

Strategic Financial Planning Committee for Capital Funding

Wednesday, May 30, 2018

Silva Conference Room, Flynn Building

Meeting Minutes

Present:

Patricia Brown (BOS), Daniel Carty (Chair) (BOS), Susan Berry (Fin Com); Thomas Travers (CIAC), Lisa Kouchakdjian (SPS School Committee), Silvia Nerssessian (SPS School Committee) and Kevin Matthews (LS School Committee)

Absent:

Craig Gruber (LS School Committee); Melissa Murphy-Rodrigues (Town Manager), Jaime Gossels (CIAC)

Also Present: Dennis Keohane (Arrived late) (Finance Director)

Chairman Dan Carty called the meeting to Order at 8:35 a.m.

The Chairman confirmed a Quorum.

Tom Travers volunteered and was selected as Clerk.

Approval of Minutes from April 25, 2018 meeting

Susan Berry proposed two changes to the minutes. The revised minutes were approved 6-0 with 1 abstention. The changes will be incorporated in the posted minutes on the web site by Pat Brown.

Review of Old Business:

None

Review action items from 4/25/2018 Meeting

• Members appointments

Chairman Dan Carty is following up with Committees for replacements for Joan Carlton from the Finance Committee.

. Posting of handouts and minutes on Website

Chairman Dan Carty is to follow-up to make sure all are posted on Website.

Discussion of Funding Sources:

The committee discussed the various possible funding sources to get to the 2.5% goal. The following options were discussed:

- 1) Joan Carlton provided input (via a memo to Dan Carty) suggesting a multi source approach for one time funding including earmarking a percentages from New Growth, earmarking a sliding scale percentage from Free Cash and a potential Override.
- 2) Susan Berry suggested a multi-year combination using a percentage of Free Cash, New Growth and a smaller one time Override. Tom Travers was concerned that the use of Free Cash over multiple years would be dangerous because of the potential that if enough Free Cash does not materialize to fund capital we would be back to where we are today. Plus he noted that there are other pressures on Free Cash to fund operating reserves as well as other emergency capital projects not included in the 2.5% capital goal.
- 3) Tom Travers proposed that the committee needed to consider a one-time Override for 100% of the increase needed to get to the 2.5% goal. He did recognize and acknowledged that the passage would be difficult. Although it would solve the funding problem and address the voter fatigue about capital spending.
- 4) Dan Carty proposed the use of a multi-year percentage reduction of the 3% CPC funding. The reduction if approved by Town meeting would be reallocated to the capital budget.
- 5) Also discussed was a multi-year use of cost center efficiency savings be allocated to the capital budget. Susan Berry and Tom Travers felt that if you used a percentage of New Growth as well as mandating cost center budget savings, the cost centers might not be able to achieve enough savings to meet the funding needs. Kevin Mathews suggested that by setting a new reduced spending mindset over a number of years we might be more successful in realizing the savings needed to get to the 2.5%.

The members all agreed that the multi-year approach to Funding Sources was the most viable strategy to pursue.

Chairman Carty suggested that members think about the levels of reductions in the various funding sources. This discussion of Funding Sources will be continued at the next meeting.

Discussion of Project Review and Oversight process

Not discussed and will be addressed at a future meeting.

Next Meeting

Chairman Carty suggested 7 PM Wed., June 13, for the next meeting. This was agreed by group.

Adjournment

A motion was made and seconded to adjourn. The vote was 7-0. The meeting adjourned at 10:05 AM.

Respectfully submitted by,

Tom Travers