



Town of Wayland Massachusetts

Finance Committee

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

Meeting Minutes August 17, 2015 Final

Attendance: Committee members B. Steinberg, C. Martin, D. Watkins G. Cliff, G. Wolin (participated remotely by phone) N. Funkhouser, and T. Abdella. Brian Keveny (Finance Director), Nan Balmer (Town Administrator) also attended as well as a number of members of the public and various presenters for specific topics as noted in the minutes below.

7:00 Call to Order

The meeting was called to order in the Board of Selectmen's meeting room at Town Building at 7 PM. N. Funkhouser announced that the meeting was being recorded by WayCam, and that G. Wolin would be participating by phone due to geographic distance. G. Cliff volunteered to prepare draft meeting minutes.

7:05 Public Comment & Members' Response to Public Comment

NONE.

7:15 Finance Director's Report

B. Keveny reviewed the Pre Close Fiscal 2015 Status Report (see attachments). As of July 20, 2015 Wayland collected 101% of 2015 budgeted revenue. Motor vehicle excise revenue was \$335 k (16%) greater than budget mostly due to an unusual level of collection of payments from prior years. Unbudgeted revenue was \$2.1 m, with the largest components being OPEB transfer, bond premium, prior year real estate collections, and tax title liens. Actual expenditures were below budget by \$1.9 m. The biggest sources of favorable budget variance were reserve fund, insurance 32B, and reserve for salary adjustments. Actual expenditures for most "operating" departments came in at or just below budget, which is good. Water Enterprise fund YTD revenues were at 113% and expenses were at 97% of plan. G. Cliff asked for clarification as that given the way the data is presented the bottom of the page shows that revenues were at 89% of plan and expenditures were at 104% of plan. G. Cliff asked that at a future meeting we look at the accounting and/or presentation of the Water Enterprise Fund

results. Wastewater Enterprise Fund revenues were well over plan, mostly due to one-time unapportioned WW betterment at Town Center. Results of the Ambulance Revolving Fund, the Transfer Station Fund, and Recreation Fund were all good. G. Cliff asked that at a future meeting that FinCom (or off-line with B. Keveny he) get more information about how accounting for the Ambulance Revolving Fund works and how we are confident that revenues are above “appropriately-costed” expenditures.

B. Keveny reviewed the Fall 2015 Town Meeting Report covering recommended transfers. In the Water Enterprise Fund an indirect cost transfer to the general fund of \$332k is required that was inadvertently not included in the voted appropriation. For the same reason a transfer of \$25 k is required for the Wastewater Enterprise Fund. In addition a transfer of \$15 k to the Water Enterprise fund is needed to cover the net incremental cost after insurance resulting from an accident involving one of the town’s trucks. These transfers will not result in any change in the General Fund.

B. Keveny reviewed the Free Cash Recommendation Fall Town Meeting Report. The report recommends a use of \$1.6 m Free Cash to further reduce taxation. Free Cash is higher than expected due to higher than expected revenue and lower than expected expenditures. The \$1.6 m recommendation would leave Free Cash close to the original plan of \$5.2m, which is roughly 7.1% of the operating budget.

7:51 Community Preservation Committee & Wayland Housing Authority

Gretchen Schuler, Susan Weinstein and several others came to make a request that FinCom consider supporting an article at Special Town Meeting in November to provide funding required to complete the fire suppression system in Cochituate Village Apartments. Voters previously approved \$0.5 m to start the project using CPC funds but the full project will require \$0.5 of additional funding and some have argued that it would make sense to have funds approved and available to do the entire project rather than just what can be done with the current approved amount of \$0.5 m.

FinCom members discussed the possibility that we support the additional \$0.5 m at Special Town Meeting in November. One issue is that FinCom tries very hard to only consider capital requests as part of the CIP process which occurs as part of Annual Town Meeting in the spring. N. Funkhouser summarized the discussion that there would need to be a compelling reason to try to consider this project as a special item for November and absent that we would prefer to see this request be included in the normal CIP process for next year’s Annual Town Meeting.

8:25 Liaison Reports/Updates and Assignments for FY16

N. Funkhouser provided two handouts (see attachments). She started with a short discussion of the FinCom liaison role. She cautioned that liaisons should not “get too much in the details” and that the liaison role is primarily to be just a relayer of information. B. Steinberg observed that the liaison role should not preclude other

FinCom members reaching out directly to people in other departments, and that liaisons don't overstep/try to represent the overall FinCom's point of view unless they have been asked to do so. Committee members discussed and agreed on new assignments as reflected in the updated 2016 liaison assignments (see attachments).

Committee members provided informational updates on their areas.

8:30 Fall 2015 Special Town Meeting

N. Funkhouser distributed a draft of the 2015 Special Town Meeting Schedule (see attachments). Nan Balmer went through a list of 13 potential articles.

Use of Free Cash. As noted above B. Keveny had recommended \$1.6 m. G. Cliff recommended \$2.2 m, arguing that 5-7% range should be sufficient and that 6% is the mid-point of that range, which should be comfortably safe. B. Keveny described his logic of \$1.6m as getting us back to a Free Cash level close to the previously agreed estimate of \$5.2m. B. Steinberg observed that when FinCo examined this several years ago we reviewed analyses and determined 5-10% was an appropriate range, and has some concerns that health care costs might be increasing. B. Steinberg recommended that we should include \$0.3 m to adjust for borrowing for roads, resulting in a recommendation of \$1.9m. FinCom members discussed the three alternatives presented. G. Cliff made a motion that we recommend \$1.9 m be appropriated from Free Cash to the General Fund to reduce taxation, which B. Steinberg seconded. Based on discussion G. Cliff then amended his motion to be \$2.0 m which B. Steinberg seconded. By roll call vote, the motion passed unanimously with all 7 members of the Committee voting yes. The specific votes were: D. Watkins Yes, T. Abdella Yes, W. Steinberg Yes, N. Funkhouser Yes, C. Martin Yes, G. Cliff Yes, G. Wolin Yes.

Transfers. FinCom discussed the recommendations on transfers B. Keveny had made as noted above. G. Cliff moved that we approve the current year transfers as shown in the Fall 2015 Town Meeting handout totaling \$371,013, which was seconded by C. Martin. By roll call vote, the motion passed unanimously. The specific votes were: G. Wolin Yes, D. Watkins Yes, T. Abdella Yes, W. Steinberg Yes, N. Funkhouser Yes, C. Martin Yes, and G. Cliff Yes.

N. Funkhouser explained that FinCom needs to assign two members to WRAP. T. Abdella and B. Steinberg have agreed to be our delegates. C. Martin moved that T. Abdella and B. Steinberg be assigned as FinCom's representatives on WRAP, which was seconded by N. Funkhouser. By roll call vote, the motion passed unanimously with all 7 members of the Committee voting yes. The specific votes were: G. Wolin Yes, D. Watkins Yes, T. Abdella Yes, W. Steinberg Yes, N. Funkhouser Yes, C. Martin Yes, and G. Cliff Yes.

9:23 Preliminary FY17 operating budget guideline discussion

N. Funkhouser introduced the topic by reminding us that this was a very preliminary discussion. G. Cliff observed that the initial communication is an important document because it sets the tone for what FinCom wants to achieve, and that it is important that the memo is consistent with FinCom's duties according to the Bylaws. He also observed that we may want to include some emphasis on 2.5% as a comparative level of expenditure increase to consider. T. Abdella agreed that we should be willing to consider significant changes and that we should put more emphasis on the Director of Finance and Town Administrator playing the roles of working with departments to come up with recommended budgets. B Steinberg suggested (and members concurred) that G. Cliff develop a marked-up draft of a revised budget guidelines memo for review and discussion at our next FinCom meeting. Members discussed whether we can take steps to get the School Committee to conduct its budget process earlier in order to better fit into FinCom's omnibus operating budget schedule.

9:45 Member's Reports, Concerns, and Topics and Schedule for Future Meetings

D. Watkins discussed the Finance Committee list of Peer Towns and the need to review it one more time as a future agenda item to make sure we have the correct agreed list. C. Martin mentioned that the most recent Long Range Plan is not on the FinCom website and should be. G. Cliff asked that at a future meeting we discuss the FinCom's Debt Management Policy. T. Abdella suggested that at a future meeting we go through the FinCom website to make sure it is up to date. T. Abdella distributed a handout about an upcoming Mass Fin Com association ("ATFC") event as well as getting an updated copy of the FinCom association handbook (see attachments). D. Watkins distributed a transcript of the June 17 FinCom meeting to consider as an option to do regularly in the future (see attachments). He also distributed draft meeting minutes from the same meeting (see attachments). He also distributed an OML Checklist of AG comments about meeting minutes (see attachments).

10:04 Chair's Update

N. Funkhouser stressed the need to be prompt in producing meeting minutes. She distributed a list of prior meeting minutes status, noting ones that appear to be missing (see attachments). As noted above, D. Watkins had earlier distributed draft meeting minutes for Jun17. N. Funkhouser suggested that we review these draft minutes, and comment on them if needed and approve them at the next FinCom meeting. G. Cliff suggested that we consider following the Board of Selectmen procedure for distributing materials before the meeting and making them available to the public at the same time by posting them on FinCom's website. N. Funkhosuer distributed a preliminary schedule for Annual Town Meeting next spring. (see attachments). N. Funkhouser provided an update on communication from the AG's office on pending OML complaints - one was decided in our favor and one against. She will review them and provide a summary of all OML complaints at a future FinCom meeting. FinCom members discussed potential dates for future FinCom meetings and tentatively agreed on Aug 31 and Sept 8.

At 10:20 pm a motion was made and seconded to adjourn the meeting. By roll call vote, the motion was voted unanimously with all members present voting yes.

Attachments

Pre Close Fiscal 2015 Budget Status Report

Fall 2015 Town Meeting (re; transfers)

Free Cash Recommendation Fall Town Meeting

(FinCom) FY15 Liaison Assignments

Board of Selectmen Portfolio Assignments

(FinCom) FY16 Liaison Assignments (as agreed at the meeting)

2015 Special Town Meeting Schedule

ATFC Annual Meeting announcement

June 17 Meeting Transcript

June 17 Meeting Minutes (draft)

OML Checklist

Meeting Minutes status

2016 Annual Town Election/Annual Town Meeting Schedule

Respectfully Submitted,

Gordon Cliff



TOWN OF WAYLAND

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WAYLAND, MASSACHUSETTS 01778

BRIAN KEVENY
FINANCE DIRECTOR
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www.wayland.ma.us

To: Finance Committee

Nancy Funkhouser (Chair) Dave Watkins Gil Wolin Carol Martin
Gordon Cliff Bill Steinberg Thomas Abdella

From: Brian Keveny, Finance Director

Date: July 20, 2015

Subject: Pre Close Fiscal 2015 Budget Status Report

Please find enclosed the pre close budget status reports for the General Fund, Enterprise Funds and Revolving Funds as of June 30, 2015 for the Town of Wayland. The reports detail actual revenues and expenditures to budget as well as a year to year comparison to Fiscal 2014. We have plan on closing the Fiscal 2015 accounting system in early August 2015. There may be additional transactions posted prior to closing.

General Fund Expenditures:

Town Departments have expended and encumbered \$34,650,400 or 95% of budget. The School Department has expended and encumbered \$35,319,765 or 99% of budget. The total Fiscal 2015 net-appropriation turn back is \$1,890,791 or 2.5% of budget and the Fiscal 2014 rollover turn back is \$212,983. For your review I have prepared an analysis of the Town and School turn backs. The total combined turn back amounts to \$2,121,166 which is less than last fiscal year. Prior to closing Fiscal 2015, more encumbrances may be record that will change these totals slightly. The current balance in Fiscal 2015 encumbrance that may be rolled into Fiscal 2016 is \$579,739.

General Fund Revenues:

The Town has collected approximately 100% of Property Tax-net of overlay, Local Receipts, Transfers from Other Fund and State Aid budgeted revenue. The Local Receipts category achieved 108% of budget and surplus revenue in the amount of \$338,803. Strong collections where achieved in Motor Vehicle Excise and Building Permit revenue. Collection of unbudgeted revenue amounted to \$2,052,844 which includes collections of prior year Real Estate and Personal Property receivables. Additionally the general fund received the Fiscal 2014 school revolving fund reimbursements totaling \$218,000.

Wastewater Enterprise Fund:

Revenue:

The Wastewater Enterprise fund obtained revenue collections of \$1,099,971 or 167% of budget. The increase is attributable to unapportioned betterment and unapportioned interest town center revenue in the amount of \$523,768 and \$207,494 respectfully. The June 2015 ending fund balance is \$729,422.

Expenditures:

Total expenses were \$678,464 or 95% of budget which is consistent with prior year. All of the Fiscal 2015 liabilities have been paid.

Water Enterprise Fund:

Revenue:

The Water Fund collected 112% of direct budgeted revenue or \$3,861,099. Water Meter Charges revenue exceeded budget by \$259,433. The actual increase in budget to revenue was \$429,045.

Expenditures:

The Water Fund has expended \$3,460,765 in operation expenses and \$775,000 capital appropriations and \$300,000 in unbudgeted expenses related to capital closeouts. Total fund balance in the fund is \$2,988,435.

