



Town of Wayland Massachusetts

Finance Committee

- Tom Abdella
- Carol Martin
- Nancy Funkhouser
- Bill Steinberg
- Gil Wolin
- Tom Greenaway (Chair)
- David Watkins

Meeting Minutes June 17, 2015

Attendance: B. Steinberg, C. Martin, T. Greenaway, , N. Funkhouser, G. Wolin, Brian Keveny, D. Watkins. Absent: T. Abdella.

The meeting was called to order in the Town Building COA meeting area when a quorum was available. The Chair announced that the meeting was being recorded by WayCam.

7:00 Call to Order

7:05 Public Comment & Members' Response to Public Comment. There was no public comment.

7:15 Finance Director's Report

Mr. Keveny reviewed the FY15 Revenue & Expense Update. He noted that Wayland had collected 98% of budgeted revenue through June 11, 2015 including revenues for the Wastewater, Enterprise and General Funds. He estimates that uncollected revenue will be \$500,000 primarily due to uncollected real estate taxes and that Wayland had a relatively high collection rate of 99.9% (real estate taxes) and 83% from local receipts. The estimated turn-backs for the town were \$1.5 million dollars. He also observed that \$212,000 of FY13 rollover purchase orders will be returned to Free Cash. He identified that management accounts for insurance and the reserve for salary adjustments were lower and that they resulted in additional savings. He estimated that Free Cash was over 8% and would be certified to be approximately \$6.4 million dollars.

Mr. Keveny requested that the committee consider making a transfer from the Reserve Fund to pay for expenses related to Town office supplies, payroll for the library, snow and ice removal fees, the Council on Aging, Youth Services, and Medicaid Taxes.

A motion was made by Ms. Martin and seconded by Mr. Watkins to approve the seven (7) requests for transfer from the Reserve Fund. Ms. Funkhouser, Mr. Wolin, Mr. Watkins and Ms. Martin voted 4-0-0 in favor.

Based on topics discussed in a prior meeting, Mr. Keveny compiled a listing of all Town and School Revolving Funds and associated payroll charges. He discussed several of the older funds that he identified to be deactivated and any outstanding monies would be transferred to Free Cash. Mr. Keveny reported that cash reconciliation work discussed at a prior meeting was still

behind and was estimated to be completed by December, 2015. Lastly, he indicated that he was anticipating an update from Ben Keefe regarding the DPW building project funding.

7:30 2016 ATM & Budget Schedule Planning, Vote FY 2017-2022 Capital Planning Memo

Ms. Funkhouser reviewed the budget request memo that will be disseminated to the heads of the Town Department requesting their budgets be submitted to FinCom by mid-September. She then discussed potential enhancements to the CIP form to make it more user friendly. Mr. Keveny suggested that Ms. Balmer, the Town Administrator, should optimally meet with her department heads first and approve their budgets prior to the department heads presenting the departmental budgets to FinCom.

Mr. Watkins inquired whether the Town made use of budgetary benchmarks from peer towns for comparative purposes in assisting with the preparation of the budget.

Ms. Funkhouser suggested that the turn-back memo be incorporated into the departmental budgeting process. Ms. Martin concurred and observed that it would be helpful in identifying outstanding balanced within the funds that could be released. Lastly, FinCom discussed the need for the departments to have a fleshed out their five (5) year plan to expedite the budgeting process.

8:00 General Discussion and Potential Vote on Committee Policies on the Relationship between General Fund Activities and Revolving and Enterprise Fund Activities

FinCom discussed the draft policy regarding fee based revenue funds drafted by the School Committee. Mr. Keveny indicated that he was supportive of the policy and that it provided the Town with a methodology regarding surplus funds. He noted that the Town had not been cited by the Auditor regarding the lack of a policy. FinCom discussed the challenge of maintaining a policy without an approach to track adherence. Mr. Greenaway indicated that the Schools might be overthinking the policy and that the reason he put the topic on the agenda was to initiate the debate. He suggested that there are many Wayland residents that have the opinion that revolving funds and enterprise funds must be self-sufficient. Ms. Funkhouser clarified that the draft policy being discussed was related to Wayland Schools and not the Water or Wastewater departments.

8:30 Discuss and vote free cash policy

The committee discussed the proposed Free Cash Policy and previously discussed changes. Ms. Martin, Mr. Wolin and Mr. Steinberg clarified that several of the suggested changes were not necessarily related to policy but procedure and the content of the policy was modified accordingly. FinCom discussed the requirement for the Town to maintain Free Cash within 5 to 10% to maintain the Moody's rating. Mr. Greenaway amended the wording of the policy to provide a proscriptive method for Town departments. He suggested that if a department were to request contingency funds that they would be directed to review FinCom's Free Cash Policy and instructed to use Town Meeting to request additional budget.

A motion was made by Ms. Funkhouser and seconded by Mr. Greenaway to approve the Free Cash Policy. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Mr. Greenaway, Mr. Steinberg and Ms. Martin voted 6-0-0 in favor.

9:00 Members' Reports, Concerns, and Topics for Future Meetings

Mr. Wolin and Ms. Martin participated in the Open Meeting Law (OML) training. They commented that the training was well done and that they discussed the topic of record retention. FinCom discussed the practice of using a Town Email account and performing automated record retention on all emails sent and received.

Mr. Watkins reported on the IT initiatives regarding planning and security. He indicated that the projects are almost complete. He discussed unbudgeted items such as Exchange Email that would require transfers from the reserve fund. Lastly, he indicated that the consulting work was within budget.

9:30 Chair's Update

FinCom discussed Mr. Greenaway's commitment and dedication to the Town and thanked him for his service.

A motion was made by Mr. Steinberg and seconded by Mr. Greenaway to approve Ms. Funkhouser as Chairman of the committee in FY16. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Mr. Greenaway, Mr. Steinberg and Ms. Martin voted 6-0-0 in favor.

A motion was made by Mr. Greenaway and seconded by Mr. Steinberg to approve Mr. Watkins Vice Chairman of the committee in FY16. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Mr. Greenaway, Mr. Steinberg and Ms. Martin voted 6-0-0 in favor.

9:45 Minutes

There were no meeting minutes approved

10:00 Adjourn

At 10:04 pm Tom Greenaway moved to adjourn the meeting, Carol Martin seconded the motion and the vote was 6-0-0 in favor of adjourning.

Meeting Exhibits

Draft Executive Session Meeting Minutes 5-18-15

Draft Meeting Minutes 5-18-15

Draft Meeting Minutes 1-5-15

Wayland Finance Committee Free Cash Policy

FY15 Budget Status Report

Town and School Special revenue funds

Policy for fee based funds

FinCom CIP memo

FinCom revised agenda

Respectfully Submitted,

David Watkins