

**Capital Planning Committee**  
**Meeting Minutes**  
**March 5, 2015**

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In attendance were:

Steve Andrew\*  
Andrew Flanagan  
Charles Foskett  
Mike Morse  
Brian Rehrig  
Diane Johnson  
Ruth Lewis  
Anthony Lionetta  
Barbara Thornton

\* Denotes those not in attendance

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- **Meeting Opened:** Materials were distributed to CPC members. The primary purpose of this meeting is to discuss the upcoming presentation to FinCom on March 16.
- **Premium Option:** Steve Gilligan attended the meeting to help present and discuss a financing option which has been offered. It includes an attractive bid which has a higher interest rate but carries an upfront premium payment to the Town. This premium reduces the effective rate. (bid in question has rate of 3.12 % with a million dollar upfront premium payment >> resulting in an effective rate over term is about 2.11%. Next lowest bid was for 2.5% without a premium.

The issue is that the premium must go to free cash and that the Capital Plan will have to carry the cost of the higher face interest. Accordingly, the Town is developing a policy under which the Capital Plan will be credited a non-cash offset annually until in each year of the plan and an amount equal to the non-cash offset will be released from the bond premium account to free cash each year. Andrew Flanagan will prepare a written policy to solicit FinCom and CPC support.

- **FinCom Presentation:** The balance of the meeting was spent preparing for the FinCom presentation. Assignments were made to CPC members for various topics/slides. Input and revised slides are due to Charlie Foskett by the end of the day on Tuesday March 10.
- **Next meeting:** March 12

**Adjournment**