Respectfully submitted,

Brian Keveny

Finance Director

Town of Wayland
Pre Close Summary Status Report, June 30, 2015

General Fund

8/17/2015	Fiscal 2015 Budget	Fiscal 2015 Actual	% Budget Spent
<i>Revenue</i>			
Taxation	58,636,762	58,688,224.00	100.09%
State Aid	4,550,673	4,547,482.00	99.93%
Local Reciepts	4,180,401	4,519,207.00	108.10%
Transfers from Other Funds	1,539,247	1,539,247.00	100.00%
Other Sources	0.00	0.00	
Total	68,907,083.00	69,294,160.00	100.56%
Non Budgeted	0.00	2,051,853.00	n/a
Total Revenue	68,907,083.00	71,346,013.00	103.54%
<i>Expenditures</i>			
Town Budget	36,427,909.00	34,650,400.00	95.12%
School Budget	35,433,047.00	35,319,765.00	99.68%
Total Expense	71,860,956.00	69,970,165.00	97.37%

Water Enterprise Fund

	Fiscal 2015 Budget	Fiscal 2015 Actual	% Budget Spent
<i>Revenue</i>			
Operating revenue	3,432,054.00	3,861,099.00	112.50%
Use of Water Capital	920,712.00	0.00	0.00%
Unbudgeted Revenue	0.00	0.00	0.00%
Total Revenue	4,352,766.00	3,861,099.00	88.70%
<i>Expenditures</i>			
Operating expenses	3,577,766.00	3,460,765.00	96.73%
Use of Water Capital	775,000.00	775,000.00	100.00%
Total Expense	4,352,766.00	4,235,765.00	97.31%
Unbudgeted Expense	0.00	308,693.00	0.00%
Total Expenses	4,352,766.00	4,544,458.00	104.40%

Wastewater Enterprise Fund

	Fiscal 2015 Budget	Fiscal 2015 Actual	% Budget Spent
<i>Revenue</i>			
Operating revenue	707,405.00	1,108,664.00	156.72%
Total Expense	707,405.00	1,108,664.00	156.72%
<i>Expenditures</i>			
Operating expenses	707,405.00	678,464.00	95.91%
Total Expense	707,405.00	678,464.00	95.91%

Town of Wayland, Massachusetts
General Fund Revenue Report
Fiscal 2015
Pre Close June 30, 2015

8/17/2015

	Fiscal 2015 YTD-Actual	Fiscal 2015 Budget	B / A Fiscal 2015 \$ Variance	% of Budget Collected	Estimated Variance Budget / Actual
Taxation:					
Real Estate	57,952,892.00	58,845,550.00	(892,658.00)	98.48%	
Personal Property	735,332.00	740,741.00	(5,409.00)	99.27%	
Overlay	-	(949,529.00)	949,529.00	0.00%	
Total	58,688,224.00	58,636,762.00	51,462.00	100.09%	51,462.00
State Aid:					
School Construction	-	-	-	-	
Local Aid : Cherry Sheet	-	-	-	-	
Chapter 70	3,644,813.00	3,644,813.00	-	100.00%	
Charter Tuition Assessment	-	751.00	(751.00)	0.00%	
Unrestricted Aid	804,349.00	801,292.00	3,057.00	100.38%	
Veterans Benefits Chapter 115	6,731.00	8,049.00	(1,318.00)	83.63%	
Exemption : Vets, Blind, Surviving Spouse	34,474.00	31,702.00	2,772.00	108.74%	
State Owned Land Reimbursement	57,115.00	64,066.00	(6,951.00)	89.15%	
Unknown	-	-	-	-	
Total	4,547,482.00	4,550,673.00	(3,191.00)	99.93%	(3,191.00)
Local Receipts:					
Motor Vehicle Excise	2,380,617.00	2,045,000.00	335,617.00	116.41%	
Other Excise	217,287.00	170,000.00	47,287.00	127.82%	
Penalties and Interest	223,338.00	215,000.00	8,338.00	103.88%	
Payment In Lieu of Taxes	26,092.00	25,000.00	1,092.00	104.37%	
Fees	471,561.00	535,000.00	(63,439.00)	88.14%	
Licenses and Permits	999,261.00	1,000,000.00	(739.00)	99.93%	
Special Assessments	6,604.00	10,000.00	(3,396.00)	66.04%	
Fines and Forfeits	61,781.00	80,000.00	(18,219.00)	77.23%	
Investment Income	127,262.00	95,000.00	32,262.00	133.96%	
Miscellaneous Recurring	5,404.00	5,404.00	-	100.00%	
Miscellaneous Non Recurring	-	-	-	-	
Total	4,519,207.00	4,180,404.00	338,803.00	108.10%	338,803.00
Transfers from other funds:					
Ambulance	360,000.00	360,000.00	-	100.00%	
Fund 61-Water	348,583.00	348,583.00	-	100.00%	
Fund 24-Transfer Station	42,895.00	42,895.00	-	100.00%	
Fund 24-Recreation	88,027.00	88,027.00	-	100.00%	
Fund 25-Food Service	225,017.00	225,017.00	-	100.00%	
Fund 25-BASE	191,105.00	191,105.00	-	100.00%	
Fund 25-TCW	200,741.00	200,741.00	-	100.00%	
Fund 25-Full Day Kinder	43,377.00	43,377.00	-	100.00%	
Fund 62-Septage	39,502.00	39,502.00	-	100.00%	
Fund 63-Wastewater	-	-	-	-	
	1,539,247.00	1,539,247.00	-	100.00%	-
Total Budgeted Revenue	69,294,160.00	68,907,086.00	387,074.00	100.56%	387,074.00
Unbudgeted Revenue:					
OPEB Transfer- Article 4	594,835.00	-	-	0.00%	
Capital Closeouts	9,780.00	-	-	0.00%	
Full Day Kinder garden- FY 2014	7,913.00	-	-	0.00%	
Food Service - FY 2014	210,935.00	-	-	0.00%	
Tax Title Liens	390,423.00	-	-	0.00%	
Prior Year RE collections	375,757.00	-	-	0.00%	
Bond Premium	462,210.00	-	-	0.00%	
Total Unbudgeted Revenue	2,051,853.00	-	2,051,853.00	0.00%	2,051,853.00
Total All Revenue	71,346,013.00	68,907,086.00	2,438,927.00	103.54%	2,438,927.00

Town of Wayland
Fiscal 2015 Total Revenue and Expenditures-GAAP
Pre Close June 30, 2015

8/17/2015	FISCAL 2015 BUDGET TO ACTUAL				FISCAL 2014 ROLLOVER BUDGET TO ACTUAL			COMBINED VARIANCE FY 15 / FY 14
	Final Budget	YTD Actual	Encumbrance	FY 2015 Total (Uncollected) / Unspent	FISCAL 2014 CARRYFORWARD	FISCAL 2014 ACTUAL	CARRYFORWARD VARIANCE BUDGET / ACTUAL	
REVENUES:								
Taxation	58,636,762	58,688,224	n/a	51,462	n/a	n/a	n/a	51,462
State Aid:	4,550,673	4,547,482	n/a	-3,191	n/a	n/a	n/a	-3,191
Local Receipts	4,180,404	4,519,207	n/a	338,803	n/a	n/a	n/a	338,803
Transfers From Other Funds	1,539,247	1,539,247	n/a	0	n/a	n/a	n/a	0
Non Budgeted Revenue	0	2,051,853	n/a	2,051,853	n/a	n/a	n/a	2,051,853
Free Cash	1,664,094	0	n/a	-1,664,094	n/a	n/a	n/a	
Free Cash FY 15 ATM	523,196			-523,196	n/a	n/a	n/a	
Other Reserves	766,583	0	n/a	-766,583	n/a	n/a	n/a	
Total Revenues	71,860,959	71,346,013	0	-514,946	0	0	0	2,438,927
EXPENDITURES:								
General Government	3,981,412	3,549,469	185,172	246,771	182,154	44,331	137,823	384,594
Public Safety	5,905,553	5,641,327	590	263,636	15,483	14,998	485	264,121
Education	35,433,047	35,006,823	312,942	113,282	276,126	230,050	46,076	159,358
Minuteman Reg School	203,026	203,026	0	0	0	0	0	0
Public Works	2,870,236	2,644,352	71,908	153,976	9,976	9,976	0	153,976
Health and Human Services	1,216,915	1,174,160	0	42,755	0	0	0	42,755
Culture and Recreation	1,284,314	1,223,012	0	61,302	0	0	0	61,302
State and County Assessments	122,112	109,179	0	12,933	0	0	0	12,933
Debt Service	7,789,058	7,692,910	0	96,148	0	0	0	96,148
Pension	3,740,468	3,740,468	0	0	0	0	0	0
Unclassified	8,402,321	7,431,924	26,495	943,902	40,228	11,629	28,599	972,501
Other Expenditures	88,400	6,183	0	82,217	0	0	0	82,217
Overlay 2015	949,529	0	0	949,529	0	0	0	0
Overlay 2015	-949,529	0	0	-949,529	0	0	0	0
Transfers To Other Funds	249,094	249,094	0	0	0	0	0	0
Transfer to Other Funds-Capital	575,000	701,131	0	-126,131	0	0	0	-126,131
	71,860,956	69,373,058	597,107	1,890,791	523,967	310,984	212,983	2,103,774

Fiscal 2015 Budget
 Estimated Budget Turnback
 6/30/2015

8/17/2015

PRE CLOSE TURNBACK PROJECTIONS

DEPARTMENT	BUDGET	Highes to Lowest	\$ Turnback as	% of Total
		\$ Turnback	% of Budget	Total Turnback
RESERVE FUND	325,000.00	280,783.00	86.39%	13.92%
INSURANCE 32B	6,339,710.00	275,527.00	4.35%	13.66%
RESERVE FOR SAL ADJUSTMENTS	288,091.00	259,827.00	90.19%	12.88%
FIRE PERSONNEL SERVICES	2,311,164.00	188,804.00	8.17%	9.36%
SCHOOL DEPARTMENT	35,000,000.00	113,282.00	0.32%	5.62%
FACILITIES UTILITIES	567,665.00	98,280.00	17.31%	4.87%
DEBT	7,789,058.00	96,147.00	1.23%	4.77%
WAYLAND CARES	88,400.00	82,216.00	93.00%	4.08%
HIGHWAY PERSONNEL SERVICES	944,527.00	74,553.00	7.89%	3.70%
RECREATION P.S.	288,364.00	55,320.00	19.18%	2.74%
BOARD OF HEALTH EXPENSES	177,041.00	36,704.00	20.73%	1.82%
LEGAL EXPENSES	190,000.00	21,806.00	11.48%	1.08%
TRANSFER STATION	65,000.00	32,083.00	49.36%	1.59%
POLICE EXPENSES	334,950.00	29,638.00	8.85%	1.47%
UNEMPLOYMENT	125,000.00	29,235.00	23.39%	1.45%
INSURANCE GENERAL	600,000.00	26,388.00	4.40%	1.31%
RETIREMENT/BUYBACK	53,000.00	25,500.00	48.11%	1.26%
SNOW AND ICE	974,041.00	23,113.00	2.37%	1.15%
CONSERVATION	170,344.00	22,772.00	13.37%	1.13%
JCC COMMUNICATIONS	499,750.00	22,680.00	4.54%	1.12%
FACILITIES EXPENSES	240,952.00	18,321.00	7.60%	0.91%
MISC COMMITTEES	49,775.00	17,228.00	34.61%	0.85%
TOWN MEETING	90,000.00	13,324.00	14.80%	0.66%
BUILDING & ZONING	299,818.00	13,173.00	4.39%	0.65%
STATE ASSESSMENTS	122,112.00	12,933.00	10.59%	0.64%
POLICE/FIRE DISABILITY	15,000.00	12,173.00	81.15%	0.60%
FACILITIES PERSONNEL SERVICES	273,192.00	10,084.00	3.69%	0.50%
STREET LIGHTING	130,000.00	8,986.00	6.91%	0.45%
HIGHWAY SUPPLIES	74,800.00	8,786.00	11.75%	0.44%
FINANCE DEPARTMENT	366,861.00	8,130.00	2.22%	0.40%
SELECTMEN EXPENSES	30,000.00	7,224.00	24.08%	0.36%
PARKS PERSONNEL SERVICES	407,168.00	6,905.00	1.70%	0.34%
SURVEYOR	191,768.00	6,771.00	3.53%	0.34%
TOWN OFFICE	547,664.00	6,350.00	1.16%	0.31%
OCCUPATIONAL HEALTH	8,000.00	6,338.00	79.23%	0.31%
PERSONNEL BOARD P S	16,750.00	6,261.00	37.38%	0.31%
TREASURER	296,039.00	5,616.00	1.90%	0.28%
LIBRARY	995,950.00	5,979.00	0.60%	0.30%
HIGHWAY EXPENSES	206,700.00	5,465.00	2.64%	0.27%
MEDICARE	567,000.00	5,037.00	0.89%	0.25%
FIRE EXPENSES	219,245.00	4,313.00	1.97%	0.21%
COUNCIL ON AGING	228,080.00	4,312.00	1.89%	0.21%
ELECTIONS	35,198.00	4,255.00	12.09%	0.21%
POLICE PERSONAL SERVICES	2,196,125.00	3,952.00	0.18%	0.20%
FACILITIES SUPPLIES	38,500.00	3,390.00	8.81%	0.17%
PLANNING	110,490.00	3,310.00	3.00%	0.16%
PARKS EXPENSES	100,500.00	2,997.00	2.98%	0.15%
ASSESSOR	323,037.00	2,898.00	0.90%	0.14%
TOWN CLERK	137,103.00	2,639.00	1.92%	0.13%
NON-CONTRIBUTORY RETIREMENT	19,000.00	1,462.00	7.69%	0.07%
VETERANS	43,200.00	1,257.00	2.91%	0.06%
EMERGENCY MANAGEMENT	22,204.00	795.00	3.58%	0.04%
INFORMATION TECHNOLOGY	391,799.00	621.00	0.16%	0.03%
YOUTH SERVICES	171,176.00	478.00	0.28%	0.02%
DOG OFFICER	21,228.00	237.00	1.12%	0.01%
REGISTRAR	4,275.00	200.00	4.68%	0.01%
PARKS SUPPLIES	97,500.00	64.00	0.07%	0.00%

