

Weston Board of Finance
Debt Management Policy Sub-Committee
Special Meeting
Meeting Held Remotely
October 28, 6:00PM

BOF Vice Chairman, Jeffrey Farr called the meeting to order at 6:00pm. Attendees were Chris Bryant and Jeffrey Goldstein.

Discussion with Karl Kilduff, Town Administrator. The subcommittee asked for input on the primary components of a debt management policy. General criteria for debt issuance/bonding discussed. Things to look at would be debt per capita, long-term committed expenses (pensions) as a percentage of budget for must pays. GFOA benchmark standards for fund balances should be reviewed. Some towns look at basic demographics, per capita income, median household income. Debt as a percentage of the grand list discussed. Lease options discussed to add to policy, to give flexibility for purchases. Mr. Farr asked questions on structuring of bonds for debt maturity, pay down principles. Process of issuing debt discussed, approval process with BOS then BOF, and then Town Meeting. Disclosure requirements discussed.

Discussion/decision regarding table of fiscal metrics. Decision on specific ratio metrics will not be decided at this meeting, discussion will include what might be included in the policy. Sample draft policy by Mr. Bryant reviewed with common items to include. Purpose, objectives, types of debt to be reviewed. Discussion on total debt as a percent of the equalized grand list as opposed to assessed value was discussed. Policy vs guidelines discussed, debt limitations, debt issuance and structure, maximum maturity, refinancing all discussed.

Agreement on three metrics for policy under Debt Affordability Guidelines

1. Debt service as a percentage of budget.
2. Debt to taxable net grand list value ratio.
3. Paydown schedule – Include a minimum paydown rate (GFOA good practices)

Discussion/decision regarding policy layout/outline.

- Why is debt important
- Objectives
- Types of debt
- Use of debt
- Disclosure

Will review Mr. Bryant's draft and discuss/make changes for next meeting. Draft of metrics to be sent to Debt Capacity committee for review.

Discussion regarding debt maturity

Most policies in other towns include pay off atleast 50% of debt within 10 years.
Subcommittee agreed with this.

Discussion/Decision on Agenda for next Special Subcommittee Meeting of 11/4/24

Decision/Continued discussion around debt as a percent of the budget.

Decision/Discussion Debt to the net grand list.

Decision/Continued discussion on content for policy.

Approval of Special subcommittee minutes for 10/21, 10/28.

Adjourn. Motion to adjourn by Mr. Bryant, seconded by Mr. Goldstein. Meeting adjourned at 7:12pm.

Respectfully Submitted,
Shawn Amato, Recording Secretary