

**Town of Lakeville
Board of Selectmen/Finance Committee
Meeting Minutes
April 11, 2017**

On April 11, 2017, the Board of Selectmen held a Joint Meet with the Finance Committee at 6:30 PM at the Town Office Building. Chairman Powderly called the meeting to order at 6:45 PM. Members present: Chairman Powderly, Selectman Hollenbeck and Selectman Burke. Chairman Vlahopoulos called the Finance Committee Meeting to order at 6:50 PM. Members present: George Vlahopoulos, Kathleen DesRosiers, Joseph Flemming, and Daniel Holland. Member Absent: Ryan Trahan. Also present: Rita Garbitt, Town Administrator. LakeCAM was recording the meeting.

Meet with the Board of Selectmen to discuss the funding for the new Police Station

Selectman Hollenbeck provided handouts to the Committee Members which provided scenarios for the funding for the new Police Station. The four (4) scenarios included a \$7 million debt exclusion for 15 years and 20 years, and a \$1 million BAN (Bond Anticipation Note) for the difference of a \$6 million debt exclusion for 15 years and 20 years. The figures included the impact for the average home in the amount of \$300,000-\$500,000. The interest rate for borrowing has been plugged in at 3.25%. This reflects a payment of \$101,796 a year with a coupon rate of 3.25%. With a 20 year term the coupon rate increases to 3.75%. It seems that 15 years is what both Committees agree upon. The tax impact for 15 years vs. 20 years is \$137.16 vs. \$117.18. Basically that is only an increase of \$20 per household. It will save the town \$800,000 in the long run cutting down the number of years to 15. Chairman Powderly stated that maybe the strategy is a \$7 million borrowing and the cost of the bond is x, and the Selectmen will look at it when the project break grounds. So it may be a combination of BANs and bonds, whichever makes sense. Selectman Burke stated that in his opinion it is not worth bothering with the BANs. He prefers the bond for the entire amount. He would rather have the funds available to use for road projects or whatever comes up down the line. The Library and Senior Center were financed for 20 years, and this project is projected at 15 years, so it is less than that. It is not that much of a burden on the homeowner, and they can decide that when they vote. Selectman Hollenbeck stated that she is in agreement with the \$7 million debt exclusion, so that the Town does not strap its operating budget with capital expenditures. Chairman Powderly stated that he would support a \$7 debt exclusion over 15 years.

Chairman Powderly asked if the Finance Committee wants to do anything different. Chairman Vlahopoulos stated that the Finance Committee is in agreement that 15 years is reasonable. Chairman Powderly asked if any motions should be taken at this time. Ms. Garbitt stated that the Committees can vote now or wait until Warrant Review. Chairman Powderly stated that it is good for a taxpayer to know how much their home will be impacted. He just wants the people to know that it is \$137.16 for the average home in Lakeville. Selectman Burke stated that it is important to point out the max impact as a starting point, and then show how it goes down over time. The schedule is nice for that purpose. The last payment amount of \$90 for the 15th year should be included to show the amount from beginning to end. He suggested putting information in the Gazette for the homeowner so that they would know what is coming up, how it will impact them, etc. The Police Station Design Committee was tentatively planning a public meeting in May. The meeting would provide the entire Police Station review, with design, funding, etc. That would be the time to give people the opportunity to speak or ask questions in order to allow them to make up their minds if they want to support this or

not. Selectman Hollenbeck stated the Selectmen should be presenting it with the Project Manager and the Architect.

Selectman Burke gave a quick overview of what would be presented. The total cost of borrowing will be \$8.9 million for a \$7 million debt exclusion for 15 years. Or more precisely, \$8,955,265.00. The taxpayers' max impact is \$137.16 for a \$303,000 home, and that amount decreases to be \$92.31 at the end of 15 years. The people will be advised that the Board explored various scenarios and also looked into the concept of BANs. Selectman Hollenbeck stated that the people will want to know how it fits into the grand scheme of the budget for the Town. The public forum should be scheduled before June 1st.

Minor further other discussion took place regarding Lakeville's tax rate and how Lakeville has one of the lowest tax rates around. It is to be noted that the tax rate comes down, valuation goes up. Selectman Hollenbeck stated that the technology piece for the schools will be dropping off the Debt Schedule.

Schedule Next Meeting

The next meeting of the Board of Selectmen was scheduled for Monday, May 1, 2017 at 6:30 PM.

New Business

There was a brief discussion regarding Budget Meetings with Department Heads. Selectman Hollenbeck suggested Monday, May 8, 2017 at 5:30 PM and Tuesday, May 9, 2017 at 7 PM.

Ms. Garbitt asked Selectman Burke about the date being planned for the Police Station public forum with the Architect and the Project Manager. Selectman Burke stated that they were not sure about the date, but Ms. Garbitt could reach out to Taylor. The Police Station Committee should talk about it at their April 19th meeting.

Selectman Hollenbeck stated that the Selectmen will not be having a meeting on Monday, April 24th.

Ms. Garbitt stated that Cherry Sheets came out today, which were emailed to the Board members. However, she did not see the 40S money. Ms. Desrosiers stated that it is in the State budget. \$130,000 has been funded to Lakeville of the \$250,000. The remaining amount goes to Lunenburg. Ms. Garbitt stated that the only other items were minor increases in Chapter 70 and Regional Transportation.

Adjournment

Upon a motion made by Selectman Hollenbeck and seconded by Selectman Burke, it was

VOTED: To adjourn the Selectmen's Meeting at 7:35 PM.
Unanimous in favor

Upon a motion made by Mr. Holland and seconded by Mr. Flemming, it was

VOTED: To adjourn the Finance Committee Meeting at 7:35 PM.
Unanimous in favor