2,016,922.00

100.00%

Town of Wayland, Massachusetts
Water Enterprise Fund
Fiscal 2015
Pre Close June 30, 2015

8/17/2015

	Fiscal 2015 Budget	Fiscal 2015 YTD-June 30	% Budget Collected	Fiscal 2014 YTD-June 30	\$ Variance FY 15 / FY 14
REVENUES					
<i>Operating Revenue:</i>					
Penalties and Interest	25,000.00	23,289.00	93.16%	22,135.00	1,154.00
Water Meter Charges	3,009,054.00	3,268,487.00	108.62%	3,353,695.00	(85,208.00)
Liens	-	133,088.00	n/a	123,819.00	9,269.00
Water Capital Improvement	-	-	n/a	369.00	(369.00)
Water Administration Fee	300,000.00	295,965.00	98.66%	251,100.00	44,865.00
Water Service Order	40,000.00	23,497.00	58.74%	16,288.00	7,209.00
Misc. Revenue	50,000.00	110,500.00	221.00%	48,087.00	62,413.00
Interest on Savings	8,000.00	6,273.00	n/a	7,978.00	(1,705.00)
Total	3,432,054.00	3,861,099.00	112.50%	3,823,471.00	37,628.00
<i>Unbudgeted Revenue</i>					
Closeouts from Fund 42	-	-	0.00%	429,597.00	(429,597.00)
	-	-	0.00%	429,597.00	(429,597.00)
EXPENDITURES					
<i>Operating Expenditures:</i>					
Personal Services	713,881.00	655,093.00	91.77%	658,358.00	3,265.00
Expenditures	1,283,387.00	1,264,924.00	98.56%	1,265,194.00	270.00
Funded Debt	1,086,203.00	1,046,453.00	96.34%	1,167,749.00	121,296.00
Indirect Fringe Transfers to GF	489,766.00	348,583.00	0.00%	435,928.00	87,345.00
Indirect Fringe Transfers to GF and OPEB	4,529.00	145,712.00	0.00%	12,285.00	(133,427.00)
Total	3,577,766.00	3,460,765.00	96.73%	3,539,514.00	78,749.00
<i>Unbudgeted Expenses</i>					
Transfer to Fund 63 for Prior Year Correction	-	8,693.00		0	(8,693.00)
Transfer to Fund 42 for Prior Year Correction	-	300,000.00		0	(300,000.00)
	-	308,693.00	-	-	(308,693.00)
OTHER FINANCING TRANSFERS TO WATER CAPITAL					
<i>Other Financing Uses:</i>					
Transfers to Capital Projects	775,000.00	775,000.00	100.00%	1,095,000.00	-
<i>Other Financing Sources:</i>					
Water Surplus to Fund 42	920,712.00	-			
Total YTD Revenues	4,352,766.00	3,861,099.00	88.70%	4,253,068.00	
Total YTD Expenditures	4,352,766.00	4,544,458.00	104.40%	4,634,514.00	
Net YTD Operating Surplus / (Deficit)		(683,359.00)		[381,446.00]	
FUND BALANCE					
Undesignated Fund balance 7/01/2014		3,027,692.00			
Reserve for expenditure- Fiscal 2015		645,292.00			
Current outstanding encumbrances		-			
YTD expenditures (Current Year & FY 14 rollover)		(4,545,648.00)			
YTD revenues		3,861,099.00			
Undesignated Fund balance-April 2013		2,988,435.00			

Town of Wayland, Massachusetts
Wastewater Enterprise Fund
Fiscal 2015
Pre Close June 30, 2015

8/17/2015

REVENUE:	Fiscal 2015 Budget	Fiscal 2015 YTD-June 30	% Budget Collected	Fiscal 2014 YTD-June 30
<i>Operating Revenue:</i>				
Penalties and Interest	-	3,391.00	0.00%	321.00
Wastewater User Charges	203,125.00	298,221.00	146.82%	679,305.00
Liens	-	16,879.00	0.00%	-
Betterments	248,180.00	26,721.00	10.77%	25,551.00
Betterment Interest	203,600.00	7,508.00	3.69%	8,380.00
WW Betterment TC RE	-	207,494.00	0.00%	-
WW Betterment TC Interest	-	12,589.00	0.00%	-
Unapportioned WW Betterment Town Center	-	523,768.00	0.00%	-
Unapportioned WW Betterment-Interest Town Center	-	1,311.00	0.00%	-
Interest on Savings	-	2,089.00	0.00%	825.00
Misc Revenue	-	-	-	3,430.00
Total	<u>654,905.00</u>	<u>1,099,971.00</u>	<u>167.96%</u>	<u>717,812.00</u>
<i>EXPENDITURES:</i>				
<i>Operating Expenditures:</i>				
Personal Services	-	16,534.00	0.00%	22,626.00
Expenditures	255,625.00	197,545.00	181.67%	189,363.00
Funded Debt	451,780.00	464,385.00	102.79%	450,644.00
Total	<u>707,405.00</u>	<u>678,464.00</u>	<u>95.91%</u>	<u>662,633.00</u>
<i>Unbudgeted Revenue:</i>				
Transfer from Fund 61 prior year correction	-	8,693.00	0.00%	-
<i>Other Financing Sources / (Uses)</i>				
Use of Retained Earnings	52,500.00	-	0.00%	-
Total	<u>52,500.00</u>	<u>-</u>	<u>0.00%</u>	<u>-</u>
Total YTD Revenues	<u>707,405.00</u>	<u>1,108,664.00</u>	<u>156.72%</u>	
Total YTD Expenditures	<u>707,405.00</u>	<u>678,464.00</u>	<u>95.91%</u>	
FUND BALANCE				
Undesignated Fund balance 7/01/2013		300,201.00		
Reserve for expenditure- Fiscal 2014		24,288.00		
Current outstanding encumbrances		-		
YTD expenditures (Current Year & FY 13 rollover)		(703,710.00)		
YTD revenues		1,108,663.00		
Undesignated Fund balance-March 26, 2014		729,442.00		

Town of Wayland, Massachusetts
Major Town Revolving Funds
Pre Close June 30, 2015

8/17/2015	24220900			24494000			24652000		
	Ambulance Revolving Fund			Transfer Station Fund			Recreation Revolving Fund		
	FY 2015 YTD-June 30	FY 2014 Actual	FY 15 / FY 14 Variance	FY 2015 YTD-June 30	FY 2014 Actual	FY 15 / FY 14 Variance	FY 2015 YTD-June 30	FY 2014 Actual	FY 15 / FY 14 Variance
Beginning Fund Balance-7/01/14	1,157,409.00	1,377,479.00	(220,070.00)	331,836.00	318,377.00	13,459.00	534,858.00	446,084.00	88,774.00
REVENUE:									
Revenue from services :	439,673.00	414,790.00	24,883.00	418,163.00	408,432.00	9,731.00	-	-	-
Revenue from programs:									
Sudbury Recreation	-	-	-	-	-	-	4,150.00	44,930.00	(40,780.00)
Beach	-	-	-	-	-	-	15,845.00	19,165.00	(3,320.00)
Field Permits	-	-	-	-	-	-	171,817.00	111,009.00	60,808.00
Summer Camps	-	-	-	-	-	-	9,478.00	3,572.00	5,906.00
Youth Programs	-	-	-	-	-	-	4,324.00	6,256.00	(1,932.00)
Adult Programs	-	-	-	-	-	-	29,640.00	23,893.00	5,747.00
Misc revenue	-	-	-	-	-	-	573,776.00	748,331.00	(174,555.00)
Other revenue	-	-	-	-	-	-	8,359.00	-	8359
Total	439,673.00	414,790.00	24,883.00	418,163.00	408,432.00	9,731.00	817,389.00	957,156.00	(139,767.00)
EXPENDITURES:									
Operating Expenditures									
Personal Services Expenses	40,621.00	-	40,621.00	134,443.00	131,574.00	2,869.00	131,611.00	152,935.00	(21,324.00)
Total	40,621.00	-	40,621.00	444,731.00	394,973.00	49,758.00	542,797.00	528,162.00	14,635.00
Other Financing Sources / (Uses)									
Transfers to Other Funds	510,000.00	640,000.00	(130,000.00)	-	-	-	150,699.00	209,696.00	(58,997.00)
Transfers From Other Funds	253.00	-	253.00	-	-	-	-	-	-
Total	510,253.00	640,000.00	(129,747.00)	-	-	-	150,699.00	209,696.00	(58,997.00)
Total YTD Revenues	439,926.00	414,790.00	25,136.00	418,163.00	408,432.00	9,731.00	817,389.00	957,156.00	(139,767.00)
Total YTD Expenditures	550,621.00	640,000.00	(89,379.00)	444,731.00	394,973.00	49,758.00	693,496.00	737,858.00	(44,362.00)
Year to date Fund Balance total:									
Beginning Fund Balance-7/01/14	1,157,409.00	1,377,479.00	(220,070.00)	331,836.00	318,377.00	13,459.00	534,858.00	446,084.00	88,774.00
Total YTD Revenues	439,926.00	414,790.00	25,136.00	418,163.00	408,432.00	9,731.00	817,389.00	957,156.00	(139,767.00)
Total YTD Expenditures	550,621.00	640,000.00	(89,379.00)	444,731.00	394,973.00	49,758.00	693,496.00	737,858.00	(44,362.00)
6/17/2015	1,046,714.00	1,157,409.00	(110,695.00)	305,268.00	331,836.00	(26,568.00)	658,751.00	665,382.00	(6,631.00)



TOWN OF WAYLAND

41 COCHITUATE ROAD
WAYLAND, MASSACHUSETTS 01778

BRIAN KEVENY
FINANCE DIRECTOR
TEL. (508) 358-3610
www.wayland.ma.us

To: Finance Committee

Nancy Funkhouser (Chair)	Gordon Cliff	Dave Watkins
Tom Abdella	Carol Martin	Bill Steinberg
Gil Wolin		

From: Brian Keveny, Finance Director

Date: July 20, 2015

Subject: Fall 2015 Town Meeting

I have prepared the attached Draft Current Year Transfer Article for your review. We will be discussing this at the upcoming Finance Committee meeting in August. The purpose of this article is to increase the expenditure budgets of the Water and Wastewater Enterprise Funds in Fiscal 2016 to pay both indirect costs and to purchase a vehicle.

Water Enterprise

In Fiscal 2015 a water department truck was involved in an accident that resulted in the complete loss of the truck. The town will be receiving insurance reimbursements related to this accident. However the delta between the insurance reimbursement and the cost of the new truck is \$15,000. I am proposing increasing the Fiscal 2016 Water Enterprise budget by this amount. The other option is to change the funding source of the article to closed out water vehicle accounts. The combined surplus amounts of these two capital accounts can cover the delta.

When preparing the Fiscal 2016 budgets for the Water Enterprise Fund fund, I did not include this particular expense item. The amount that needs to be added is \$331,725.

Wastewater Enterprise Fund

When preparing the Fiscal 2016 budget for the Wastewater Enterprise Fund, I did not include this particular expense item. The amount that needs to be added is \$24,288.

Respectfully submitted,

Brian Keveny
Finance Director

ARTICLE XX:**CURRENT YEAR TRANSFERS***Proposed by: Finance Committee**Estimated Cost: \$371,013*

To determine whether the Town will vote to appropriate a sum or sums of money for the operation and expenses of various Town Departments for the current fiscal year; to determine whether such appropriation shall be provided by taxation, by transfer from unappropriated funds, by transfer of funds already appropriated for another purpose, by funds received as grants from the Commonwealth or federal government, by borrowing, or otherwise; and to determine which Town officer, board, or committee of combination of them, shall be authorized to expend the money or monies appropriated therefor.

CURRENT YEAR TRANSFERS FY 2015	
PURPOSE:	AMOUNT
1 Water Enterprise Fund	\$346,725
2 Wastewater Enterprise Fund	\$24,288
3	
4	
5	
TOTAL CURRENT YEAR TRANSFERS	\$ 356,013
FUNDING SOURCES:	
1 Fiscal 2016 Water Enterprise Revenues	\$346,725
2 Fiscal 2016 Wastewater Enterprise Revenues	\$24,288
3	
4	
5	
TOTAL	\$ 371,013

FINANCE COMMITTEE COMMENTS: This article authorizes the expenditure of funds for the current fiscal year, which were not foreseen in the current budget. These transfers are required for the following reasons:

Water Enterprise Fund. This request is to cover the cost of the Fiscal 2016 Indirect Cost Transfer to the General Fund-(\$331,725). This amount was not included in the spring 2015 Town Meeting Water Enterprise Fund voted appropriation. Additionally the request covers the cost of a new water vehicle that was totaled in an accident. The difference between the insurance reimbursement and cost of new vehicle is (\$15,000)

Wastewater Enterprise Fund. This request is to cover the cost of the Fiscal 2016 Indirect Cost Transfer to the General Fund. This amount was not included in the spring 2015 Town Meeting Wastewater Enterprise Fund voted appropriation.



