

Town of Wayland
Finance Committee
Meeting – Thursday, January 29, 2009
Minutes

Attendees: Sam Peper, Susan Pope, Rich Stack, John Bladon, Cherry Karlson, Bob Lentz, Mike DiPietro (Finance Director)

Absent: Dave Gutschenritter

1. Meeting called to order at 7:06 pm.
2. Public Comment: None.
3. ALS: John Bladon presented updated revenue and expense information on the proposed ALS service. He presented pro formas for seven years under five scenarios. After lengthy discussion, it was agreed to fund one year of ALS service on a trial basis (net cost of approximately \$62,000) with the understanding that they meet budget or terminate the service for FY11. Additional budget reductions may be needed to continue the service for FY11 even if meeting projections.
4. FY10 Operating Budget: Mike DiPietro presented his recommendations for the operating budget and discussed all changes from our last discussion:
 - a. Facilities – combined.
 - b. Police – officer #23 eliminated (approx. \$55,000)
 - c. DPW – all information consolidated; \$110,000 in net savings for FY10
 - d. CoA – correction to budget
 - e. Debt – interest cost reduced through savings from refinancing (approx. \$300,000)
 - f. Unclassified – estimated increase for healthcare reduced from approx. 12% to just under 10%
 - g. Schools – reduced \$245,000 for state aid reduction, \$75,000 for utility assumptions and \$50,000 from buildings/custodial.
 - h. BoH – half-position shared with Facilities; includes \$8000 for school nursing. After lengthy discussion, FinCom asked BoH (Anna Ludwig and Mike Wegerbauer were present) to coordinate with the town administrator on sharing the half-time position.

The Water department adjusted their rates to cover revenue changes and capital needs.

The BoH (Anna Ludwig, Mike Wegerbauer) requested a better understanding of the transfer station expenses. It was agreed that Mike Wegerbauer would work with the Finance Director to accomplish this.

It was agreed that the General Fund budget should be adjusted to include the ALS operating expense.

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At 8:30, members of the School Committee and school staff joined our meeting to discuss the school's operating and capital budgets and to present further information on the technology capital request. In attendance: Louis Jurist, Deb Cohen, Barb Fletcher, Heather Pineault, Gary Burton, Joy Buhler, Brad Crozier, and Leisha Simon.

The SC reported that they had voted an operating budget of \$31,111,713 which included the state aid reduction of \$245,000 and the utilities adjustment of \$75,000. They did not reduce the building/custodial line and explained the reasons for maintaining the increase; there was limited discussion of this change.

Barb Fletcher and Heather Pineault presented three items related to the technology capital request: purchases over the last three fiscal years, educational improvements and justifications for the project and a spreadsheet delineating new initiatives and maintenance costs. Total request for FY10 remains \$750,000. FinCom followed up with questions on the presentation.

At this time, the FinCom resumed discussion of the FY10 operating budget. Including ALS and reinstating \$50,000 to the schools' building/custodial line item results in a net change of \$112,000. This results in a use of free cash of approximately \$1.1 million rather than the planned \$1 million. Motion made and seconded to recommend a draft FY10 operating budget of \$61,845,366 plus the expense of the two items (ALS, SC custodial) above. Mike DiPietro will calculate the exact number. Vote: 5-1.

John Bladon will report back to the BoS and the fire chief on the outcome of the ALS request stressing the one year trial nature and necessity of meeting financial projections.

5. FY10 Capital Budget: Mike DiPietro presented his recommendations for the capital budget and discussed the changes made to keep the debt exemption question tax neutral.
 - a. Full List and Measure – reduced to \$225,000
 - b. Library Building Repairs – reduced to \$90,000
 - c. HS feasibility study – including the net impact in exempt debt

Other discussion covered reducing the full list and measure to \$200,000 and reducing town building repairs by \$25,000. The funds would then be allocated to ALS capital (approx. \$30,000) and to field maintenance (approx. \$25,000), the latter to be spent only after a plan for field maintenance and repair is created. The recommended plan meets the FinCom's goal of remaining tax neutral.

Motion made and seconded to recommend a draft capital budget of \$3,525,000 resulting in a tax neutral debt exclusion question. Vote: 6-0.

Later in the evening, it was recognized that the \$5000 delta for ALS capital and field repair/maintenance had not been included. Motion made and seconded to adjust the recommended draft capital budget to \$3,530,000. Vote: 6-0.

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6. Budget Presentation: Sam distributed draft slides for the presentation on February 2nd. After discussion, it was decided that a sub-group would work on the slides, and we would meet at 6:45 on February 2nd to vote them.
7. GIC: It was agreed to request the town administrator to revisit the idea of joining the GIC state healthplan (potential costs/savings, accrual period for any savings, management concerns). This was last done just prior to starting the last round of contract negotiations.
8. Public Comment: It was asked if there would be hard copies of the budget slides at the Feb 2nd meeting. They will be posted the morning after the presentation and there will be a handout of the draft budget (operating and capital). There was general agreement to post the operating and capital budget in draft form on the FinCom website prior to the presentation.

Next meeting: February 2, 2009 at 6:45pm. Meeting adjourned at 10:35 pm.

Submitted by:

Cherry Karlson