



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 25, 2013

Attendance: B. Steinberg (Chair), C. Karlson, D. Gutschenritter (7:31pm), C. Martin, S. Lesser, N. Funkhouser, T. Greenaway, B. Keveny (Finance Director)

The meeting was called to order at 7:01 pm in the Town Building, Senior Center. Bill Steinberg announced that the meeting was being recorded by WayCam.

- 1. Public Comment:** None
- 2. FinComm comment on public comment:** None
- 3. Wastewater District Commission (WWMDC):** Ira Montague and Fred Knight were present to report on WWMDC budget updates. Fred indicated that Cherry Karlson had attended the recent WWMDC meeting to discuss the budget and then he presented us with a revised budget that has not yet been voted on. Total budget increased from roughly \$650,000 to roughly \$678,000 and the line items in the budget are similar to what is reported in MUNIS plus additions. The budget that was presented to us is their operational budget, and the budget they work off of all year. It is expected to go up on their website next week after being approved. There was discussion about whether the Contingency amount should be listed under capital items and Carol Martin asked what it is comprised of. Contingency is for overruns in electric usage, utility usage, parts under warranty, and a general placeholder for higher than expected expenses with the opening of the new plant. It was noted that if their expenses are lower than expected, the unspent amount stays in the Enterprise Fund.

Tom Greenaway asked what the Retained Earnings amount is comprised of and it was reported that roughly \$600,000 of it came from the Wayland Commons project as seed money. There was a discussion about the difference between surcharges and betterment charges. Fred indicated that it will not be possible for the WWMDC to rip up the parking lot behind Town Building if they put in a new leaching field at the town building because they would access the field from a different part of the property.

Tom Greenaway inquired whether we are operating at an operational surplus and Fred indicated that the budget is intended to be self-sustaining and that any balances carried would be from a surcharge.

The current excess that they are carrying will likely be earmarked for a new leaching field if needed. Ideally, surpluses should be carried in the \$100,000 to \$200,000 range.

The vWWMDC is scheduled to vote the budget at their 2/27/13 meeting. There was additional discussion about the mechanism for the transfer of funds from Retained Earnings to the operating budget and it was stated that they occur through Current Year Transfers at ATM.

- 4. Introduction of new Finance Director:** Bill Steinberg introduced the new Finance Director, Brian Keveny who joined us for most of the meeting. The Committee introduced themselves to Brian.

7:31 pm Dave Gutschenritter joined the meeting.

- 5. Budget Format for Warrant:** Tom Greenaway reported back on the items he was checking on from last meeting regarding the budget template for the warrant. Annette Lewis, lead petitioner, was asked to join the discussion. Tom spoke with the Petitioners and the budget owners and reported their discussions as follows:

- **DPW Consensus:** Tom Greenaway indicated that the group felt it would be okay to have more line items. Fred Turkington requested the line items not be numbered.
- **Unclassified:** Comfortable with line items but there is an open question about whether to number the line items under Other Insurance or not. There was considerable discussion and clarification about the effect of numbering lines in the budget versus not numbering line items. If a line item is numbered, the relevant department has no discretion to move money between line items. Tom Greenaway stated that he believes, based on his discussions, that if we number the line items, the Petitioners will be satisfied. And if not, then there will likely be considerable discussion about this on ATM floor, he said.
- **Enterprise Fund expense and Contra-Revenue Account:** Tom indicated that he believes Petitioners will be satisfied if it is crystal clear in the ATM motion and presentation that there will be one appropriation and no double tax issue to taxpayers made very clear at ATM.
- **Facilities:** What departments does Facilities serve? Tom stated that Petitioners requested that the warrant should include a description of what is included in Facilities. Annette Lewis stated that she would like to see Facilities broken down by department, such as Highway, Parks/Cemeteries, and Landfill and she would also like there to be a Salary sub-components for each department given its proportion of the budget.

DPW Consensus Discussion

Discussion on these items ensued. Bill Steinberg mentioned that it is his understanding that the employees in the DPW engage in various tasks between the departments so that it is difficult to tease out exactly which salary belongs in which department. He suggested keeping salary as a separate line item and not breaking it out between three departments. Cherry Karlson indicated that since this matter can evolve over time with the input of Brian Keveny, it is likely that what we do this year will not track with how it is presented next year. The group decided to break out salary as one line item in the warrant and not present it separately under each DPW department.

8:30 pm John Senchyshyn joined the meeting.

Unclassified Discussion: After a lengthy discussion, the group agreed to make the Health & Life Insurance Total one line item that is numbered and list the separate components and their amounts along with the number of employees that are covered in each plan in the warrant. B. Keveny concurred with this approach.