Town of Wayland Massachusetts

Finance Committee

Tom Abdella

Nancy E. Funkhouser

Thomas Greenaway (Chair)

Carol Martin

Bill Steinberg

David Watkins

Gil Wolin

FY15 Liaison Assignments

Audit Committee	Funkhouser
Board of Assessors	Watkins
Board of Health	Watkins
Conservation	Funkhouser
Council on Aging	Wolin
DPW	Wolin, Abdella
EDC	Steinberg
Facilities	Steinberg
Housing Authority	Martin
Library	Steinberg
Minuteman	Wolin
OPEB Committee	Funkhouser
Planning Board	Steinberg
Public Safety	Funkhouser
Recreation	Martin
Rivers Edge	Steinberg
Schools	Greenaway, Martin
Wastewater	Abdella
All others	Greenaway

Board of Selectmen Portfolio Assignments for April 2015 through April 2016

Mary Antes - term expires 2018

Conservation Commission
Community Preservation Committee
Council on Aging, Senior Property Tax Relief Committee
Council on Aging/Community Center Project
Historical Commission
Historic District Commission
Housing: Housing Authority, Housing Partnership, Affordable Housing, 40B projects
WayCAM Public Access Corporation; Cable Television Advisory Committee
Wayland Real Asset Planning Committee
Technology Planning, Electronic Communication and Improvements to Town Website
Youth Advisory Committee

Tony Boschetto - term expires 2016

Audit Committee
Financial Reporting/Expense
Warrants
Minuteman Regional Vocational Technical School
OPEB Advisory Committee
Permanent Municipal Building Committee
Wastewater Management District Commission

Lea Anderson - term expires 2018

Board of Assessors; Overlay Estimate; Tax Classification/ Tax Rate Hearing
Board of Health
Emergency Preparedness
Planning Board and Zoning Board of Appeals
Public Safety Issues (Police, Fire, Including Ambulance, ALS Committee, Paramedic Services)
Surface Water Quality Committee
Technology Planning, Electronic Communication and Improvements to Town Website
Open Meeting Law/Town Clerk

Joe Nolan - term expires 2017

Board of Public Works; DPW facility Project
Library Board of Trustees
MetroWest 495 Partnership, MetroWest Regional Collaborative
Recreation Commission
Town Center, Town Green, Municipal Parcel
Transportation Issues (Rail Trail, Canoe Launch, Senior/Disabled Transit, TIP Projects/Funding)

Cherry Karlson - term expires 2017

Economic Development Committee
Energy Initiatives Advisory Committee
Finance Committee, Fiscal/Budget Strategy; Capital Planning
Personnel Board, Collective Bargaining, Negotiation Strategy; Health Insurance
River's Edge Project/Sudbury Agreement
Schools
Town Counsel and Legal Services



Town of Wayland Massachusetts

Finance Committee

Tom Abdella
Gordon Cliff
Nancy E. Funkhouser (Chair)
Carol Martin
Bill Steinberg
David Watkins
Gil Wolin

FY 2016 LIAISON ASSIGNMENTS

Audit Committee	Gordon Cliff
Board of Assessors	Gordon Cliff
Board of Health	Gordon Cliff
Conservation	David Watkins
Council on Aging	Gil Wolin
DPW	Thomas J. Abdella
EDC	Bill Steinberg
Facilities	Bill Steinberg
Housing Authority	Carol B. Martin
Information Tech.	David Watkins
Library	Gil Wolin
Minuteman	Gil Wolin
OPEB Committee	Gordon Cliff
Planning Board	Bill Steinberg
Public Safety	Thomas J. Abdella
Recreation	Carol B. Martin
Rivers Edge	Bill Steinberg
Schools	David Watkins, Carol B. Martin
Wastewater	Thomas J. Abdella
WRAP	Bill Steinberg, Thomas J. Abdella
All others	Nancy Funkhouser

TAPE STARTS – [00:00:00]

NANCY FUNKHOUSER: I'd like to call the meeting to order. Tom Abdella, I guess, isn't calling in. Alright. Greenaway is going to be late. Steinberg is going to be a little late, but I thought we would start with the agenda. Meeting is currently being recorded by WayCam. I'd like to start with a couple – I need a minute taker. Anybody? I'll take the minutes then.

DAVE WATKINS: I've got it.

NANCY FUNKHOUSER: You've got it?

DAVE WATKINS: Yes.

NANCY FUNKHOUSER: Okay. Thanks Dave. And public comment [Off-Mic Conversation]. Great, thank you. [Laughter] [Off-Mic Conversation]. Alright, next any other public comment? Nothing? Great. Next up, Brian? Finance Director's report?

BRIAN KEVENY: Okay. There's a bunch of things within the finance director's report. So I'm going to go through each one sort of briefly and touch upon what's in the agenda here. First report I sent out is a revenue and expense report, which is here, which I emailed out the other day. Anybody does not have a copy, because I do have hard copies right behind me?

NANCY FUNKHOUSER: I don't. [Brief Pause]. Thanks.

BRIAN KEVENY: Okay. This is a report as of July 11th – I'm sorry, June 11th. It's not as of any quarter end or month end. It was in MUNIS as of June 11th. I did this last year, and the purpose of this is just to give you an idea where we might stand at the end of the year. So we'll start by flipping through to the third page, which is the summary, the General Fund activity. So again, through June 11th we've collected 98% budgeted revenue. We've expended 94% of the budgeted expense within the General Fund. Within the – and I'll go to the specific General Fund revenue in the next and talk briefly for a second on the Water Enterprise and the Wastewater. Those two funds are doing as expected. The Water fund has collected 83% of revenue and has expended 90% of its expense. Wastewater is having a very good year. They've collected 154% of budgeted revenue and expenses are at 93% spent as of this point. So we can focus in on the General Fund revenue if you want to turn to the next page, which is the report that I've given you folks, the detailed revenue report. And within the – I see the five different categories of revenue, and again those are taxation, state aid, local receipts, transfers from other funds, and unbudgeted revenue. So where we stand today, I think that we're going to be looking at the end of the year on taxation everything being collected but around \$50,000.

NANCY FUNKHOUSER: Amazing.

BRIAN KEVENY: During the year I expected the uncollected amount to be around \$400,000, and I was wondering why it was off so much, and I came to realize that the reason why I'm off \$400,000 is because last year's uncollected revenue for fiscal 2014 was a little under \$1 million, about \$1 million, but the overlay was \$600,000. If you're looking at today's report here, our uncollected real estate is roughly \$1 million and our overlay is about \$1 million. So whatever we're having collected, virtually the assessors have already somewhat determined it may not even be collected for the overlay. So this is my

loss of \$400,000. So I think going forward anytime I have an overlay that high that I'll have my expectation of what won't be collected a little better at the beginning of the year. So right now I'm estimating \$50,000 as uncollected, which is really incredible.

NANCY FUNKHOUSER: Remarkable.

BRIAN KEVENY: We're collecting 99.9% of our taxation. Local receipts, we've collected 83%. I'm expecting all money to come in there – I'm sorry, state aid. Local receipts, we're having again another good year. Last year we collected, I believe it was, \$27,000 over the budget. I'm expecting around the same this year. Transfer some of the funds; all the money has been transferred into the General Fund as was voted at town meeting. In the very bottom page, we've collected \$1.8 million in unbudgeted revenue, and we talked about these different categories through the year. So these amounts – the minus 50, the local receipts \$25,000 over budget, and the \$1.8 million – all go towards our Free Cash estimate, and you'll see that later in the document. So that's where the General Fund revenue stands. Right, Carol.

CAROL MARTIN: Sorry, two questions, Brian. On this, back up to the state aid, are we going to – it's \$88,000. You think we're going to collect the \$100,000 that we budgeted?

BRIAN KEVENY: Yeah, yeah.

CAROL MARTIN: Okay.

BRIAN KEVENY: That will all come in.

CAROL MARTIN: Next one is, this unbudgeted revenue, the 78, is that the Children's Way –

BRIAN KEVENY: That was the Children's Way from fiscal 2014.

CAROL MARTIN: Right.

BRIAN KEVENY: But they did pay us in 2015.

CAROL MARTIN: It says for the kindergarten.

BRIAN KEVENY: Oh, I'm sorry.

CAROL MARTIN: It should say Children's Way.

BRIAN KEVENY: You're right, Carol.

CAROL MARTIN: Yeah. Just so someone doesn't think it wrong.

BRIAN KEVENY: Yeah, you're absolutely right.

CAROL MARTIN: I was just curious about that one. Okay.

BRIAN KEVENY: There has not been a determination made on the food service at this point.

CAROL MARTIN: I was going to ask you about that. We'll talk about that too.

BRIAN KEVENY: Later?

CAROL MARTIN: Yes, when we get to the Free Cash [Laughs].

BRIAN KEVENY: Okay. Okay, so I made a typo here. It's actually the Children's Way that paid \$7,913.

CAROL MARTIN: Yeah. \$914, right.

BRIAN KEVENY: The next page is the comprehensive expense and budget report that I put out. I don't want to bring too much attention to this other than I updated it through June 11th. At the very bottom of the page, we still have \$3.6 million of this year's appropriation to spend. Later on I'll show you a page where we're estimating that the turn-back is going to be about 1.5. So we still have 3.6 to spend, of that 3.6 we're expecting that 1.5 will not be spent, that will return to Free Cash. On the right side of the category was a rollover from last year, which I spoke about in previous meetings. We're going to be returning \$212,000 of last year's rollover purchase orders back to Free Cash.

CAROL MARTIN: Great. Now what – excuse me, what's Culture and Recreation?

BRIAN KEVENY: That's just a combination. It's a –

CAROL MARTIN: Group the departments together?

BRIAN KEVENY: Yeah, exactly.

CAROL MARTIN: Okay.

BRIAN KEVENY: We just lumped some of them.

NANCY FUNKHOUSER: So these rollovers are – they are last fiscal year's unspent money.

BRIAN KEVENY: Mm-hmm.

NANCY FUNKHOUSER: They never got spent for whole another year that gets returned to Free Cash, right? Yeah.

CAROL MARTIN: I guess one good question on that to follow up against that would be, is there any encumbered rolled over money from 2014 still out there?

BRIAN KEVENY: No, no.

CAROL MARTIN: No? So that's all clean. Great.

BRIAN KEVENY: If not in the General Fund, you will find it in other funds.

NANCY FUNKHOUSER: In wonder what's in that education money? There's a 276 –

BRIAN KEVENY: What that means is at the end of last year they encumbered \$276,000, of that \$276,000 they actually \$230,000.

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: And they're returning –

NANCY FUNKHOUSER: So that's 46. So this is the number I'm looking for.

BRIAN KEVENY: Yeah, sometimes what they do is they estimate what the goal might be, and sometimes it just comes in less than expected.

NANCY FUNKHOUSER: Great, okay.

BRIAN KEVENY: So we'll turn to the next page, which is the turn-back number. When I deal with this, I gave you the General Fund line. I gave you the budget for fiscal 2015. And I gave you the different amounts that I gave previously, the March number, the May number, and the latest number. So as you've seen, it's grown from 1.2 to 1.5. There were certainly some factors that affect that. Currently right now in the June number I have \$50,000 for debt. We have a new treasurer in, and she determined that of the remaining appropriation in the General Fund \$50,000 will not be spent. So I added that to the budget. There were some other factors that went into here. Obviously, the school is on with us, but I did have that in the May report. So the number is up a little bit. We're still within the zip code of where we want to be. I'm not expecting anything dramatic to change from these numbers. I'm expecting the turn-back to be around this amount. I've asked the department heads repeatedly through the year and most recently in last quarter to look at their numbers to make sure their appropriations what they've given me are reasonable. Some of the accounts that kind of returned \$1000 or whatever, \$500 bucks – simply that's a minimal amount that I didn't include. These are the big numbers. When you look at this you can clearly see that the top givers of returns are the Reserve Fund, which is a good thing.

NANCY FUNKHOUSER: Mm-hmm. Insurance?

BRIAN KEVENY: Insurance 32B, that number is down from previous year. Reserve for salary adjustment is down. The school department, I believe, last year they gave \$96,000. This year they've given \$101,000. And the fire department is \$100,000 due to the delay in hiring the new firemen in the little float of the former chief retiring and the new one taking his place. So you've got a little savings there in the pair. So those are the big ones.

NANCY FUNKHOUSER: And the difference between that and the rollover is that this is money unspent, and the rollover is money that was earmarked to be spent into the next year.

BRIAN KEVENY: But then wasn't.

NANCY FUNKHOUSER: But then wasn't. Right?

BRIAN KEVENY: That's exactly right.

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: Any questions on the turn-back here?

NANCY FUNKHOUSER: No.

BRIAN KEVENY: So the next page is the latest Free Cash. I've updated this through the year. I've factored in all of the town meeting changes that were made. I've factored in the new rollover – I'm sorry, the turn-back amounts, the new estimates for revenue. And as you see, we've grown from a little over 8% at our last meeting to 3.74. The biggest one to move that dial up, I think, was the \$350,000 change in the revenue, going from \$400,000 down to \$50,000. So that's where we stand right now. We're on about 8.74% of next year's budget. So we're looking at Free Cash being certified around \$6.4 million. Last year it was certified at \$6.3 million.

CAROL MARTIN: So the school is – I didn't attend the Select Committee meeting this morning, so I have not had the chance to circle back, but I believe that before the end of the year the school's committee was planning on releasing the \$200,000.

BRIAN KEVENY: \$200,000?

CAROL MARTIN: 214 for the food service, but I haven't got clarification on that. So what would that do to the Free Cash?

BRIAN KEVENY: It would push it close to 9.

