



# 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 June 20, 2011

The meeting was called to order at 7:08 pm in the Small Conference Room at the Wayland Town Building.

**Attendance:** C. Karlson (Chair), P. Grasso (joined at approximately 8:00 PM), T. Greenaway (joined at approximately 7:20 PM), D. Gutschenritter, S. Peper, R. Stack, B. Steinberg, and M. DiPietro (joined at approximately 7:15 PM).

**Public Comment:** Don Bustin presented his ideas for public disclosure of the Town's financial information, and more specifically the Town's general ledger. Handouts from Mr. Bustin included emails he sent to individual FinCom Members and an additional one-page memo setting forth his ideas. He believes that the Finance Committee should "become more active in oversight of Town's financial operations", in addition to its currently stated role. Mr. Bustin made the comment that he would like Town Boards and committees to have access to the Town's financial reports.

**Review/vote of Meeting Minutes of May 10<sup>th</sup>:** not yet available to review.

#### Chairman's Update:

- The Chair reported that all negotiations with the various unions representing Town and School employees have been settled. The next round of such negotiations for some unions will next take place in approximately 15 months. All finalized contracts were within the financial goals set by the Town. The health care provisions of such contracts appear to be similar to the proposed health care legislation that is currently being negotiated in the Massachusetts House and Senate. It was suggested that either Mr. Senchyshyn or Mr. Turkington might prepare an article for publication explaining the Town's efforts towards healthcare savings and that the Town is now benefitting from the cost savings of such provisions, prior to any implementation at the State level.
- The Members discussed the emails and other materials submitted by and presented by Mr. Bustin with regard to the disclosure of financial information and the concept that FinCom might become more active in the oversight of the Town's financial operations (see public comment above). It was stated that each Town department is responsible for the implementation of its operating budget, as set forth at Town Meeting each year, and that the Finance Director (Mike DiPietro) oversees each department. The Operating Review Committee is in the process of making recommendations of the types of reports that might be generated and the systems that might be used to generate them. The Chair suggested that Mr. Bustin meet with the Finance Director so that he can gain an understanding of the Town's current financial procedures and controls.
- The Members discussed an email sent to them by Donna Bouchard that pertained to two suggestions: a) more FinCom meetings should be televised on WayCam than was the practice in fiscal year 2011; and b) FinCom should consider the creation of subcommittees that could take responsibility for the interaction and communication between FinCom

and various Town Departments. With regard to taping all or most Finance Committee meetings for broadcast on WayCam, there was not any FinCom reluctance to have that done; however the taping of such meetings is the responsibility of WayCam and not of the various Town Boards and Committees. FinCom Members expressed a desire to continue to meet on Monday evenings, as meetings with other Town Boards, specifically with the Board of Selectmen and the School Committee, are facilitated due to the fact that those groups also meet on Mondays, FinCom Members also expressed a desire to meet on Mondays due to work and family considerations (i.e. business travel and limiting the number of nights when they need to be present at Town Building). With regard to the formation of subcommittees, FinCom has been discussing a more active liaison role between individual Members and the various Town boards and committees and feels that the organization of subcommittees would create a barrier between FinCom and these other groups that would not be beneficial

- The Chair provided an update with regard to the status of the Town's Energy Committee, and Anne Harris, co-chair of that committee, presented part of that update. The Energy Committee is considering approximately \$100,000 of potential projects that would be implemented in conjunction with the utility companies. In order to determine whether these projects are viable, it is being proposed that the Town would perform investment grade audits to support the viability of the proposed projects. The Town's cost of such audits would be approximately \$20,000, and the Energy Committee expects to make the request of the Finance Committee to approve for the payment of a portion of the costs for such audits. The anticipated payback on these potential projects may be in the range of 10 years. The projects having the greatest impacts would be for the heating systems on some of the older Town buildings (i.e. the Town Building, one of the elementary schools, the Middle School, etc.). It is expected that Fred Turkington will provide an update on the status of the audits by the time FinCom meets on 6/27/11. FinCom would like to determine how we can track the savings from these projects to each department and how to account for such savings in a manner that the savings can then be used to finance the cost of other energy saving projects going forward.
- The Chair provided an update with regard to the end of the year budget for the Wayland Public Schools. It appears that the non-personnel budget will be about \$900,000 under budget:
  - Approximately \$500,000 to be returned to free cash
    - Utilities - \$250,000 - \$300,000
    - SPED Circuit Breaker - \$250,000
  - Approximately \$350,000 to be used for prepayment of SPED expenses for FY12 and End of Year copier purchases

Savings from personnel items in the budget are estimated to be \$250,000 to \$300,000, due to savings in the staff exchange line item (fewer substitute teachers due to less illness than forecast, fewer maternity leaves, etc.) The school administration plans to use this savings to pay for computers that the school committee had included in their budget presented to the Finance Committee for the FY12 budget but which were subsequently cut from the school budget in FinCom's capital budgeting process. This purchase can be completed without requiring a vote by the School Committee or the Finance Committee.

