBT	624,059	643,770	505,824.87	662,036		662,036

23-Oct per STM adjusted FY14 budget

Historical data on S/T interest on Notes	FY	Expended	YTD 3/18/13
	2013	2,259.71	
	2012	8,981.13	
	2011	8,398.32	
	2010	25,177.21	CSO BAN - 10,462, RAN 12,726.03
	2009	46,193.24	BANs 13,665, GAN 869, RANs 31,659
	2008	37,987.45	CSO 8,519, GAN 2,581, RAN 26,887
	2007	42,801.06	CSO 4875, Colle 10,930, GAN 2987, Egress 9075, RAN 14934
	2006	25,288.19	Colle 4936, Egress 5501, GAN 735, RAN 14,115
	2005	10,397.90	
	2004	4,592.27	