

Capital Planning Committee

Town of Longmeadow, Massachusetts

FY 2021 Capital Budget Recommendations

February 10, 2020

As part of the Longmeadow, Massachusetts Capital Budget Process, The Capital Planning Committee received from the Town Manager proposed projects for funding consideration for Fiscal Year 2021. In addition, we received supplementary information and presentations by the Town Manager, the Director, Department of Public Works, and the Chief of the Longmeadow Fire Department providing further information regarding the proposed capital budget. Public comments were also received. Additional projects for which funding was requested of the Community Preservation Fund, and projects to be funded from the Water and Sewer Enterprise Funds were described.

As a result of productive communication with the Community Preservation Committee, it was possible to minimize duplication of consideration for several projects.

The Longmeadow Finance Director has advised that approximately \$2,000,000 (2.75%) of the general fund has been designated for capital appropriation.

The final recommendation of the Capital Planning Committee represents the product of extended discussions directed to prioritizing capital projects according to impact of each on current operations or which, if deferred would result in significant decrement in operations or probable significant increase in cost.

As noted, capital projects involving roads, water and sewer that are funded through the Enterprise Funds were not included in the Committee's allocations. Additional projects proposed for funding through the so-called "Chapter 90" funds from the Commonwealth were also not evaluated. However, the Committee recognized the importance of considering all these projects in the context of the town's short- and long- term capital plans.

Our recommendations are presented in Appendix A, ranked according to the following criteria:

- Mandated by governing bodies
- Safety improvement
- Efficiency improvement
- Enhancement of community quality of life/aesthetics

A running expense tally is included in this table. Because of the significant difference between the financial requirements of the proposed projects and the current capital stabilization fund, not all requests could be accommodated. The Capital Planning Committee attempted to formulate a recommendation that would optimize satisfaction of the town's capital needs, in view of the financial constraint. Should town meeting agree to funding the recommended capital projects, this would require an approximately \$1.987 million.

Three of the requests that were not included in the recommended projects warrant specific comment:

The outlay request for replacement playground equipment at Blueberry Hill school would require commitment of ten percent of the capital budget. The committee believes the projects that would have to be replaced should this project be funded, represent, in toto, a higher priority. The committee recommends resubmitting this project next year, in conjunction with an application to the Community Preservation Committee. Our committees have worked in coordination in the past to achieve funding of this nature.

The committee recommends that projects proposed for the Greenwood Center be deferred pending completion of the deliberations regarding its ultimate configuration.

It is the opinion of the committee that projects such as interior painting of town buildings, represent operational expenses, which should be funded through operational funds.

During the course of the committee deliberations, it was acknowledged that there continues to be a difference of opinion between the committee and the Town Chief Financial Officer regarding the appropriate accounting designation (capital expenditure vs operational expense) if the anticipated project cost satisfies the criteria for capital projects, but the increase in serviceable life does not. The committee again recommends that the Select Board designate a special committee, comprised of members nominated by the town administration, the Finance Committee and the Capital Planning Committee to discuss these issues and provide guidance.

The Capital Planning Committee continues its collaboration with the Town Manager and the Director of Public Works to ensure that current information regarding physical progress of capital projects approved at town meeting is available for quarterly reports to the Select Board.

The Capital Planning Committee thanks Town Manager Lyn Simmons, Director, Department of Public Works Mario Mazza, Fire Chief John Dearborn, and their staffs for their support and informative testimony during our review process.

Respectfully Submitted,

Capital Planning Committee

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