FinCom Members would like to know if some copiers to be purchased have been leased, in which event the purchase of those leases should decrease lease payments in the 2012 budget and possibly in other budgets going into the future.

The SC may lease some of the computers to be acquired within the FY12 operating budget. FinCom members requested an analysis between the cost of leasing and the cost of purchasing such equipment.

**Discussion With Moderator, Dennis Berry, Regarding Town Meeting:** Newly elected Town Moderator Dennis Berry met with the Finance Committee. Dennis listened to the thoughts of FinCom Members regarding Town Meeting, which included comments regarding electronic voting, the abuse of the procedural microphone at Town Meeting, the negative/angry tone at recent Town Meetings, etc. Among his responses, he indicated that electronic voting appears to be likely to continue; he hopes to do a better job of having the procedural microphone used for its intended purpose; and he hopes to encourage a civil tone at Town Meeting but wants to ensure free speech and lively debate. Dennis hopes to attend some of the FinCom budget meetings so that he will be aware of the issues at hand when they come before Town Meeting. Finally, Dennis reported that Minuteman Technical School will likely request capital funds again this next fiscal year. S. Peper follows this topic for FinCom and was aware of the potential request.

**Chair's Update on Public Records Requests:** Public records requests and questions from members of the Wayland community were made on the following dates:

- June 7, 2011 – George Harris questioned lines of the Tax Recap Sheet and information regarding the overlay account calculation for the Town.
- May 10, 2011 – Donna Bouchard requested backup information regarding the 2012 budget projections. This

information was released upon the completion of the negotiations with various unions representing Town employees.

- May 13, 2011 – George Harris requested information regarding the Stabilization Account. This account goes back to 1961.
- May 23, 2011 – Anette Lewis requested the records and backup information for the DPW FY11 and FY12 budget requests and also records to support the statement in the 2008 Town Meeting Article regarding the request for funds for the construction of the wastewater treatment plant.
- June 15, 2011 – Donna Bouchard made a request for the tax recap sheets prepared in November 2010.
- June 13, 2011 – George Harris requested information about the stabilization fund. A follow-up question is still pending response from the chair.

#### **FinCom 2013 Preparation:**

- For fiscal year 2012, a motion was made by T. Greenaway and seconded by D. Gutschenritter to appoint C. Karlson chair and B. Steinberg vice-chair. After discussion, the motion passed with a vote of 7-0.
- There was a brief follow-up discussion of the need for liaisons from FinCom to other Town Boards and Committees to take an active role in working with those Boards and Committees, especially with regard to the capital budgeting process. The Committee decided to make the liaison assignments at its meeting on June 27, 2011.
- The calendar for FY 2012 is expected to include Annual Town Meeting in early April 2012. It is anticipated that there will not be a Special Town Meeting in the Fall of 2011.

**CIP: Discussion of Process, Policies, Updates and Evaluation Criteria:** Sam Peper provided members with a matrix that he worked on with Rich Stack. There was a consensus that liaisons to Boards and Committees should require them to use these forms when submitting capital requests to FinCom. There was a suggestion that the liaisons might be copied on the initial capital requests that are also sent to the Finance Director in order to have such requests focus on doing the appropriate analysis at the time when such requests are initially made. FinCom intends to review the proposed form again at its meeting on June 27, 2011.

#### **FinCom Members' and Finance Director Reports and Concerns:**

- Over the summer, Sam Peper plans to consider the format for analyzing both the CIP and Debt management policies of the Town by working on a form that can serve as a good management tool that will be helpful to FinCom's analysis of such items.
- Paul Grasso would like FinCom to take a closer look at the amount of spending by the Town of Wayland as it compares to spending by its peer towns. Are we spending more than such towns? If so, why/in what areas? Does this reflect taxes that are too high? P. Grasso will complete this as a summer project.
- Tom Greenaway has asked Mike Dipietro to provide actual vs. projected revenue numbers. Mike commented that the economy has improved in Town to the extent that revenues from building permits, excise taxes and sales taxes are ahead of projections by approximately 5%.

#### **Handouts – the Following Documents Were Distributed During the Meeting:**

- Memorandum and emails from Don Bustin to the Finance Committee, as referenced above;
- Email from Donna Bouchard, as referenced above; and
- Proposed CIP form prepared and provided by Sam Peper.

**Adjourn:** At 9:35 PM a motion was made and seconded to adjourn the meeting. The motion carried and the meeting was adjourned.

Respectfully submitted,

William Steinberg