

MEMORANDUM

TO: Barnstable County Commissioners
Barnstable County Assembly of Delegates

FROM: Robert C. Lawton Jr., Interim County Finance Director

DATE: September 16, 2015

CC: Michael Brillhart, Patricia Rogers

RE: Bond Term Limit Extension

I have been reviewing Bond authorizations approved by the Board of Regional commissioners and the Assembly of Delegates, specifically for FY14 and FY15, and find that there is a provision in ordinance 13-03 and ordinance 14-01 in section 13 (b) which states in part that “..such loans shall be payable in not more than ten years from their dates.” This restriction is contrary to the length of term authorized by the Massachusetts General Laws and will have a significant impact on the principal and interest appropriation required to service the authorized debt each year and I would ask that the time limit either be eliminated or changed to a maximum of 20 years.

The Commissioners and Assembly have approved, in ordinance 15-02, payment of debt over a twenty year period. Our Bond Counsel has approved the maximum bond length for FY14 and FY15 of up to 30 years for certain items, copy of the approvals are attached. I believe that sound financial management would dictate at least limit of 20 years so we might spread out our repayments and consideration should be given to allow the General Laws to dictate the maximum length of bond issuance.

I would ask that the Board of County Commissioners and the Assembly authorize the change in ordinance 13-03 and ordinance 14-01, section 13 subsection (b) to read “...such loans shall be payable in accordance with the limits outlined in the Massachusetts General laws.”

BARNSTABLE COUNTY

**Ordinance 13-03: Barnstable County's Operating and Capital Budget for FY 2014
May 1, 2013**

thousand, four hundred dollars, , and may issue bonds or notes of the County therefore, which shall bear on their face the words, Barnstable County Facilities and Equipment Loan, County Ordinance of 2014 . Each authorized issue shall constitute a separate loan, and such loans shall be payable in not more than ten years from their dates.

(c) All bonds or notes issued pursuant to the ordinance shall be signed by the County Treasurer and countersigned by a majority of the County Commissioners. The County may sell securities at public or private sale upon such terms and conditions as the County Commissioners may deem proper but not for less than their par value. Indebtedness incurred under this ordinance shall, except as herein provided, be subject to Chapter thirty-five of the Massachusetts General Laws.

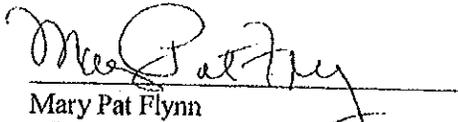
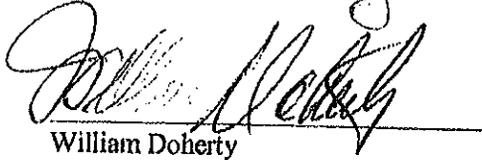
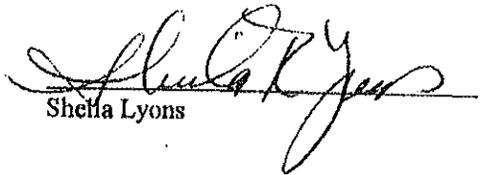
Adopted by the Assembly of Delegates on May 1, 2013.



Ronald Bergstrom, Speaker
Assembly of Delegates

Approved by the Board of Regional Commissioners

5/8/2013 at 12:34 p.m.
Date Time


Mary Pat Flynn
William Doherty
Sheila Lyons

BARNSTABLE COUNTY

**Ordinance 14-02: Barnstable County's Operating and Capital Budget for FY2015
May 30, 2014**

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shall bear on their face the words, Barnstable County Facilities and Equipment Loan, County Ordinance of 2015 . Each authorized issue shall constitute a separate loan, and such loans shall be payable in not more than ten years from their dates.

(c) All bonds or notes issued pursuant to the ordinance shall be signed by the County Treasurer and countersigned by a majority of the County Commissioners. The County may sell securities at public or private sale upon such terms and conditions as the County Commissioners may deem proper but not for less than their par value. Indebtedness incurred under this ordinance shall, except as herein provided, be subject to Chapter thirty-five of the Massachusetts General Laws.

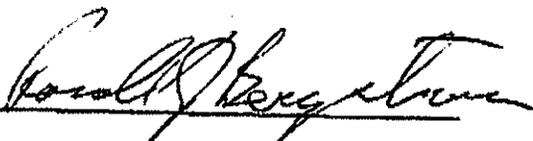
Adopted by the Assembly of Delegates on May 21, 2014.



Ronald Bergstrom, Speaker
Assembly of Delegates

Disapproved by the Board of Regional Commissioners on May 28, 2014.

Override of Commissioners disapproval by the Assembly of Delegates on May 30, 2014.



Ronald Bergstrom, Speaker
Assembly of Delegates