



# Town of Wayland Massachusetts

## **Finance Committee**

Nancy Funkhouser  
Thomas Greenaway  
David J. Gutschenritter  
Cherry C. Karlson  
Steve Lesser  
Carol Martin  
Bill Steinberg (Chair)

## **Finance Committee Meeting Minutes February 4, 2013**

Attendance: B. Steinberg (Chair), C. Karlson, D. Gutschenritter, C. Martin, T. Greenaway, S. Lesser, N. Funkhouser

The meeting was called to order at 7:06 in the Town Building, Senior Center when a quorum was available and the recording equipment was ready. B. Steinberg announced that the meeting was being recorded by WayCam.

### **1. Public Comment:**

- Dianne Bladon, member of WaylandCares Sustainability Committee, made four points relative to FinCom's previous discussion of WaylandCares.
  - Reliability of study
  - Placement within Town Administrator's office rather than Schools or Health
  - Budget and potential changes with receipt of grant funds
  - Importance of the timing of continuing WaylandCares

### **2. FinCom Comments on Public Comment: None.**

### **3. Review and vote of the proposed FY2014 Operating and Capital Budgets:** The FinCom reviewed the operating budget items identified at our last meeting, which required further information.

- a. IT – reviewed an email forwarded by B. Steinberg from J. Senchyshyn explaining the contract services line item. Through discussion, FinCom decided to leave the \$40,000 request in the FY14 budget.
- b. Financial Analyst – reviewed an email from John S. explaining the reporting lines for this position. Discussion covered funding through the FinCom Reserve, funding at part-time or not funding. It was decided to fund the position at \$32,500 for FY14.
- c. Legal – FinCom decided to apply the \$75,000 reduction and members expressed willingness to bring overages to Town Meeting in 2014 for additional funding if needed.
- d. Fire – FinCom agreed not to fund the newly requested position this year.
- e. DPW/Parks – FinCom agreed to apply the \$20,000 reduction to contract services.

4. **Board of Assessors Update:** Ellen Brideau, Director of Assessing, and Bruce Cummings, chair of Board of Assessors, provided a handout titled “Wayland Board of Assessors 2012-2013 Scorecard” and the following update voted at their meeting this evening. The Assessors voted to reduce the FY14 overlay amount from \$850,000 to \$600,000 based on the number of abatement requests received. Also, the Assessors voted to release \$500,000 from the Overlay Surplus. This brings the total released and available for appropriation to \$845,000. The Board of Assessors will review the Overlay Surplus amount about every six months and does not anticipate releasing more funds until then. FinCom members thanked them for this good budget news.
5. **Review and vote of the Proposed FY2014 Operating and Capital Budgets, continued:** T. Greenaway provided a handout titled “FinCom Draft for Discussion Only – January 31, 2013” to guide the FinCom’s budget discussions. Copies were provided to residents in attendance.

The capital budget and funding sources were discussed first using the handout to review each item. The following items were discussed in more detail:

- a. T. Greenaway clarified that about \$500,000 will be available for appropriation now with another approximately \$2 million anticipated. He explained the timing and limitations of using the funds.
- b. MS Roof: it was agreed that \$500,000 of the HS project monies should be applied to this project and the remainder of \$915,000 will be financed with non-exempt debt. C. Karlson reviewed the financing numbers with the FinCom. The MSBA requires the Town to appropriate the full amount of the project; however, we do not anticipate borrowing the \$915,000 and the net additional cost to the Town is expected to be \$387,040. This will be explained in the Warrant.
- c. School IT request: C. Karlson explained the \$260,000 request for FY14 and the assumption that there will be no School IT request in FY15.
- d. Recreation, Field Maintenance: Following discussion, it was agreed to remove the request for \$40,000 for Hannah Williams and to fund this at \$85,000 for FY14.
- e. Facilities, Town Building Parking Lot: After discussion, FinCom agreed to leave this in the budget for Town Meeting to decide.
- f. DPW, Water, water main projects: It was agreed to leave the request at \$700,000 but to insist on better reporting for both the FY13 and FY14 work.

A motion was made and seconded to recommend a FY2014 capital budget of \$17,477,800 with funding sources of free cash (\$180,000), HS bond proceeds (\$500,000), Cash Capital (\$470,000), Non-exempt debt (\$1,770,000), Exempt debt (\$12,400,000), CPA (\$577,800), Enterprise funds (\$1,300,000) and Ambulance Receipts (\$280,000). Vote: 7-0.

The operating budget was revisited after the earlier discussion this evening. The committee recognized that more information would be available before the Warrant went to print for OPEB, Ins32B, debt service and WWMDC but was prepared to vote a draft budget for presentation during the budget forum this week.

The FinCom discussed goals related to free cash levels. It was agreed that our policy is between 5-10% but that historically levels have come in above our prediction of 7.5%. To arrive at a level of 7.5%, we will aim for levels of 6.5 – 7.0% at the end of FY13. Using \$2.5 million in free cash toward the operating budget is estimated to bring free cash to 6.73% and then to about 4.9% at the end of FY14. Separately, it was agreed that after ATM, the FinCom would address the management letter point about working with the Audit Committee and the Board of Selectmen to determine definitions and uses for the other fund balances and not to use those balances at this time.

There was a motion and a second to recommend a FY2014 omnibus operating budget of \$73,431,781 made up of the General Fund budget of \$69,163,544, Water \$3,585,032, Septage \$33,205, and WWMDC \$650,000. Vote: 7-0.

6. **Review draft budget presentation slides:** B. Steinberg distributed copies of draft presentation slides. Copies were provided to residents in attendance. Members had feedback and edits on many slides. B. Steinberg will make the suggested changes and bring a draft document for vote on Wednesday before the presentation.
7. **Discussion of Exempt Debt for DPW Garage:** The committee discussed a resident's public comment requesting that the debt be funded under non-exempt debt and within the levy. After discussion, FinCom decided to fund the DPW garage with exempt debt according to our Debt Management Policy. There was a brief discussion of the timing of bringing this request to the BoS for placement on the ballot.
8. **Minutes:** The minutes of January 14, 2013 were reviewed. A motion was made and seconded to approve the minutes as amended. Vote: 7-0. The minutes of January 23, 2013 were reviewed. A motion was made and seconded to approve the minutes. Vote: 7-0. The minutes of January 28, 2013 were ready but members had not yet reviewed them; a vote was postponed to the next meeting.
9. **Chairman's Update:** B. Steinberg reminded the FinCom of upcoming meetings on February 6, 11, 19, 25, March 4 and 6.
10. **FinCom Members' Reports and Concerns:** T. Greenaway suggested that FinCom have a small working group to review the budget format suggested by petitioner A. Lewis before bringing it to a meeting for discussion (Feb 19<sup>th</sup>). C. Karlson, D. Gutschenritter and other members outlined the process for writing ATM article comments.

At 11:05pm, the meeting was adjourned.

Respectfully Submitted,  
Cherry Karlson

Documents:

Email from B. Steinberg, dated February 4, 2013 on the topic of IT budget request.  
Email from C. Karlson, dated February 4, 2013 on the topic of the Financial Analyst request.  
Document from Board of Assessors, "Wayland Board of Assessors 2012-2013 Scorecard"  
Document, FinCom Draft For Discussion Only – January 31, 2013, source T. Greenaway  
Document, Draft "Discussion Forum, FY2014 Omnibus Budget Proposal: Operating and Capital Budgets", source B. Steinberg