

**MINUTES**  
**Strategic Financial Planning Committee for Capital Funding (SFPC)**  
**Wednesday, January 10, 2018**  
**Silva Room, 278 Old Sudbury Road**

Present:

Patricia Brown and Daniel Carty (BOS, Chair), Susan Berry and Joan Carlton (FinCom), Mark Howrey and Thomas Travers (CIAC), Kevin Matthews (LS School Committee), Lisa Kouchakdjian and Lucie St. George (SPS School Committee), Dennis Keohane (Finance Director)

Absent: Melissa Murphy-Rodrigues (Town Manager), Craig Gruber (LS School Committee)

Also Present: Maryanne Bilodeau (ATM/HR Dir), Susan Iuliano (BOS)

Dan Carty convened the meeting at 8:30 a.m.

**Selection of Clerk to take minutes**

Susan Berry volunteered to take minutes for this meeting.

**Approval of minutes**

Kevin Matthews moved and Tom Travers seconded approval of the amended 12/13/2017 meeting minutes. The vote in favor of approval was unanimous.

**Review old business**

The committee reviewed the CIAC Guidance Letter to the Town Manager and the Town Manager's reply. According to the memo from the Town Manager, in a change from the SFPC recommendations, no article will be asking for funding with a capital exclusion. Instead several articles will request funding by means of a debt exclusion.

**Review updated 5 Year Capital Plan**

A question was raised about the plan for fire station 2. Chair Carty said that the Board of Selectmen haven't discussed this. It remains on the list, but given that the fire chief is retiring at the end of January, it is not likely to be coming to the May Town Meeting, and no one was sure when it will be brought again to the Town or in what form.

**Review Debt and Capital Retirement schedule**

There were no questions on the schedule and no discussion.

**Discussion of Capital Funding Longer Term Recommendations**

Chair Carty asked for a straw poll on the need for more funding for capital. Everyone on the committee agreed that we need to increase the funding for renewal and replacement of the Town's capital assets, but what is the right amount? One approach suggested is to try to keep the debt level. Tom Travers responded that that approach has gotten us in trouble because of using

Free Cash which pushes the long term plan down the road. He estimated that the Town has approx. 175M in capital assets to protect or replace. 2M to 2.5M was suggested as the amount needed annually to maintain our assets. Mark Howrey argued that we need to have our professionals – Park & Rec, SPS, LS and DPW– look at what the need is and come up with a suggested plan. The SFPC needs to give the professionals parameters for what we want. After the committee gets details on expenses, then the committee would look at funding sources.

Discussion of the number of committees concerned with capital ensued. There seemed to be general consensus that the Town needs a body to ensure projects are vetted and to arbitrate between competing needs. The SFPC should consider recommendations to eliminate/consolidate the current capital committees.

Joan Carlton suggested that the committee should also consider whether we need a catch up phase and then a going forward phase for our recommendation for a long-term capital plan.

Pat reported that the CPC has changed its process to request reports back on the status of each project. This led to a discussion of how to categorize open space, perhaps not have it be part of capital funding addressed in this funding plan. Ultimate goal of a long-term plan is to decide how to fund capital on an ongoing basis.

The committee began to brainstorm the capital funding target state:

- Rolling stock replacement on a schedule
- Definition of what we mean by “Capital”
- Capital categories (e.g. Health/Safety, compliance to law, etc., cost avoidance)
- Provide appropriate environment for the departments to fulfill responsibility (e.g. replace rolling stock)
- Well defined project request, vetting, timeline, completion, maintenance, and recap process
- Need help from the “professionals”

Chair Carty charged members for the next meeting to think about what to Continue/Kill/Change/Add: what we are doing well – continue, what we are not doing well – kill, what needs modification – change, what needs to be added – add

Kevin Matthews moved and Pat Brown seconded the motion to adjourn at 10:02 am. The motion passed unanimously.

The next Strategic Financial Planning Committee for Capital Funding is scheduled for Wednesday January 17 2018 at 8AM