

**LITCHFIELD CAPITAL IMPROVEMENTS COMMITTEE  
SPECIAL MEETING  
TUESDAY, OCTOBER 8, 2013  
LITCHFIELD TOWN OFFICE BUILDING – 7:00 P.M.**

**Call to Order:** Chairman David T. Wilson called the meeting to order at 7:04 p.m. Attending were David T. Wilson, David W. Wilson, Joann Brogis, Jack Healy, Leo Paul, Jr., James Koser and Rose Bouchard. Absent were William J. Buckley, Edwin Evers and Frank Simone.

**Approve Minutes**

**a) Special January 29, 2013: Motion:** L. Paul moved to approve the special meeting minutes of 1/29/13 and J. Healy seconded. All voted aye and the motion carried. Chairman Wilson noted that Bill Buckley has informed us he will be resigning, as he is too busy and needs to cut back some of his activities. Mr. Wilson asked for suggestions to fill the position of Citizen at Large, and said the candidate cannot be a Republican in order to comply with the minority representation statute.

**Review and Amend Capital Improvement Policy:** Chairman Wilson explained the background of the events that led up to discussion of the policy. The Board of Education had decided to do a lease purchase of laptops and copiers for the schools. They came to Mr. Paul and himself for a sign-off on a federal tax document. In questioning this five-year lease purchase, he asked about the interest rate, which was average 4.9%. He then asked Bond Counsel, who suggested a bond anticipation note at between .37% and .50% instead of the lease, which made more sense. IBIC and bond counsel both agreed on the use of BANs. D. Wilson then wondered how to best define this type of purchase so that it is best for the taxpayers, even though it may not meet the Capital life expectancy guidelines. L. Paul added that if this type of purchase becomes more regular, it could be a significant concern.

L. Paul said he thought the first condition of the policy relating to all projects requiring debt obligation or borrowing still applied. D. W. Wilson said he assumed the BOE had borrowing cost factored into their request but was concerned that if this is not handled from an operating budget point of view, we may be deceiving the public because of the actual cost of running the Board of Education. D. T. Wilson said that they have put it into their operating budget. The question is the most efficient way to finance it. D. W. Wilson is saying they should be increasing their operating budget by \$104,000 as opposed to being a debt service item. J. Healy noted that even items in the operating budget that are financed over three years have to be approved at a public hearing. There needs to be better communication between the Selectmen, Finance and Education boards. The Board of Education must realize anything requiring debt obligation should go through the Board of Selectmen. L. Paul asked to leave the process in place with the Capital Committee questioning certain items. All agreed and no motion was required. A conversation will be had with the Board of Education.

**Discuss Meeting Schedule for 2014/15 Capital Budget:** It was agreed that the adopted schedule was fine as is.

**Adjournment: Motion:** L. Paul moved to adjourn at 7:43 p.m. and J. Koser seconded. All voted aye and the motion carried.

David T. Wilson, Chairman