CAROL MARTIN: Yeah. Just so you know, you want to check with Susan?

BRIAN KEVENY: The last I looked at the – actually I looked at the food service balance this week, and it's around \$160,000. So they obviously have some lot of receipts coming in right now in the end of June and they won't be able to make that payment.

[Off-Mic Conversation]

BRIAN KEVENY: But that was before. That was another problem.

CAROL MARTIN: Okay. Well, that's why I had to find out. [Off-Mic Conversation]

BRIAN KEVENY: Okay. Any more questions on the Free Cash? The next page, we really don't have to discuss much. I just simply wanted it updated; three major evolving funds. In the last couple of pages –

CAROL MARTIN: Why do you think we're going through disruption?

BRIAN KEVENY: I think that has to do with a couple of things. Treasury is still catching up on posting receipts, and last year at this time there was a double posting revenue in Recreation of \$130,000. So that number, \$957,000, that you see right there –

CAROL MARTIN: Yeah, yeah.

BRIAN KEVENY: – that actually has a double posting revenue of \$130,000.

CAROL MARTIN: So it should have been.

BRIAN KEVENY: So now it's more apple to apple, so not as bad.

CAROL MARTIN: Okay.

BRIAN KEVENY: But there is a slowing of posting with these – they're simply catching up down there.

CAROL MARTIN: Okay [Off-Mic Conversation].

BRIAN KEVENY: In the last couple of pages, before we get into the transfers, is just the update of the Wastewater and the Water account. I don't think that we will need to go over these, and they're continuing to do well. Nothing to report there. The last of this package is the transfers that we need to address tonight. Do you want to do that now?

NANCY FUNKHOUSER: Sure.

BRIAN KEVENY: Okay. So what I did do is I did send you out transfers for the treasury's office for \$10,000 related to payroll. We have a new treasurer, and with the leaving of the former treasurer there's a need for –

NANCY FUNKHOUSER: This is the original. Do you need it here?

BRIAN KEVENY: No, I don't need that. There's a need for \$10,000 to fund the appropriation for payroll to pay the new treasurer through this fiscal year. Do you want me to go through them and then go back and vote them, or do you want to –

NANCY FUNKHOUSER: We'll go through them. We'll discuss them and then – we'll discuss each one, go through each one, and then vote them all.

BRIAN KEVENY: Any questions on this one?

NANCY FUNKHOUSER: So we hired a new treasurer. And so why is there a shortfall or why we need –

BRIAN KEVENY: When the former treasurer left there was a settlement with him.

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: And you have the time lag in the new treasurer coming on board –

NANCY FUNKHOUSER: Got it.

BRIAN KEVENY: – which created this problem.

NANCY FUNKHOUSER: Anybody have any questions? Okay, next.

BRIAN KEVENY: Next one is the town office budget. This simply has to do with supplies, paper –

NANCY FUNKHOUSER: Yeah, no problem.

BRIAN KEVENY: – mailings; sort of a housekeeping issue.

CAROL MARTIN: You all, this is the town office. I thought this was –

BRIAN KEVENY: The town administrator's office.

CAROL MARTIN: – one office, and I thought, "Well, that's an awful lot of paper." [Laughs]

NANCY FUNKHOUSER: This is the town administrator's office. We knew about that one, right?

BRIAN KEVENY: Yeah. We mentioned that last time.

NANCY FUNKHOUSER: Yeah. We know it, yeah. And next?

BRIAN KEVENY: Next one is the library. It needs a transfer of \$5000 related to payroll. Jim and Ann sort of described what was going on there as simply – they need some additional funding to meet their payroll through the end of the fiscal year.

NANCY FUNKHOUSER: They budget close.

BRIAN KEVENY: Yeah, they had a retirement. They had to do a vacation payout, which certainly affected their budget.

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: The next one is Snow and Ice that continued to get expenses even after the town meeting vote. So they're currently in deficit in payroll by \$4,4041. And EBW will certainly appreciate a transfer to sort of cover them for the rest of the year. They're not expecting any more expenses. These things came up after the fact –

[Off-Mic Conversation].

BRIAN KEVENY: Actually I have two more that you don't have but – Council on Aging; we have \$300. Again just a housekeeping issue, but she's sort of short at the end of the year. She did very close to her budget. So they only need \$300 at the end of the year. She was pretty much on the dime with her budget. And the other two that I have not given you – these were determined today. First one here was Youth Services. Ah, he's good. This is just the Youth Services.

NANCY FUNKHOUSER: Is it the same?

BRIAN KEVENY: Same.

NANCY FUNKHOUSER: Oh, great. Thanks.

BRIAN KEVENY: Youth Services is the same situation as –

CAROL MARTIN: Oh, I am sorry. I got to give us –

NANCY FUNKHOUSER: Yeah, okay.

BRIAN KEVENY: Youth Services, identical situation. The council is managing very close to the dial on her budget, but came up a little short. So she needs \$300.

NANCY FUNKHOUSER: Okay. Any questions?

BRIAN KEVENY: And lastly here is Medicaid tax.

CAROL MARTIN: Oh, here we go.

BRIAN KEVENY: I thought this one would eventually hit us. We've maintained the same budget for Medicaid tax for the past few years. At the same time the town's payroll has gone up and the need to charge Medicaid tax has gone up. So right now we need to fund that line \$7,000 to meet all of the payroll Medicaid tax liabilities for wages.

NANCY FUNKHOUSER: So it's an additional 5 in addition to the 2?

BRIAN KEVENY: Yeah. Right now we have a negative \$2,100 in the account.

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: And I need 7 to be whole, to make it through the last payroll period.

NANCY FUNKHOUSER: Okay.

CAROL MARTIN: I don't about this week [Off-Mic Conversation].

BRIAN KEVENY: It needs a total of \$7,000 right now.

NANCY FUNKHOUSER: So Brian, this will all come from the FinCom reserve fund?

BRIAN KEVENY: Yes.

NANCY FUNKHOUSER: And so then the FinCom reserve fund that's on this budget, probably 250 and above –

BRIAN KEVENY: It's going to cut down, I believe.

NANCY FUNKHOUSER: Yeah? What's the total off all this? Do you know offhand? I'm wondering. I can add it up too.

CAROL MARTIN: Some of these are factored in right in here.

BRIAN KEVENY: I added \$7300 to –

NANCY FUNKHOUSER: So \$7300?

BRIAN KEVENY: We're just going to do like \$7300 from the form I gave you before –

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: – on the other sheet. So right now your balance is \$308,924. We're asking for seven transfers.

NANCY FUNKHOUSER: Oh, here we go. Just got it.

BRIAN KEVENY: Yeah. We're asking for seven transfers. You do have five listed on there, but you add two more. So roughly the number is going to come down. It will end at about \$280,000 roughly.

NANCY FUNKHOUSER: Got it. Okay. So let me just total in for the motion, right?

BRIAN KEVENY: Yep, that's fine.

NANCY FUNKHOUSER: Okay.

[Off-Mic Conversation]

CAROL MARTIN: Can I ask you – excuse me. We had the concerns on the updates. What was the status on that? Maybe you can give –

DAVE WATKINS: Yeah, if you're going to do that, why don't you –

CAROL MARTIN: Except the 77 at the top?

DAVE WATKINS: Yeah. Well, I want to go over that.

[Off-Mic Conversation].

NANCY FUNKHOUSER: Okay. So there are a total of seven Reserve Fund transfer requests in the amount of \$28,141 as detailed in the forms that we have and the spreadsheet Brian put together, with the addition of the new \$7000 and the \$300 that were just added. Does anybody have any questions about each of these or any of these? Yeah.

CAROL MARTIN: I might just have one quick. Okay, on May 12th there was a transfer request for \$7000 from the treasury elect's office. Is this in addition to that?

BRIAN KEVENY: Yeah. The \$10,000 superseded that.

CAROL MARTIN: Superseded that? Okay. And this \$4000 goes with that \$4000 from the Ice.

NANCY FUNKHOUSER: Okay.

GIL WOLIN: Quick question. So the 10 includes the 7?

BRIAN KEVENY: Yes.

NANCY FUNKHOUSER: Yeah. So it's only an additional 3. Is that what you're saying?

BRIAN KEVENY: That's right.

NANCY FUNKHOUSER: Okay. That's good, because I didn't understand what he said. Alright. Okay, so do I have a motion to approve these?

CAROL MARTIN: Yes. I approve by my touch [Laughs]. I move that we approve the 7 requests for transfer for the Reserve Fund that have been presented by the Finance Director.

NANCY FUNKHOUSER: Any seconds?

DAVE WATKINS: I'll second that.

NANCY FUNKHOUSER: Any discussion? Okay. All in favor?

GIL WOLIN: Aye.

CAROL MARTIN: Aye.

DAVE WATKINS: Aye.

NANCY FUNKHOUSER: Aye.

CAROL MARTIN: Nancy, what was that total number again?

NANCY FUNKHOUSER: \$28,141. Thanks, Brian.

BRIAN KEVENY: So that gets us to the next agenda item, which is the town and school Revolving Funds. Does everybody have a copy of this, because if you don't I do have copies with me?

NANCY FUNKHOUSER: Yeah. No, I don't.

[Off-Mic Conversation]

BRIAN KEVENY: At the last meeting in May I was asked to compile a list of all of the town and school Revolving Funds and sort of try to identify a category that they fall in, and apply the mastery under law that they were voted under. So I've attempted to do that and I've built a few charts here, one for Fund 24 which is the Town Revolving Fund, and Fund 25 which is the School Revolving Fund. And another name for this is referred to as Special Revenues Fund. So within Special Revenue Funds you can have grants, student activities, True Revolving Funds, receipts, reserves for appropriation accounts, special 53E and ½ accounts. So every town has special revenue funds and they will have sort of a different category. Here's a complete listing of everything right now in town. And what I've tried to do on this

presentation is list them all, give the mastery under law that they fall in on, list the type of fund, and then let you folks know if they're getting payroll charges or not, because that's important. If the fund is getting payroll charges, is the town actually getting an indirect cost to cover its Medicaid tax or health insurance? In the town side, there's usually just a few that are getting payroll charges. It's the police detail obviously that's getting payroll charges where somebody comes in and hires a police officer and the money is paid back. And the other ones fall under the Recreation, Revolving. We pay part-time people, and in the transfer station group we also pay employees. For the most part town revolving funds don't run payroll charges. Now I've also tried to give you folks as a comparative, I gave you the total for the 2014 revenue that went through each one in expenses, that went through each one as well. I show you the volume going in and out of these things.

BRIAN KEVENY: Most of these funds, if not all, will be restricted to a specific purpose. They're not like the General Fund to simply use at will. There was a reason why these a council set up, and there's usually oversight by some board or somebody running the town that authorizes expenses against these. Some of these can be dormant. Somebody makes a gift account and there's no expenses for a long period of time. We've seen that before.

NANCY FUNKHOUSER: So there's older ones, like for instance fiscal year 2012 and 2013 under grants for spend, like that have no payroll and haven't had any activity?

BRIAN KEVENY: Yes.

NANCY FUNKHOUSER: Can they be closed?

BRIAN KEVENY: What we do is deactivate.

NANCY FUNKHOUSER: Deactivate it?

BRIAN KEVENY: Right.

CAROL MARTIN: It's funny that you say that, because I noticed that 375th is still having some money, \$22,000, and I'm wondering –

BRIAN KEVENY: Right. I think I talked about that earlier, about a few months back.

CAROL MARTIN: So that's an interesting one to maybe have a look at it.

BRIAN KEVENY: Usually, in looking at these things this is probably maybe a good summer project to rescrub these accounts and find out – you know, you could have an account that has money in it and simply no expenses against it. I believe the town can deem the account closed and have the money brought back to Free Cash if the purpose of it was accomplished. It will be cleaned out that way.

NANCY FUNKHOUSER: Is it a vote or is it a town meeting or is it just internal?

BRIAN KEVENY: I've seen them voted at town meeting, but I think something like this involves sort of good scrubbing through the summertime to go through each one and find out where they're all.

CAROL MARTIN: That's the plan, totally. We do that.

BRIAN KEVENY: We'll go back and try to find when it was created, why it was created. Who might be in charge of it? Why there's no activity against it? Did that authority deem the thing closed and it's simply just being dormant in the account?

GIL WOLIN: Has a summary like this never been put together before?

BRIAN KEVENY: No. I've never done something like this. What I do at the end of the year, I have to report the ending balance of these, which I do. But we never get into the mechanics of what's really going on within the account. Some of them we do like the Recreational, Revolving, Transfer Station. We certainly do with those.

GIL WOLIN: I'm just – this is a terrific document.

CAROL MARTIN: Yes, very.

GIL WOLIN: And standing ovation, I guess, is what I'm talking about. It's a great summary. Thank you. And I only ask that you correct the spelling of Revolving.

BRIAN KEVENY: Oh, thanks [Laughs].

GIL WOLIN: Type of fund. The title, the listing type of fund.

BRIAN KEVENY: There you go.

[Off-Mic Conversation]

BRIAN KEVENY: Typically what happens is it's like a gift account. Most towns have their selectmen approve that gift or a grant. Usually there's some authority approving it, usually the board of selectmen. So we can run traces of MUNIS to find out when the first transaction was. Some of these are pre-MUNIS. So it's kind of difficult, but usually in finding out where these things originated from its tracing the first transaction in the accounting system and then trying to go back and find the notes within the selector's meeting authorizing it. Who brought it to them? Who wanted them to accept it? That's typically how these things happen. School has much busier special revenue funds. They have a lot of grants, state aid, and that you see like spent in there. They have much higher volume accounts and they have a lot of payroll running over there. So much more sold than the town.