- 6. Meet with J. Senchyshyn on Unclassified Expenses:** J. Senchyshyn distributed an updated working spreadsheet of the Insurance 32B information to facilitate the discussion. John indicated that Tony Boschetto had raised the issue of a \$477,000 variance in the Insurance line item between John's Insurance spreadsheet and MUNIS, and Tony had asked why the numbers don't tie. John explained where he believes the discrepancy is. In addition, he reported that the West Suburban rates have been set at a 4% increase over FY13 versus the 5% he had projected so his spreadsheet reflects that change, and described some other changes regarding health care waivers, Part B penalties and participation adjustments. The committee thanked John for his work.
- 7. Review and vote on article write-ups for Annual Town Meeting:** The committee reviewed and discussed the following articles:

Acquire 74 Plain Road: Brian Monahan, Conservation, joined the meeting and spoke on behalf of this article, describing its overall purpose. The article was reviewed but not voted on pending the results of the CPC vote on February 28.

Funds to Design Loker Conservation Area: Bill Steinberg raised three issues which had been brought to his attention by resident Bruce Cummings. 1) Should CPA funds be used to support the project which is intended to permit non-resident activities on the land, 2) CPA funds are intended to support non-revenue generating activities, and the ballfields have been specified to be used commercially for revenue generating purposes, in part, and 3) the consultant's report provided its conclusions based on what the group that hired them wanted. Bruce Cummings provided slides to the Chairman. Steve Lesser inquired as to whether there are funds already appropriated for construction. Steve will look into these questions and the article was deferred for a vote pending receipt of more information.

OPEB: After a lengthy discussion and description about the OPEB funding, Dave Gutschenritter moved to contribute \$1,279,747 (the actuarial suggested amount) to OPEB Trust Fund in FY2014 with the funding source being general taxation. Bill Steinberg seconded the motion and the vote was 6-0-1 (Martin). It was then noted that the fringe benefits in the Omnibus budget that will be presented in the warrant includes the full proposed OPEB funding amount.

Town to Acquire Finnerty's Property: Jeff Horan presented on behalf of the Petitioners to acquire land on which the former Finnerty's restaurant is sited. After much discussion, at 10:50 pm Steve Lesser moved to vote on the acquisition of this property by the Town. Tom Greenaway seconded the motion and the Committee voted against supporting the article, 0 in favor, 7 opposed.

At 10:53 pm Steve Lesser left the meeting. Brian Keveny left at 10:56 pm.

Amend Sec 19-3: Finance Cte reports, and Amend Section 36-5: Quantum of Vote, Reports: Carol Martin moved to approve this article and Tom Greenaway seconded the motion. The Finance Committee voted against supporting this article 0 in favor, 6 opposed.

Rescission of Public Comment Article: Tom Greenaway noted that the Public Comment article was withdrawn as it was determined that the Attorney General struck down a similar bylaw for the Town of Stoughton on the basis that it violates Open Meeting Law. The OML gives broad discretion to the Chair of a meeting.

8. Vote on Capital Spending Budget: At 11:20 pm Cherry Karlson moved to approve the FY14 capital spending budget of \$4,500,000. Tom Greenaway seconded the motion and the Committee voted to approve it 6-0. C. Karlson distributed a proposed capital budget format for the Warrant.

9. Chairman's Update: We discussed the future meeting schedule and decided not to modify it.

10. FinCom Members Reports and Concerns: None noted.

11. Minutes: At 11:22 pm the Committee reviewed meeting minutes from 2/20/13. Dave Gustchenritter moved to accept the minutes as amended, Carol Martin seconded the motion, and the Committee voted 6-0 in favor of accepting the minutes into the record.

Shortly thereafter, Tom Greenaway moved to adjourn the meeting, the motion was seconded by Carol Martin and the meeting was adjourned at 11:33 pm.

Respectfully Submitted,
Nancy Funkhouser

Documents:

Draft Budget format handout – Tom Greenaway

Insurance 32B worksheet – J. Senchyshyn

Capital Spending Budget format (draft) - Cherry Karlson

Slides related to Loker Conservation Area discussion provided to Chairman by Bruce Cummings

Warrant Article write-ups (all draft)

- Appropriate CPA Funds for Study and Design of Athletic Fields at Loker Conservation and Recreation Area
- Amend Sec 19-3: Finance Cte reports, and Amend Section 36-5: Quantum of Vote, Reports
- Set Aside Community Preservation Funds for Later Spending
- Acquisition of 150 Main Street Property (formerly Finnerty's restaurant)
- Amend Town Code Sec. 6-4 : Public Comment at Meetings

The draft minutes of February 20th