



# Town of Wayland Massachusetts

## Finance Committee

Paul Grasso  
Thomas Greenaway  
David J. Gutschenritter  
Cherry C. Karlson (Chair)  
Sam H. Peper  
Richard M. Stack  
Bill Steinberg

Finance Committee  
Meeting Minutes  
January 27, 2011

The meeting was called to order at 7:10pm in the Wayland Town Building when a quorum was present.

**Attendance:** B. Steinberg, S. Peper, C. Karlson, T. Greenaway, M. DiPietro, D. Gutschenritter, R. Stack (7:20)

**Absent:** P. Grasso

**Public Comment:** Bill Murphy commented that the DPW was posted to meet with the FinCom tonight. Linda Segal asked that any documents discussed be shared with the public.

**FY12 Capital Budget:** M. DiPietro presented an updated draft suggested capital list based on FinCom's earlier discussions. He explained that to meet our goal of better than a tax neutral debt offering that he had altered funding sources from our guidelines. Given the capacity within the levy limit, more items were moved to the levy and fewer within the debt exclusion. A proposed debt exclusion containing the school technology and DPW field development requests is better than tax neutral.

Discussion of proposed capital items continued at length. Discussion of the field development (\$530,000) and beach improvements (\$75,000) was held until our next meeting when both Rec and DPW plan to attend. There was agreement that computer expenses should be expensed (operating budget) rather than capitalized for both the school and municipal budgets and a lengthy discussion of the timing of implementation and dollars to shift. A summary of suggested changes and requested information follows:

- |                                 |  |
|---------------------------------|--|
| • IT                            | Move \$50,000 to operating budget      |
| • Conservation - dam repairs    | Consider funding at \$80,000           |
| • Facilities - building repairs | Postpone \$60,000 of work at Station 2 |

- DPW - new building design Request to lower price from \$250,000
- DPW - drainage improvements Confirm that prices are based on estimates
- DPW - vac truck Compare rental price to annualized debt service
- DPW - field renovations Request detail of FY11 and FY12 work
- DPW - Hannah Williams Confirm that prices are based on estimates
- DPW - equipment Consider removing chipper, seeder and wacker

M. DiPietro and C. Karlson will follow-up with staff on the above items.

Further discussion of the SC's technology request occurred; decisions were deferred until FinCom reviewed the operating budget.

**FY12 Operating Budget:** The committee reviewed the municipal operating budget and answered questions from members. Two open items/questions remain on the municipal budget:

- SWQC M. DiPietro will distribute the text of their budget request for review.
- ConCom Need for \$15,000 for consultant review of the dam; is this duplicative with the capital request? Or will it result in further work?

M. DiPietro and C. Karlson will follow-up on the above items.

The SC's requested operating budget was discussed. Concern was expressed that the utility savings of approximately \$300,000 was being applied to requested personnel positions. FinCom planned that any overage in the utility account would either be applied to utility costs for the new high school or returned as a year end giveback.

Reviewing the capital and operating budgets together, it was the sense of the meeting to fund the technology capital request at \$500,000 for FY12 with \$350,000 being funded through debt and \$150,000 funded within the operating budget (no change to guideline). Discussion covered timing (FY12 vs. FY13) and amounts, but there was agreement that computer technology should be expensed. Discussion also touched on FY13 technology funding levels with consideration given to \$500,000 total funds (\$200,000 in capital and \$300,000 from operating). This moves funding towards the SC's projected maintenance level of \$400,000 annually where \$300,000 would be computer operating expense.

C. Karlson will convey this information to the SC budget liaison and SC chair. M. DiPietro will work with the business administrator. It is anticipated that a FinCom rep will need to attend the SC meeting on January 31st to explain this change.

**FY12 Financial Discussion:** FinCom reviewed some of M. DiPietro's revenue and expense assumptions on a broad level. The committee also reviewed the proposed use of free cash for FY12: \$1 million toward capital expenses, \$500,000 to balance the operating budget and approximately \$300,000 to prepay pension obligations. This continues the FinCom's philosophy of using free cash to minimize the need for an operational override and to mitigate tax increases to residents. Our projections assume the use of additional free cash in FY13 to balance the operating budget. It was recognized that given the free cash levels that it is of particular importance to articulate our plans for applying cash to the budgets.

**Adjourn:** At 10:15pm a motion was made and seconded to adjourn.

Respectfully submitted,

Cherry Karlson