The meeting was called to order at 7:08 PM. Present were Joe Shanahan, Kecia Lifton, Mary Wolff and Heidi Doyle. Jeff Waldron arrived shortly after the meeting began.

The Committee approved the minutes from 9/13/18 with one correction.

The Committee discussed the following topics:

- How capital budget requests for the regional schools are handled: The Region presents their capital requests to the School Committee. Sherborn’s portion of the operating budget is based upon the number of students attending the regional schools in grades 6-12; the portion of the capital budget is based upon the number of students in grades 5-11 residing in Sherborn regardless of where they go to school. The determination of the assessment is based 25% on capital and 75% on operating expenses. The region itself has the ability to borrow; or the individual towns can fund their capital bill with cash or borrowing. If the region borrows, the assessment to the Town of Sherborn changes every year.

- Heidi Doyle discussed the differences in the financial situations between the Towns of Dover and Sherborn. Dover essentially has the same fixed costs as Sherborn but 50% more people; therefore the Town of Sherborn does not have as much cash available as the Town of Dover. Town debt is high at $10 million but nowhere near the DOR limit of $66 million. Borrowing spreads the costs of infrastructure to future residents who will benefit from current capital improvements.

- Heidi also discussed potential difficulties with cash flow when paying for capital projects. A large capital payment is made in May and capital purchases are made in July.

- Capital spending this year should be conservative and limited to public safety projects. There is a need to do more forecasting and we should have a five-year capital plan from each department.

- Notices of Intent for capital requests must be submitted to the Town Clerk by December 1.

- Heidi explained the different kinds of bonds available to the town for financing capital projects and how the town bond rating works. She recommended conservatism in the next two years. Departments should be expected to demonstrate that requests are necessary and that they have made efforts to obtain the best price.

- The Committee should plan to distribute the Capital Request Guidance letter to the departments at the end of October, using a distribution list obtained from former
Committee Chairman Erik Sirri; and will attempt to obtain an existing blank spreadsheet for 5-year capital projections.

• A joint meeting with the Advisory Committee was suggested. Town Meeting is December 11. The Advisory Public Hearing is November 14; and on November 7 the library is presenting to the Advisory Committee. It was suggested that a Capital Budget Committee meeting be posted for the same time and that members attend the meeting with Advisory and the library representatives.

The next meeting was scheduled for October 29, 2018 at 7:00 PM.

The meeting was adjourned at 8:51 PM.

Respectfully submitted,
Kecia Lifton