



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 30, 2012

Attendance: C. Karlson (Chair), B. Steinberg, T. Greenaway, D. Gutschenritter, P. Grasso, S. Pepper, M. DiPietro (Finance Director)

Absent: R. Stack

The meeting was called to order at 7:04pm in the Senior Center, Town Building.

1. Public Comment

- Anette Lewis, Claypit Hill Rd., provided one copy of a document illustrating the changes in the budget presentation in the Warrant over time. She requested at least 3 or 4 lines of reporting on the DPW budget, including one for snow expenses.
- Frank Krasin, Edgewood Rd., asked again about the difference between leasing as opposed to buying DPW Equipment. B. Steinberg explained that we mentioned this in our budget discussions last week and given the length of time we hold the vehicles and that we do our own repairs and the Town's low cost of capital, it is not cost effective to lease. It was agreed that it would be helpful to have an analysis done to show this.

2. **Minutes:** The minutes of January 17th were reviewed. Motion and second to approve as amended. Vote: 4-0-2 (Peper, Gutschenritter). Review of the minutes from January 23 and 26 will be moved until February 6th meeting.

3. FY2013 Budget Discussion:

Capital Budget

- Road Improvements: Discussion continued from previous meeting about how best to account for these expenses. M. DiPietro reminded FinCom that while we have the cash to pay for the \$200,000 expense this year, we will not have this every year. The recommendation was made to put \$200,000 in the capital budget for road reconstruction and keep \$100,000 in the operating budget for road repair
- T. Greenaway asked how the MS roof project will be managed. C. Karlson explained that the MS roof is a capital request under Facilities, J. Moynihan.

- Cemetery Expansion: The FinCom received an email from Wayland Wells (former Wellhead Protection group) expressing concern about gravesites near water source. DPW agrees we should not locate graves near water sources. There needs to be more site review as part of the project process. M. DiPietro reminded FinCom that all proceeds from the sale of the plots stay in the cemetery account.
- Water meters: Questions remain on this project. FinCom is waiting for the outcome of the TAG group report on the cost benefit of this program and any potential health risks.
- School Bus: C. Karlson explained the bus driver is an employee with another position within the Schools. P. Grasso reviewed the analysis done by TAG and by G. MacDonald showing savings of \$20,000 a year for having our own bus.

There being no further discussion on the FY13 capital budget, a motion was made and seconded to approve a FY13 capital budget of \$6,375,000 contingent upon CPA funding for \$975,000 for athletic fields and receipt of information supporting the water meter system request; funding sources to be

Borrowing	\$1,605,000
Cash Capital	\$535,000
Free Cash	\$1,700,000
CPA	\$975,000
Water Cash Capital	\$1,060,000
Water Revenue	\$500,000

Vote: 6-0.

Operating Budget:

- M. DiPietro handed out an updated operating budget worksheet and indicated changes made from new information and FinCom discussions:
 - Unclassified – Medicare costs are down.
 - Analyst position is in Unclassified – Reserve for Salary Adjustment allowing us to work with the Personnel Board to define and place the position. It will likely be a school non-union position in the Facilities department if approved.
 - Reduction of \$200,000 in DPW (not shown yet) from moving Road expenses to capital.
- C. Karlson confirmed that COA requested 6 additional tax work-off positions for FY13, totaling \$3,000. Eligible residents work 62 hours and then receive \$500 towards their taxes.
- Overall reductions in budget of \$407,144, bringing the budget to \$73,453,823.

There being no further discussion on the FY13 operating budget, a motion was made and seconded to approve the FY13 budget as follows

General Fund Budget	\$69,285,522
Water	\$3,500,334
Septage	\$32,807
Wastewater	\$635,160

for a total Omnibus Budget of \$73,453,823.

Vote: 6-0.

- FinCom will present the draft budget on February 13th. C. Karlson will coordinate the time with the BoS' agenda that evening.
- Budget Presentation in Warrant: the FinCom discussed the relative merits of presenting more line items in the Warrant. It was the sense of the meeting that for most departments that current

format was sufficient. M. DiPietro will bring a template to show how the DPW budget could be presented breaking out snow and road expenses to discuss at our next meeting.

- Estimated Free Cash position and financial projections: M. DiPietro discussed how to present anticipated additions to free cash recognizing that some are known to occur in FY12 and some are contingent upon other boards' votes and decisions. FinCom would like to see updated financial projections before moving on to vote ATM warrant articles.

4. **ATM Warrant article discussion:** FinCom will discuss articles on Feb 6, 13 and 27. March 5th will be a wrap up meeting and the warrant goes to print on March 9th. We need to start voting articles next week.

D. Gutschenritter asked how FinCom can opine on the petitioners' article concerning changes to the budget process and composition of FinCom. Discussion followed.

5. **FinCom Members' and Finance Director Reports and concerns**

- T. Greenaway gave an update on his discussion with the HSBC project manager, David Sandoin. The HSBC should have an idea of hard contingencies in the April timeframe and the soft contingencies in about September. There will be a final audit at the completion of the project, anticipated in September 2012, to determine what if any funds will be returned to the town. M. DiPietro reminded FinCom that we have not borrowed the last approx.. \$1 million of the High School appropriation. Any monies coming back will be used first to pay expenses and then we'll borrow to fund any remaining costs. D. Saindon stated the HSBC was frugal without being foolish, very professional and the best building committee he had ever worked with.
- C. Karlson stated that the Schools have requested an opinion from an outside attorneys for advice on how to proceed with the revolving funds. This is contrary to the petitioner who last week stated the SC was not seeking an opinion. M. DiPietro explained that typically the state auditor conducts a review only in cases of suspected fraud and the State has to agree to conduct the audit.
- S. Peper asked if there are any known gifts of land this year. M. DiPietro said none are known.

The meeting adjourned at 9:20pm.

Respectfully Submitted,

Marilyn Carr and Cherry Karlson

Documents:

Free Cash worksheet, M. DiPietro

Operating Budget worksheet, M. DiPietro