



Fairhaven Capital Planning Committee

February 25, 2015 Meeting Minutes

Town Hall East Room – 4:00 p.m.

Present: William Roth, Robert Baldwin, Andrew Tillett, Vincent Furtado, Wendy Graves, Jeff Osuch.

Absent: Cathy Melanson.

Mr. Tillett called the meeting to order at 4:10 p.m.

MINUTES

Ms. Graves motioned to accept the minutes of the February 10, 2015. Mr. Roth seconded. Vote was unanimous. (6-0).

GENERAL FUND CAPITAL PLAN

The Committee reviewed the two handouts in Attachment A and discussed the five-year General Fund Capital Plan. The Committee discussed adding words “other Capital Need” after fire truck – funds could be used for another project or equipment as needed.

The Committee continued with discussion on the sale of land or houses through tax title to be added to the Capital Stabilization Account after being certified by Town Meeting vote. This is to be shown on spreadsheet as (3) after Totals (1) and (2) – estimate \$300,000 in FY17.

The next meeting of the Capital Planning Committee will include a discussion on the Water and Sewer five-year Capital Plans.

Dr. Baldwin motioned to adjourn at 5:10 p.m. Ms. Graves seconded. Vote was unanimous. (6-0).

The next meeting of the Capital Planning Committee is scheduled for Monday, March 9, 2015 at 4:00 p.m. in the Town Hall East Room.

Respectfully,

Jeffrey W. Osuch

Secretary

(Minutes approved 03/09/2015)

	FY16	FY17	FY18	FY19	FY20
2 Police Cars	70,400.00	71,000.00 ±	71,500.00 ±	72,000.00 ±	72,500.00 ±
Highway Equipment	144,000.00	150,000.00 ±	165,000.00 ±	110,000.00 ±	160,000.00 ±
Roadwork	300,000.00	300,000.00 ±	300,000.00 ±	400,000.00 ±	375,000.00 ±
Hastings Floors - gr 8	151,440.00	521,000.00 ±	536,500.00 ±	582,000.00 ±	607,500.00 ±
Town Hall Floors	20,000.00				
Police Pick-up	36,928.00				
TOTAL (1)	722,768.00				
Harbormaster Truck		40,000.00 ±			
Town Admin. Car		30,000.00 ±			
Hastings Floors (6/7)		160,000.00 ±			
Fire Air Packs		20,000.00 ±			
TOTAL (1)		771,000.00 ±			
Borrow Principal/Interest		Police Radio System	100,000.00 ±		
		COA/Rec HVAC	200,000.00 ±		
		TOTAL (1)	836,500.00 ±		
		Police Communication		150,000.00 ±	
		BPW Floors		28,000.00 ±	
		Fire Building		50,000.00 ±	
		Harbormaster - truck		50,000.00 ±	
		TOTAL (1)		860,000.00 ±	
		Harbormaster boat			45,000.00
		BPW car			35,000.00
		Vehicles?			±
		Other - TBD			
		TOTAL (1)			900,000.00 ±
	FY16	FY17	FY18	FY19	FY20
TOTALS (1)	722,768.00	771,000.00	836,500.00	860,000.00	900,000.00
Borrow Principal/Interest	100,000.00	200,000.00	300,000.00	400,000.00	500,000.00
Ladder/Fire Trck/Other Cap Needs	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Roofs/Capital (MSBA Match)?					
TOTAL (2)	400,000.00	500,000.00 ±	600,000.00	700,000.00	800,000.00
TOTALS (1) and (2)	1,122,768.00	1,271,000.00 ±	1,436,500.00 ±	1,560,000.00 ±	1,700,000.00 ±
Land Sales (Projected)		300,000.00 ±			
TOTAL (3)		300,000.00 ±			
TOTALS (1) , (2), and (3)	1,122,768.00	1,571,000.00 ±	1,436,500.00 ±	1,560,000.00 ±	1,700,000.00 ±

Policy for borrowing: only for Capital equipment/projects in excess of \$1 million (ex. High School exterior repairs, Police/Fire Station renovation)				
Create Saving Accountants for Specific Equipment/Projects				
Ladder Truck	FY16	300,000.00		
	FY17	300,000.00		
	FY18	300,000.00		
		900,000.00	Purchase in FY18	
Fire Engine	FY19	300,000.00		
	FY20	300,000.00		
		600,000.00		
<i>Committee still has flexibility to make adjustments if grants are received. Example: Hastings Roofs MSBA Fund FY17</i>				
Match - either move fire truck/use borrow amount				
<u>Borrowing:</u>	Project must be \$1 million or more			
	Ex: High School exterior repairs - estimated at \$6 million± (if no grants)			
	Borrow for 10 years - Principal payment \$400,000 plus interest at 3% = \$120,000			
	\$520,000 principal and interest payment in year 1.			
		FY16	100,000.00	
		FY17	200,000.00	
		FY18	300,000.00	
		FY19	400,000.00	Borrow \$4 million
		FY20	500,000.00	
		FY21	600,000.00	
		(continue increase \$100,000/year)		
	Set priority listing - for repairs, borrow \$3 to 4 million for Phase 1 repairs			
	Borrow for next project (Ex. Fire/Police Station) - when Town is appropriating enough money to cover principal and interest for two borrowings			
	Continue increasing appropriation for Capital Plan until amount raised each year equals 4 to 5% of the total Town budget - Example: \$50 million general fund budget. Capital Plan should raise \$2-2.5			

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Capital 5 Year Plan
General Fund

Rev. 02-25-2015

	million per year						
	Note: Any sale of Town property (from Tax Title or other sales) would be placed in Capital account (Ex. 2014 Tax Title \$98,000 2015 sale of Staffon or School properties) - To be used for borrowing principal/interest payments or large capital purchase						