



Town of Wayland Massachusetts

Finance Committee

Thomas Abdella, Nancy Funkhouser (Vice Chair), Thomas Greenaway (Chair)
Carol Martin, Bill Steinberg, David Watkins, Gil Wolin

Finance Committee Meeting Minutes, May 18, 2015

Attendance: T. Abdella (7:07 PM), T. Greenaway, N. Funkhouser, C. Martin (by phone), B. Steinberg, D. Watkins, G. Wolin and Finance Director Brian Keveny.

I. Call to Order

The meeting was called to order at 7:01 PM in the School Committee Conference Room of the Wayland Town building. The meeting was video taped.

II. Public Comment

None

III. Finance Director's Report

The Finance Director provided a report (see handout) with updated financial results.

He noted that the local receipts on the detailed revenue report (p. 4 of the handout) indicated that they should be materially as budgeted for the fiscal year.

He then took the committee through page 5 of the report to look at departments that are expected to overspend or under spend the budget for FY'15, as shown on his handout. He explained that the under spend on the school side of the budget would likely be reduced before the end of the year, with many teacher's taking a large 4th quarter payment in lieu of taking those funds over the course of the summer. This is a typical occurrence.

The Fire Department will underspend their budget due to the timing of an additional hire that was not filled when anticipated, and therefore the funds allocated were not spent. This is the second straight year of material turnbacks from the Fire Department. The DPW is under spending by approximately \$78,000, which was a savings on labor costs.

Overall, most turnbacks are non-departmental, coming from reserve funds and line 32B of the budget and reserves for salary adjustments.

We looked at the projected year-end free cash, which is projected to be just over 8%.

There was a discussion of the Water Enterprise Fund and the amount of cash it holds from year to year, under the theory that they should have enough cash to pay for their largest capital asset in case of emergency. There was a suggestion that we look into the possibility of carrying less cash in that

fund and then borrowing if significant cash were required to replace plant or equipment. The question is – could we obtain Town Meeting approval to borrow funds in the event of an emergency event.

The Wastewater fund is now stable, having collected 155% of budget, primarily due to the Town Center betterment account, which was not anticipated.

Regarding Town Revolving Funds, the ambulance fund continues to grow, but with funds being projected for the acquisition of a new ladder truck in 2017 or 2018, as anticipated for a long time. The Transfer Station has similar funds as in past years. The Recreation Department's revenues are down from FY 2014 by approximately \$143,000.

The Town's auditor, Melanson & Heath, will be meeting with the Board of Selectmen on June 24th to discuss the Town's free cash policy. The Finance Committee plans to discuss the Town's free cash policy at its June meeting in order to provide guidance to the Board of Selectmen.

Mr. Keveny shared a memo from the Fire Chief for a new vehicle; however Members did were not supportive of this request, as the Fire Department suggested to Town Meeting and the Finance Committee that this vehicle would be included in its FY 2017 budget.

IV. Annual Town Meeting Recap

FinCom Members discussed whether Members should have been more active in the debates regarding Articles at Annual Town Meeting; however the consensus was that Members could do so as residents but that there was no need to do so as FinCom Members, other than to provide information to the public regarding information learned during the process of writing the Warrant Articles.

V. General Discussion and Potential Vote on Committee Policy on the Relationship between General Fund Activities and Revolving and Enterprise Fund Activities

The Chair suggested that FinCom should understand the relationship between general funds and revolving funds. He asked the questions: a) can the general fund support fee based funds; and b) when funds build up balances, can the general fund receive reimbursement from these cash balances. There was a general discussion about revolving funds and whether they should cover all of their costs or some of their costs, which then would require that the general fund would cover some of their costs. There were divergent opinions among Members; however the Members agreed that we should inventory revolving funds to try to determine if some/all/none were meant to be self-sustaining or self-supported? Should the Town shut down funds that are not self-supported? Do we or should we support these funds because of our sense of community and what that means at its core intent? The Finance Director was asked to put together an inventory of the funds and an analysis of which are cover their costs and which are all or partially funded by the general fund. There was a discussion, without resolution, of whether excess funds in revolving funds should be transferred to the general fund or should stay with the revolving funds and/or returned to fee payers.

VI. Members Reports, Concerns and Topics for Future Meetings

Mr. Steinberg introduced a new committee being formed by the Board of Selectmen, the Wayland Real Asset Planning Committee (the "WRAP"). It will consider the real assets owned and operated by the Town (land and buildings) and the potential to continue to use existing assets or to look for alternative sites for these uses. It will also attempt to prioritize the best use of assets such as land. Members shall be from the following: 2 recommended by FinCom; 2 recommended by the Planning Board; and 1 recommended by the CPC (5 total members). The WRAP will operate as a sub-committee of the Planning Board. FinCom, via consensus, recommended Tom Abdella and Bill Steinberg as its representatives to the WRAP. Mr. Steinberg informed members that the Library Committee continues to consider a new or renovated library and the River's Edge committee is working with the Board of Selectmen on a request for proposals from developers.

Ms. Martin reported that the Wayland Housing Authority continues to work on the addition of sprinklers to the affordable housing project on Rte 27, having hired an architect and an engineer.

Mr. Watkins reported that IT planning for the coming year is moving forward and taking recommendations from a variety of people. It was noted that citizen Mark Hayes continues to inform the Town Administrator and School Superintendent of his concerns and suggestions regarding security systems for the Town's technology resources.

VII. Chair's Update

Mr. Greenaway noted that FinCom would vote on leadership for FY 2017 at its next meeting, in June, and the Committee suggested that meeting should occur on June 17th.

VIII. VIII. Executive Session to Review, Approve, and/or Consider Releasing Executive Session Minutes for the Following Dates:

Mr. Greenaway made a motion for the Finance Committee to enter into Executive Session for approximately 30 minutes for the purpose of approving and consider the release of executive session meeting minutes for the dates noted below, and with the Members coming out of Executive Session to report the release of any such minutes and to adjourn:

- January 24, 2011
- February 7, 2011
- July 9, 2012
- August 28, 2012
- September 5, 2012
- September 24, 2012
- October 3, 2012
- November 26, 2012
- January 10, 2013
- January 14, 2013
- January 28, 2013
- March 4, 2013
- March 6, 2013
- April 22, 2013
- May 14, 2013
- June 18, 2013

- November 20, 2013
- September 2, 2014
- May 19, 2014
- September 22, 2104
- November 12, 2014
- December 15, 2014

Mr. Steinberg seconded the motion to enter into executive session. There was a roll call vote in favor of entering into executive session, as follows:

Abdella – yes; Funkhouser – yes; Greenaway – yes; Martin – yes; Steinberg – yes;
Watkins – yes; and Wolin – yes.

Ms. Martin dropped off of the phone call at that time and did not follow the remainder of the Members into executive session, which was held in the small school committee conference room across the hall.

IX. Adjourn

At 10:12 PM, the Committee voted unanimously to adjourn based upon a motion from Ms. Funkhouser and a second from Mr. Steinberg.

Respectfully submitted,

William Steinberg

Documents:

1. Financial Report dated May 18, 2015 from Mr. Keveny