DAVE WATKINS: So for example **(inaudible) (27:26)**. Is there a methodology that you are now looking at? Like, would you say this is **(inaudible) (27:40)**.

BRIAN KEVENY: Typically what they do is when they come in and we give them a list of all our accounts, if something is new, they will ask me, "Who set this up? Who is the authorization from the selectmen? Who brought it to the town?" And they make sure we have the documents. Like for example, grants. We're supposed to maintain all the grant documents. The auditors will audit any grant over \$500,000. They're required to do that. That doesn't mean they don't look at the other grants. So they'll come in and routinely go through all of our grants, and they'll list them as either state grants or federal grants for terms of the financial statement. So they do a scrubbing.

DAVE WATKINS: Got it.

BRIAN KEVENY: All new things are presented to them when they come in. This is what we brought in new to the town. Not so much Revolving Funds. I mean, we can have situations where people are going to donate \$1000 and you're going to say, "Hey, it's money comes in, money goes out, and so the purpose is gone." That's typically a revolving fund.

DAVE WATKINS: Sure, sure. I just want to **(inaudible) (28:40)** with what authority we have to actually understand what the controls are over some funds.

BRIAN KEVENY: Yeah. Typically for example, if we were going to get a new grant from the school, I would ask for the school committee approval. Where is the budget document for it? Who is giving us the money? Where is the document?

DAVE WATKINS: Yeah.

BRIAN KEVENY: And then I would set it within a category of either a state grant or a federal grant. So anytime we and the accounting office could request to set it up, we ask for that information. Did the selectmen accept it? Did the school committee accept it? So that's typically the checks and balances internally.

DAVE WATKINS: Got it. So for example, if I had (inaudible) (29:17).

BRIAN KEVENY: They could only take it out of there if they get custody or control of that account. Like, the board of selectmen has specific control over some of the revolving funds. Not all of them, but some of them do have jurisdiction. They could only do that if they have authority and jurisdiction over that. They just can't say, "There's extra money in this revolving account. Let's take it out of there." I haven't come across any request to do that. It's pretty clean, the way as it goes.

NANCY FUNKHOUSER: So I see a sailing club that has a deficit balance today of \$33,000 – not sailing; athletics, it says. That's just a timing issue?

BRIAN KEVENY: Timing issue and I believe that is attributable to just a slowing of cash postings through treasury.

DAVE WATKINS: By the way, was all cash ever reconciled under the deficit?

BRIAN KEVENY: No. Well, that's still a work in progress. The new treasurer is working on it. They may be reaching back out to the consultant that helped them before. So it's still very much a work in progress.

DAVE WATKINS: Do you know a month that will be completed?

BRIAN KEVENY: I'm going to say November or December?

NANCY FUNKHOUSER: Still going on? So it hasn't moved since April. Really it doesn't seem like it. I think that's where we left off, right?

BRIAN KEVENY: We briefed Tim in, I believe, two months ago and did some work, but they're trying to get him back in as soon as they can. He is off, busy now. He sold his firm and now he's bought up another firm, but he's not as accessible. They're trying to get him back.

NANCY FUNKHOUSER: And when did the new treasurer start here?

BRIAN KEVENY: I'm going to say two weeks ago.

NANCY FUNKHOUSER: Okay.

BRIAN KEVENY: Certainly on her things-to-do.

CAROL MARTIN: Well, you talked about the summer project. I mean, just what do you envision? Do you need help from us?

BRIAN KEVENY: Well, I'd like to get understand – well first, any account that's just sitting there and not doing anything – like, for example if you turn to the second page of the Town Revolving Funds –

NANCY FUNKHOUSER: Yep.

BRIAN KEVENY: Under Receipts/Reserved Accounts, insurance reimbursements minus \$20,000.

CAROL MARTIN: I mean, what is this?

BRIAN KEVENY: We have \$80,000 in the account. What happens with that is that – a truck is in an accident, for example, and you get insurance reimbursement. But in the meantime you've got to go buy another truck for, say, \$40,000. So you go up and buy the truck for \$40,000 and you submit the reimbursement. The expenses get posted to this revolving fund to buy the truck, and when the insurance reimbursement comes in it goes to the same account. This tells me that we receive more insurance reimbursements than we spend. So that may be a case when I could transfer that to the General Fund, because something has gone amiss.

NANCY FUNKHOUSER: Right.

BRIAN KEVENY: It wasn't a dollar for dollar swap. So that's a good example of going through some of these and saying, "Something just doesn't look right here."

NANCY FUNKHOUSER: And even just commonsense on the school ones, whether it's fiscal year 2012, fiscal year 2013; old. Like, I don't know, \$3502 I guess, fiscal year 2012 spend 240. It's a grant; no balance, no activity.

BRIAN KEVENY: Right.

NANCY FUNKHOUSER: We need that account.

BRIAN KEVENY: Yeah. That account is technically dormant.

NANCY FUNKHOUSER: Deactivated.

BRIAN KEVENY: Yeah, it's deactivated.

NANCY FUNKHOUSER: Right.

BRIAN KEVENY: For purposes of this I probably should have taken off the 1's and 0's.

NANCY FUNKHOUSER: Yeah. Well, that's okay.

DAVE WATKINS: Brian, these are also **(inaudible) (32:55)**, all expenditures.

BRIAN KEVENY: Right.

[Off-Mic Conversation]

NANCY FUNKHOUSER: Or like three 3525 in the same page. That program of improvement, it's deficit balance, but it's no activity last year. So are you envisioning, back to Carol's question, that this would be something that we could help you with?

BRIAN KEVENY: No. I mean, I don't think you can help me with it. I think with myself and Susan upstairs, who is out of town school business, we should be able to go through these accounts and find out which ones I just closed but have surplus money and then bring that to the board of selectmen or the school committee and say, "You have this money. Let's bring it to town meeting and just close it out. And here's why."

NANCY FUNKHOUSER: Right.

BRIAN KEVENY: And touch base with the people who may have been involved in the account. But insurance is a good one where it just doesn't look right. It really should be a zero balance for the most part.

CAROL MARTIN: As should probably the 375 for celebration because I don't think we're doing any of that now.

BRIAN KEVENY: Right. That's a good one where money came in for a specific purpose. That purpose has been accomplished. What do you with the money?

CAROL MARTIN: That finished last June, right?

BRIAN KEVENY: It was year ago.

CAROL MARTIN: Yeah. So that would make sense. Okay, right.

BRIAN KEVENY: So I'd like to take this on as a summer project with Susan and see if we can clean this up a little bit.

CAROL MARTIN: Great.

DAVE WATKINS: What would you accomplish by this?

BRIAN KEVENY: Find out which ones are dormant and recommend that they be closed to the General Fund to be cleaned up.

NANCY FUNKHOUSER: So that could possibly be another influx.

CAROL MARTIN: Free Cash.

BRIAN KEVENY: For Free Cash it would be.

CAROL MARTIN: It may not be huge, but it might end up in the 100 grands.

BRIAN KEVENY: Well, it helps us from sloppy reporting.

NANCY FUNKHOUSER: It might already be 80 [Laughs].

BRIAN KEVENY: So it cleans up our books.

CAROL MARTIN: Yeah, that's what I'm saying [Laughs].

NANCY FUNKHOUSER: Great.

BRIAN KEVENY: The last thing on my agenda is an update on the DPW building project. I talked to Ben Keefe about an hour ago. He is diligently trying to put that together for the committee. He apologizes that it's simply not ready at this point, but he is doing his best to compile that. So I don't have anything to report on DPW other than it seems to be moving along in a very fast pace. But again Ben is charged with putting out a quarterly report on all –

NANCY FUNKHOUSER: Which we haven't seen yet.

BRIAN KEVENY: – all projects and in particular the DPW project as well. So he is working on that.

NANCY FUNKHOUSER: Has he given you any – did he happen to give you any indication as to a timeframe?

BRIAN KEVENY: No, other than he's committed to getting that done for me.

NANCY FUNKHOUSER: He didn't say when?

BRIAN KEVENY: No, no.

NANCY FUNKHOUSER: And that move is happening as we speak or scheduled to happen in a week or two?

BRIAN KEVENY: I supposed it would be delayed.

NANCY FUNKHOUSER: Oh.

BRIAN KEVENY: I think the actual move-in now, I heard, is the 26th, 28th, something like that. But I did compile – I'll pass this around – another capital report.

CAROL MARTIN: Great.

[Off-Mic Conversation]

BRIAN KEVENY: So this is Fund 40, which is the – this is the town –

NANCY FUNKHOUSER: This is your work, right Carol?

CAROL MARTIN: Brian too.

BRIAN KEVENY: Carol did a lot of work.

NANCY FUNKHOUSER: No. Carol on the committee, but Brian, yeah.

BRIAN KEVENY: So this is the town's Capital Fund 40. And what I did was reach out to all the people except there's a line here that says, "To be determined." That's Ben, but a lot of the other folks did get back to me with some answers and we got some resolutions. From my report it would be the very first one that says as "equipment." That's going to be closed at the end of this year finally.

CAROL MARTIN: End of this fiscal year?

BRIAN KEVENY: This fiscal year.

CAROL MARTIN: Yea!

BRIAN KEVENY: So some good things have come out of this.

GIL WOLIN: When you say finally –

BRIAN KEVENY: It's been since 2011, right?

CAROL MARTIN: It's kind of closed for about two years.

BRIAN KEVENY: The appropriation was in 2011.

CAROL MARTIN: Right when I started.

BRIAN KEVENY: Right. So here's an update of where these things stand. As you can see, for the most part a lot of them are still work in progress. Some are being indicated to close in fiscal 2015, most in fiscal 2016. The turn-back numbers really haven't been quantified. There's only two that I have quantified here. One if the assessor's and the second is the fire bush truck.

NANCY FUNKHOUSER: Yeah.

BRIAN KEVENY: That \$30,000 will go back to the ambulance fund, and I've got to find out funding source of the assessor's equipment. If it's Free Cash, then it goes back to the General Fund. If it's some borrowing, then it stays there, or something else.

NANCY FUNKHOUSER: Nice.

CAROL MARTIN: Fire truck on the fire equipment – excuse me.

NANCY FUNKHOUSER: That's okay.

CAROL MARTIN: I don't think the money came off in the first place.

BRIAN KEVENY: Yeah. We transferred from the ambulance fund.

CAROL MARTIN: I don't think it came out of it.

BRIAN KEVENY: When you say, came out –

CAROL MARTIN: Oh, you transferred that to go to capital fund?

BRIAN KEVENY: Yeah. That was the funding source.

CAROL MARTIN: And that, if I may hop in here and say –

NANCY FUNKHOUSER: Yeah, go ahead.

CAROL MARTIN: – I think that is a case of the fire department using ingenuity beyond, and even when they had downtime they used different folks who had different skills to do –

NANCY FUNKHOUSER: Person with the chassis situation, with the body situation, and the blah blah blah.

CAROL MARTIN: No. There was some lettering and this and that now, but what have they done is they ended up saving the town 30 grand on like about a \$55,000 buy, wasn't it? What was the original bunch about that?

BRIAN KEVENY: Oh.

CAROL MARTIN: 50?

NANCY FUNKHOUSER: Was that worthy of a newspaper article? [Laughs]

CAROL MARTIN: I thought it was very clever, very good. So I did want to mention that.

BRIAN KEVENY: So this is sort of a snapshot.

NANCY FUNKHOUSER: How about the \$4 million on the DPW?

BRIAN KEVENY: That's what's traveling in the account right now.

NANCY FUNKHOUSER: Right, but –

BRIAN KEVENY: As an unspent appropriation.

NANCY FUNKHOUSER: Seems big.

CAROL MARTIN: They built that. We're hoping **[Voice Overlaps]**

BRIAN KEVENY: Well, the appropriate is 12th grade. The original appropriation was in the 12th.

NANCY FUNKHOUSER: But if the building is almost done, shouldn't that –

BRIAN KEVENY: The numbers at Ben's – he thinks that they're going to spend all the appropriation except for about \$1.5 million, but until his report really comes out –

NANCY FUNKHOUSER: Right. We don't know.

[Off-Mic Conversation]

BRIAN KEVENY: Yeah. All kinds of.

NANCY FUNKHOUSER: We're talking about capital turn-backs.

CAROL MARTIN: So I thought also the conservation was –

BRIAN KEVENY: No, at this point they're still working on it.

CAROL MARTIN: And you know this isn't the school, so you don't have to wait.

BRIAN KEVENY: That is not the school. Ben is working on it.

CAROL MARTIN: Okay. So one point I will say that some of these – it's a little interesting – I've learned this trick. The money is appropriated by CPC even though it's not the same as when we appropriate it, because the money just sits in the CPC account until they actually make the buy. So if they don't buy and it's still in their account, even though they've earmarked it for a project, unlike when we set aside money for a project we borrowed it or we put it in their account. So like for example, there's one down here from the Recreational. That money is not in their account. It's still in CPC. Right, Brian?

BRIAN KEVENY: No, that's in Fund 40.

CAROL MARTIN: Oh, that's in Fund 40. Okay, I'm in the wrong thing, sorry.

NANCY FUNKHOUSER: So when it's a capital line item it gets its own MUNIS –

BRIAN KEVENY: Account number.

NANCY FUNKHOUSER: – account number, which these all are.

BRIAN KEVENY: That's right.

NANCY FUNKHOUSER: Right.

BILL STEINBERG: Sorry, I apologize for coming in late but –

NANCY FUNKHOUSER: That's alright.

