



Town of Wayland Massachusetts

Finance Committee

Nancy E. Funkhouser
Thomas Greenaway (Chair)
David J. Gutschenritter
Cherry C. Karlson
Carol Martin
Bill Steinberg
Gil Wolin

Finance Committee Meeting Minutes August 26, 2013

Attendance: B. Steinberg, C. Karlson, D. Gutschenritter, C. Martin (remote participation), T. Greenaway (Chair), N. Funkhouser, G. Wolin, B. Keveny (Finance Director)

The meeting was called to order at 7:03pm in the Senior Center, Town Building when a quorum was present. C. Martin participated remotely due to geographic reasons. T. Greenaway explained that all votes would need to be via roll call.

1. **Introduction of New Member:** T. Greenaway introduced and welcomed Gil Wolin. G. Wolin described his background.
2. **Public Comment:**None.
3. **FinCom Members' Response to Public Comment:** None.
4. **Committee Process/Role/Mission Statement:** T. Greenaway requested that each member review the FinCom's role and mission statement (available online) and bring any comments/follow-up for discussion at our next meeting. T. Greenaway outlined the workings of the Committee.
5. **Report from the Finance Director:** B. Keveny provided a nine-page draft document of preliminary FY13 year-end financial reports (non-audited) and walked through each page with the Committee. He anticipates that the annual audit will begin around September 13 and that he will have draft results by the end of October. B. Keveny reported that he closed the FY13 books today. The DOR will be in on September 26th to certify our free cash balance.

The following pages of the report were discussed in more detail:

FY2013 Budget vs. Actual: B. Keveny anticipates that the YE Encumbrance of approximately \$568,000 will be spent by mid-September. Revenues were accurately predicted in the aggregate. The far right column indicates that \$2.6 million will return to free cash. This is from \$1.9 million returned from operating expenses and \$725,000 in encumbrances that were closed out. While the FinCom supported the Finance Director's plan to close out unneeded encumbered balances, the magnitude was not planned for in the free cash calculation.

Water Enterprise Fund:The fund balance is relatively unchanged. Water meter revenues were significantly more than budgeted and the fund balance was not used to balance the budget as anticipated. The FinCom agreed that the liaison should watch this during the budget process. It was also noted that The Abrahams Group is currently reviewing the Water Dept budget and making suggestions regarding reserves and rate setting.

Wastewater Enterprise Fund:Revenues are down for this fund and more funds were drawn from the undesignated fund balance than anticipated. B. Keveny said this may be a financial concern during FY14. C. Karlson is the budget liaison for this function and will provide an update for the FinCom.

N. Funkhouser left the meeting at 7:33pm.

B. Keveny is working to finish the remaining financial reports (revolving funds – Transfer Station, Rec) and will plan to finish up the reports for our next meeting.

6. Discussion of Summer Projects:

- OPEB:D. Gutschenritter reported that he attended four meetings. The OPEB committee has been focused on understanding the facts and circumstances that resulted in the Town's position today. They are also developing questions for The Segal Group on the topics of the actuarial process for funding by 2038 and reviewing actual vs. projected expenses. D. Gutschenritter asked two questions on behalf of the OPEB committee:
 1. Is there funding for the Committee? And what is the process for requesting funds? After discussion, FinCom stated that there is no budget and that the OPEB committee would need to request funds via the Board of Selectmen. A potential source of funds is the FinCom Reserve.
 2. When does FinCom need an OPEB budget number for FY15? After discussion, FinCom agreed that a preliminary number is needed in September for planning purposes and a final number is needed in mid-January.
- Facilities Study:The study was completed in May 2013. B. Steinberg met with J. Moynihan and the consultant to request additional information. The Town is still waiting for the updated information and hopes to have it before the capital budget season.
- Budget Process for FY15: B. Keveny, T. Greenaway and C. Martin met with Kent George and Anette Lewis to talk about the budget format and process for the coming year. B. Keveny explained that MUNIS cannot support the level of line item budget detail approved at April's ATM and this means the department managers cannot easily review their expenses to approved budget. FinCom noted that this was not the intent and any future changes to the budget format should be supported by MUNIS.
- Capital Projects: C. Martin reported that an updated report should be available in September/October.
- FinCom Report: C. Martin stated that she is working through the retyping of the FinCom report and should be done soon.
- Reserve Funds: The FinCom agreed to address this in September. On September 9th, we will review the accounts, balances and uses and also will review standard metrics. At the following meeting, we will discuss and recommend uses and funding goals.

7. Preliminary FY15 Budget Guideline Discussion:T. Greenaway outlined the standard budget process for the benefit of our new member.

8. FinCom Members Reports and Concerns: C. Karlson requested that FY14 liaison assignments be added to the next agenda. B. Steinberg questioned whether the FinCom wanted to revisit the peer town list and will follow-up with Sam Peper who created the last study.

9. **Chairman's Update:**T. Greenaway reminded the Committee about the OML training session on September 19th at 7:00pm. B. Keveny will post the meeting in case a quorum attends and C. Karlson will call the meeting to order, if necessary. There is no new information on a fall STM and that schedule will dictate our fall meeting schedule. Next meeting dates for now are September 9, 23, 30 and October 7.

10. **Minutes:**No action was taken on the minutes of June 18, 2013.

At 8:35pm, there was a motion and second to adjourn. The roll call vote was 6-0.

Steinberg:	Yes
Greenaway:	Yes
Wolin:	Yes
Karlson:	Yes
Gutschenritter:	Yes
Martin:	Yes

Respectfully Submitted,
Cherry Karlson

Documents:

Preliminary FY13 Year-End Financial Reports (non-audited), 9 pages, provided by B. Keveny