BILL STEINBERG: The borrowing for DPW; have they borrowed all the money right money? How much have they borrowed?

BRIAN KEVENY: They borrowed \$9 – I'm sorry, \$11 million has been borrowed.

BILL STEINBERG: Okay.

BRIAN KEVENY: The founding source was –

BILL STEINBERG: That's going to –

BRIAN KEVENY: – transfer from the real estate account and then borrow. So we actually borrowed \$11 and they got half a million from the real estate account.

BILL STEINBERG: So on the savings on the building; have you borrowed all that money on that **(inaudible) (41:09)**?

BRIAN KEVENY: I think that answer is, "No, we don't need to borrow anymore." Ben was in my office about an hour ago. He thinks that the unspent or unused cash in the account will be between – he thinks between \$700,000 and \$900,000 at this point.

BILL STEINBERG: Okay.

CAROL MARTIN: But we don't know because we have yet to receive a report.

[Off-Mic Conversation]

CAROL MARTIN: Thank you, Brian. This is great.

NANCY FUNKHOUSER: Yeah, that's great. Is there anymore work you need us to do on this?

BRIAN KEVENY: No. We're good.

CAROL MARTIN: Okay.

NANCY FUNKHOUSER: Alright. 2016 to 2018 and budget schedule planning vote for the memo. Everybody had a chance to take a look at the memo that – here it is right here – that Tom sent us. So this is basically just a memo that would be disseminated to the department heads asking them for their budgets by the middle of September in the particular form. I know one of the things that we had talked

about as a committee was maybe modifying – I think it was in our town meeting recap. We talked about maybe modifying the CIP form and make it easier for the department heads to use the form, because its treacherous territory. So I was thinking in my own head about Dave with his technology experience. If he could, I don't know what, write a program or put together a better template or understand what really needs to be in there and what doesn't, and keep it similar but make it easier, the input process, the interface easier. So I don't know what that would entail or how much time that would take or if you would need additional help.

DAVE WATKINS: Actually it helps more when the customers fill that form ultimately.

NANCY FUNKHOUSER: The department heads, right?

BRIAN KEVENY: Department heads, boards, commissions. I think part of the goal would be the window where they type in.

NANCY FUNKHOUSER: Yeah?

BRIAN KEVENY: You want to be able to copy that right into the bottom part for the most part, right?

NANCY FUNKHOUSER: Right, right. Because what is copying is they put it into this Excel form and then we have to put into a different format to go on the Word. So we have to retype it. So I don't know – I just threw that out as an aside and I don't know how long that would take.

DAVE WATKINS: Why, when is it due?

NANCY FUNKHOUSER: Well, they need to submit their budgets by September. They're probably not going to start thinking about it until – they're not going to be inputting it for sure until the end of August, right?

BRIAN KEVENY: Yeah.

NANCY FUNKHOUSER: I mean, realistically anything like May. You think that's fair?

BRIAN KEVENY: Yeah. I think Dave and I can work on that, a template.

DAVE WATKINS: That's right.

NANCY FUNKHOUSER: That's great. I attended a meeting with Nan. One of the subjects was the town meeting schedule, and we discussed – I think we said at the last meeting we talked about timing for the annual town meeting and timing for budget submissions and how we wanted that to look.

BRIAN KEVENY: You think that's enough?

NANCY FUNKHOUSER: Sure, that's great. And so we – this is in keeping with the way that we have done things. I don't think we've moved the date up, did we? This was middle of September last year too, right?

BRIAN KEVENY: Yeah.

NANCY FUNKHOUSER: So this is just the way we did it the last time. There was talk about – I digress, but there was talk about having the actual budget books submitted to the finance committee before Christmas, so we could have a good, long chance to digest it before we begin discussing it sooner in January rather than later in January. But that has nothing to do with what's on the agenda here. So back to the memo. Does anybody have any comments or changes or suggestions?

BRIAN KEVENY: The only thing I'm wondering is as the departments that have fallen off the jurisdiction of the Board of Selectmen and Nan, it seems like they're going to be sending in their CIPs. I'm going to be compiling them and then sort of giving them back to the selectmen and Nan. I'm just wondering; should they really be meeting with Nan first and so her sort of approving –

NANCY FUNKHOUSER: With their printed form?

BRIAN KEVENY: – what's under her purview before they come to us or we compile them? I know within this here it says that the selectmen – October 5th, Board of Selectmen; Review of the capital project and request for committees and departments under this jurisdiction. I'm just wondering, should they only be looking at things that Nan has approved instead of sort of like –

NANCY FUNKHOUSER: I think I would – I would think so. I'm not sure how the process works.

BRIAN KEVENY: Checking things out at that point?

BILL STEINBERG: We were generally doing that when Fred was here, because he was supposed to come through the Board of Selectmen. So he was playing that role. I think it was better in terms of – it was sort of vetted before it got to us.

[Off-Mic Conversation]

BRIAN KEVENY: So, you know, it might be a good idea for me to bring it up in departmental meeting with Nan that –

NANCY FUNKHOUSER: Right.

BRIAN KEVENY: – they need to meet with her. I mean, review what they want to do first.

NANCY FUNKHOUSER: I mean, just like they would – I don't know how the process works, but I'm assuming like if it was a corporation you would meet with your boss to talk about what capital needs you had. So it seems like if they're not doing that already then they should be. And if they are, then that should continue. And that should for sure be a part of the process logically. Right?

DAVE WATKINS: Right. I was thinking back. In the last meeting **(inaudible) (47:11)** where you guys compared benchmarks. At a certain point, mostly in December timeframe, the benchmarks at other towns and other organizations compared to our budget items **(inaudible) (47:28)**. Is there any benchmarking that the individual departments can do? So is that why you said **(inaudible) (47:36)**.

NANCY FUNKHOUSER: I think there's probably some departments that are doing a little bit of that anyway. I'm guessing. Right?

BILL STEINBERG: I don't believe I've seen that. I mean, that probably was five years, but maybe that's something introduced there.

DAVE WATKINS: It could have been. I mean, way back I guess obviously.

BILL STEINBERG: Yeah. Last five years I don't recall. It could have been improvised.

DAVE WATKINS: There were some benchmarking things invented (**inaudible**) (**48:13**), not necessarily the front-end process, which will be easy. But there may be a proper procedure that happens over few years.

BILL STEINBERG: I'm not sure I would want to do it in December though. I think you're getting too close to budget season. I think the appropriate time to do that is sort of in the summer. We can press the downtime and we look at it. What are we spending?

[Off-Mic Conversation]

NANCY FUNKHOUSER: Sounds compelling.

DAVE WATKINS: Right [Laughs].

NANCY FUNKHOUSER: Right. So this memo talks about September 15th. Should it be the 21st? Or we want them to get to you at 15th and then you get them to us by then?

BRIAN KEVENY: No. I will take it on the 15th.

NANCY FUNKHOUSER: Okay. And then the other thing is, I wondered if it would make any sense whatsoever to – so one of the things that we focused on in the last few years is, as I've been on the committee, is focusing on these capital turn backs Carol and Brian have worked so diligently on. And I wondered if it would be prudent to include a copy of what we just looked at. Maybe the whole memo for all – the whole memo, not just department specific – and ask each department to be able to comment on these, so that when they come up to talk about their budgets, the big departments, they're prepared to say that "Station two repair, unspent \$33,000 is because", instead of like, "Oh, I've got to check on that" and "I can't remember" and we move on. What do you think about that?

CAROL MARTIN: Good.

DAVE WATKINS: Yeah.

NANCY FUNKHOUSER: I mean, it seems logical, but it's going to require them to do a little digging and I think that makes it – more information for us helps us make an assessment about the necessity of future spending versus what they already have and haven't spent.

GIL WOLIN: Theoretically they get better budgeting.

NANCY FUNKHOUSER: No, what do you think of that?

DAVE WATKINS: Well, I think a great example was the conservation commission, who came in this year and said conservation.

BILL STEINBERG: We had allocated money for the dam. So three years ago we had allocated some money for something else that came back and we've got this conservations. Brian said, "You know, I just don't have the personnel here to do all these projects." So as you get into the front end of the capital improvement plan, and hearing that he comes in and says, "Yeah, we've got these other four projects from last year's, but we haven't had them done."

NANCY FUNKHOUSER: We haven't done yet.

BILL STEINBERG: So then you look at it right away and as you can say, "Well, so why are we looking for another project right now?" How are you going to do it?

NANCY FUNKHOUSER: Right.

BILL STEINBERG: Is this realistic? Then I think that's what it does for us. It tells us something about the reality of taking forward these funds.

CAROL MARTIN: So if we have to expand – what you're saying is maybe we need to expand on that paragraph?

NANCY FUNKHOUSER: Yeah. We just add a paragraph that says, "Attached, please find."

CAROL MARTIN: It's part of the capital request process. Be prepared to discuss any outstanding capital requests. For your assistance we've enclosed a list of what you have.

NANCY FUNKHOUSER: Right.

CAROL MARTIN: So that they understand that it's not a short-term but a whole overlook frame. We just need to update this, maybe punch up the paragraph a bit.

DAVE WATKINS: Well, I'm not saying it's not right, but the real challenge comes **(inaudible) (52:08)** follow process? I mean, because ultimately it's going to be **(inaudible) (52:18)**.

NANCY FUNKHOUSER: I think that's helpful. For me that's helpful. For me it's helpful to understand that here's this department that's –

BILL STEINBERG: [Voice Overlaps] that it's approved.

NANCY FUNKHOUSER: Right. And here's the department who is asking for another \$1.5 million, and they've got \$650,000 outstanding since 2011. And unless there is a really logical reason for that, then I'm going to say they're not going to get the \$1.5 million. Whatever; we'll have a discussion about it.

BILL STEINBERG: But the flipside of that is – so here's a department that came to us and said, "That day we will work."

NANCY FUNKHOUSER: Right.

BILL STEINBERG: So we're undermanned, understaffed, not having third parties to have that. Is it a functional problem then? And I think that's a good thing to work at too. It highlights what the functional issue is. Maybe we should spend a little more money on getting third party contract against something that gives us support.

NANCY FUNKHOUSER: Right.

CAROL MARTIN: So Dave, to answer your objection, I think what I found when we were looking at these clients – you could probably chime in on this as well – is more often than not the project has been finished or is mostly finished, and it's a question of jogging the memory and the mind that they need to go back and release the funds that are in balance funds.

NANCY FUNKHOUSER: In the case of the dam project, alright, I don't think that's the case but –

CAROL MARTIN: No, but there are –

NANCY FUNKHOUSER: – but for some there are.

CAROL MARTIN: – most of the other cases like others that will say to you that projects have been around for a while and we were planning on or hoping to do this, but we haven't done this. So what it does is that it either brings the rest of the two or three items they want to do on the project to fore or they release the funds.

GIL WOLIN: And what you're talking about doing then is rather than leaving it to an ad-hoc review, formalizing a process where it gets questioned before going forward.

NANCY FUNKHOUSER: Annually.

GIL WOLIN: And that makes a lot of sense.

NANCY FUNKHOUSER: Maybe the other thing that we do is we don't focus on the stuff was appropriate in 2015 or 2014, but we go 2013 and earlier. Right? We loosen a little bit and there's only a handful of those. Right? I mean, they're still getting their arms around the stuff that we just –

BILL STEINBERG: But a lot of the 2015 projects won't say anyway until 2020. But I think there are lots of projects still out there **(inaudible) (54:53)**.

GIL WOLIN: So set a cut point. If it's more than two years old, explain.

NANCY FUNKHOUSER: So two-third –

BILL STEINBERG: So mostly a functional set of operating issues here.

NANCY FUNKHOUSER: 2013 and earlier would be logical.

CAROL MARTIN: On this memo I wanted to know; we have discussed – I think, maybe in the same day and in this conversation we discussed about the five-year plans and including trying to be able to model

five years out. And that in order to do that we need to do a better case of educating everyone about the five-year plan. And I'm just thinking that you don't change a five-year plan every year. In other words, if you have things you want to buy, you don't strip them in the current year. And we had talked about – I know when Tom was here a couple of times we talked about putting this out. Brian has put together the five-year plan that was submitted, and turning it out and saying this is the five-year plan. These are the times that you said you were going to be doing for FY16, 17. Please do not add any items into FY16 or 17 without having conversation with us first.

NANCY FUNKHOUSER: Or Nan or whoever.

CAROL MARTIN: Yeah. Whomever they need to speak to first, because we found that a lot of times people would say, "Oh gee! I forgot this", or "I wanted to add this", and they would just put it all in; for example, FY15 versus slotted into an appropriate year. And then what you would do is obviously because we've done one year you've got to fill in the 15. So please fill in FY21 or whatever year that we're looking at. So I know we had talked about doing that.

NANCY FUNKHOUSER: Right.

BILL STEINBERG: Sometimes – I guess I'm not really sure. Let's say a department is looking through a five-year plan and is coming here, and they didn't have a year column **(inaudible) (56:41)** definite improvement over something than they found last year for 2019. Let's say when they come in and do the 2017 plan they put in a project for 2019. Are we saying because it wasn't there last year they can't do it? Because they're going to be fixing; there are always things that come out that you didn't foresee.

NANCY FUNKHOUSER: Right.

BILL STEINBERG: And whether it's 2019 or – it is 2017 because, you know what, that roof that was fine is leaking now.

CAROL MARTIN: I'm not disagreeing with you on that that there might be things that pop up, but it seemed that two years in a row, the plans from the year before, when they were added to everything, went into the current year.

NANCY FUNKHOUSER: I think what Carol might be saying is just – or what I would think would be prudent would be to just speak to any changes or modifications to your five-year plan against last year. That's all. And so we –

BILL STEINBERG: I think that's a good idea.

NANCY FUNKHOUSER: Right. We don't – I'm not in the position without hearing about your leaky roof to understand whether I'm going to approve it or not, but I want to know what's different about it. So you were going to buy a ladder truck, but now you're not going to buy a ladder truck. You're going to push it out a year because the ladder truck that you got had a blah, blah, blah and blah, blah, blah.

BILL STEINBERG: I think some of that goes back, if we look at the things we hear from different departments – again I think fire and police, we talked about them doing – especially the fire department with the new truck, with their narrative. And so you guys will go through it and see what they're asking to understand what it is. We don't get that from all of the other departments.

NANCY FUNKHOUSER: Right.

BILL STEINBERG: So part of that analysis of – I have a period of 2019, but we've got to speed it up – I think that is part of that narrative that you've got.

NANCY FUNKHOUSER: And I think that we definitely – I'm a firm believer in that for sure; that whole "stick to your changes."

CAROL MARTIN: Couple of my leads on groups, they just took some items they forgot, a couple of little things, and they just plunked them into year over year, now 2015, which is 2016. And I said, "Well, wait a minute. Oh, we meant to put them in two years ago." [Laughs]. They're not emergency. So they don't all go in. This one, put them in the plan somewhere. Or least have a narrative explaining why you need all these three or four new projects in 2016 that you didn't have to begin with. So there's something in there. I think that we want to work towards having a five-year type plan, so we can model it out and plan.

NANCY FUNKHOUSER: So why don't I – does everybody agree about that? So why don't I make those changes, and then I'll get the number back to you.

CAROL MARTIN: And then, can I have one more?

NANCY FUNKHOUSER: Sure.

CAROL MARTIN: One of the things that we ran into a problem the three years I've been on the committee is that we have a great idea that we're going to run the capital budget, that we were going to look at everything. We're going to fit things. We're going to ask a lot of questions and then we're ready to vote it. And then invariably people start popping up with other things. I'm wondering if we should just indicate that we're going to have a deadline on the budget this year or we're just going to close.

NANCY FUNKHOUSER: The thing about that is that we can indicate it all we want, but I don't think it's going to change, and I have no problem with that.

CAROL MARTIN: Right.

NANCY FUNKHOUSER: It's not going to change people's behavior because of the nature of the beast. And this year especially we had moving targets up until the day before the mural was going to be printed, literally, on the school side. Right?

CAROL MARTIN: Right.

NANCY FUNKHOUSER: So I mean, I don't know if it was that much better. It was pretty late as the steward of the capital plan was.

CAROL MARTIN: Yeah.

NANCY FUNKHOUSER: But I'm not sure if – I'm happy to put that in there, but I'm just not sure it's going to change people's behavior. What do you guys think?

CAROL MARTIN: Well, I agree, but I'm wondering if by putting in a date to kind of bring the idea that we're trying to finish this off. This isn't just an open-ended process that goes till we go to the wall or print taking.

BILL STEINBERG: Well, I think we always do that with the date. It's just that people see the date and then they say, "Yeah, but this came up."

NANCY FUNKHOUSER: Right.

BILL STEINBERG: So I think it's more of the behavior of the committee. It's because of the capital here.

NANCY FUNKHOUSER: And it's the culture of it.

BILL STEINBERG: And us may be pushing back where projects may not see immediate and we're going to say, "You know what? That thing really showed that there's a need of the coming fiscal year where something really happened two or three weeks out."

GIL WOLIN: Do we have the option to say no if somebody is late?

NANCY FUNKHOUSER: We do. We definitely do and we –

BILL STEINBERG: Even if they're not late, we have option to say – well, I think we don't have the option to say no because we don't decide, right?

GIL WOLIN: Yeah, exactly.

BILL STEINBERG: But we have the option to say, "We don't recommend."

CAROL MARTIN: We have the option. Bill is correct.

BILL STEINBERG: And that's where someone is on time or not.

GIL WOLIN: No, no. I understand that. But see, if we set down a line of action and somebody comes in on X plus 5, we say, "Sorry, you're too late."

BILL STEINBERG: We could always do that, yeah.

GIL WOLIN: Yeah.

CAROL MARTIN: So maybe it needs to be reworded and say something like this, that we anticipate – I'm making this up now – we anticipate voting the capital budget early December. So please plan to have all the information that we in Finance Committee will need or the department head will need for them, so that your project gets the full consideration.

GIL WOLIN: Something like that.

BILL STEINBERG: So Brian, how feasible do you think that is, because I have these capital projects coming up here in January.

NANCY FUNKHOUSER: And February, right. This year there was a big one in the DPW that –

BILL STEINBERG: So we're looking four months prior to accounting.

BRIAN KEVENY: I thought this past year was better than the year before for late entries.

CAROL MARTIN: I do too.

BRIAN KEVENY: I think the second year around doing it early, sort of reinforcing that these things need to begin. I think we're going to get better and better as we go on. I think we're always going to have that – something is going to come up.

NANCY FUNKHOUSER: Well, I felt like we had more undone business later in the budget cycle between the schools – with the schools because they hadn't decided what they were going to do with all their – we had no firm this year and the year before we had a lot of random.

BRIAN KEVENY: So we're capital in that?

NANCY FUNKHOUSER: You were capital. Like, the year before we had a lot of random departments that were moving around, but this year I felt like the schools were really late.

BRIAN KEVENY: Is that more coming out of facilities, working at the school, determining what they really may want to do the next fiscal year with capital?

BILL STEINBERG: Part of that fiscal year then was new.

CAROL MARTIN: Right.

BILL STEINBERG: Because a lot of the – we had a meeting here with folks from the school and, Carol, you sat with some school committee member, and there was not a lot of information at that time. Ben sat there too and Ben said, "I just got here two weeks ago."

NANCY FUNKHOUSER: Right. I remember that.

BILL STEINBERG: So I think – and I was pretty impressed with Ben and how he was taking charge of some of the stuff and some of the things that have been happening. So I sort of hope this year that Ben has control and stuff early on in the process.

BRIAN KEVENY: And then they plan to us, because once it gets off the speed on this stuff you may get this stuff in on time, scrub it and vote it. So I don't think we're going to have problems that we had two years ago. Last year was definitely better than the year before. I do think this coming year we're going to have another good year with capital. Get them in on time, review them, vote them, and then move on to the General Fund. We're always counting on a knock on the door sometime in January for always. It's going to happen.

CAROL MARTIN: Right.

BRIAN KEVENY: It's going to happen.

CAROL MARTIN: Well, I just thought we tried to throw it in differently, make it a little less than a six-month process.

NANCY FUNKHOUSER: Okay. Alright. So I will make some changes to this and get it to you.

BRIAN KEVENY: Okay.

NANCY FUNKHOUSER: DU, right? It will come out free, I guess. Is everybody okay with that? All just the changes that we discussed. Okay. Next on the agenda, 8 o'clock – general discussion and present a vote on policies on the relationship between General Fund activities and Revolving enterprise; the memo. That we've got, right? This is the memo, right?

CAROL MARTIN: What memo?

BRIAN KEVENY: Tom sent an email about –

NANCY FUNKHOUSER: Yeah. Here it is. Policy for fee-based revenue funds. It was a draft.

CAROL MARTIN: Yeah.

NANCY FUNKHOUSER: Does everybody have it?

BILL STEINBERG: [Voice Overlaps] but you brought in that?

BRIAN KEVENY: No, I found it.

CAROL MARTIN: No. It was drafted by the school committee, finance school committee, subcommittee. I don't get the name right yet. It looks a little different than the last time I saw it in draft form, but essentially they've been working on this for about six or eight months, I think.

NANCY FUNKHOUSER: This particular policy was driven by – what drove the need for this policy?

CAROL MARTIN: Yeah. I think – alright, I think there are a number of factors that are driving it, but one of them is what to do with the surplus funds that they have. And also it might be something to do with the IRS wanted them to have a policy. Brian, does that sound good?

BRIAN KEVENY: They want to have a policy on – fund dollars policy?

CAROL MARTIN: Right.

BRIAN KEVENY: Necessarily.

NANCY FUNKHOUSER: Alright. So did everybody have a chance to take a look at this? And does anybody have any comments?

BILL STEINBERG: Brian, just what are your thoughts on this in terms of how this is going to operate through a good year?

BRIAN KEVENY: There really has been no change in how they've operated since I've been here and historically from what I've seen.

BILL STEINBERG: I just wondered if you've seen anything else.

BRIAN KEVENY: It's pretty standard procedure. From town to town they run pretty much the same. They have the same type of revolving funds, particularly in the school systems. So this document here sort of lays out how it will handle them and review them and report them, which is nice. So I think it's nice that the school committee is putting this in place. I fully support doing this kind of thing. But in terms of from one town to another, I see no difference the way Wayland is treating their revolving funds from another town. We haven't been cited by the auditor on any of them, other than some of them look like they have a lot of money in it and not necessarily operation of it. DUR, when they do the Free Cash review, they don't bring any attention to them as well. So it's only a good thing that we have these kind of policies around these Revenue Funds. Anytime you bring in money that people pay for services, it's always good to have a policy just to ensure that the people who are paying get what they're paying for. So I do like this.

BILL STEINBERG: And this is really as far as information. Are we trying something to advance this or adopt?

BRIAN KEVENY: No, we don't have to adopt this.

CAROL MARTIN: Actually what happened here was, you know we had the last meeting where we were discussing looking at the revolving funds and I had said, "As soon as you get out you get the balances." I then said to Tom – I called him, I remember, the next day – I said, "Oh, you know what? They have a draft. So you might want to get that out." And I think that's what he did. So I think he got this one out.

DAVE WATKINS: Something is really putting these freebase funds together **(inaudible) (1:07:24)**. How you think through the budgeting process and management of that and the cash flow and things like that. I haven't seen documents that have that type of information.

BRIAN KEVENY: You're right. There's not a lot of financial reporting of Special Revenue Funds. We do a lot with the General Fund and Enterprise Fund, but historically we don't do a lot of reporting on the activities of these funds.

DAVE WATKINS: Just have it in the policy. It says, "I'm going to manage –

BRIAN KEVENY: I think –

DAVE WATKINS: – inflow and the outflow of cash. Something really have it drawn or have a strategy of it. I mean, so for example **(inaudible) (1:08:17)**. They have less of an idea of how long term that may be **(inaudible) (1:08:29)**. That's not necessarily part of being in any – nor should it be of that potential role inside of an IT organization. But it is a fiscal – it's financiers, seers' thought process that will go into kind of a model for this revenue challenge; try to figure this out –

NANCY FUNKHOUSER: Like for instance, if we're collecting – for instance, just as a simple – if we're collecting \$40 per student and we're collecting in aggregate \$10,000, but we've only had \$570 worth of claims, maybe it will be better to forget about the insurance and just collect \$10 as a student and have \$1000. You know what I mean? Something like that is what you're saying.

DAVE WATKINS: Right.

NANCY FUNKHOUSER: Something like that, whatever.

DAVE WATKINS: Or sports too. When you take a lease down on to the next year, right?

NANCY FUNKHOUSER: Right.

DAVE WATKINS: So it goes back to the next year. That isn't sought about. It's not modeled. It's not – there's no place in our society for that matter. So if it's a policy we're going to engage revenues with that, it's kind of hard for a worse problem. You never really built the controls up front to figure this out in operation. Now you're trying to say, "What do you with it?" But it doesn't make sense.

NANCY FUNKHOUSER: Right. It doesn't make sense.

DAVE WATKINS: It seems like it's – now you're building a well and you haven't figured out where the water is coming from. It doesn't necessarily – it doesn't jive with me. I don't get it.

BRIAN KEVENY: And the challenge too is to identify what the real costs are, because the revenue that you're charging should be having a cost. Many times you could have your cost being lower than what you're charging. You build up to surplus funds and then they fall under scrutiny. So the challenge with all of these is really identifying what are our costs in running this operations.

DAVE WATKINS: So on a positive note, if I were to say **(inaudible) (1:10:08)**. Something that says –

NANCY FUNKHOUSER: There's a process or a framework for being accounted. Right.

DAVE WATKINS: Accountability for how this operation is going to run, not looking at every little advantage to figure out how you can classify it. You know what I'm saying?

NANCY FUNKHOUSER: Yeah.

BRIAN KEVENY: I think Susan Baton does do more reporting on these accounts than Jeff did previously since she has been here. She is doing a lot more of that.

DAVE WATKINS: I would think that some of that is upfront of this. So in order to determine this we could, on a quarter basis create akin to, or I should say cash flow, of what's going on in the accounts. Something that you probably could gauge and learn how to apply this policy; what's happening?

CAROL MARTIN: I believe that last year we were not doing that, but I believe now Susan is tackling those. Beyond a yeoman's amount of work, the woman has done. I attend pretty regularly – I missed this morning – I can never say this – with the school committee, sub-finance committee meetings. And

she puts stacks, mountains of work and empirical data, and she is now working. They've spent a lot of time on this in discussing this, and I think that that might be now part on the table. As well as they're trying to figure out their costs. They're trying to back into their costs some things, but the first issue was they had these surpluses. What should they do of them? So it may in fact be the cart before the horses you put it, but that was the first issue that really surfaced for them to deal with.

BILL STEINBERG: But I guess they've done it. They look at what they're trying to accomplish. I think this is a good idea.

CAROL MARTIN: Absolutely.

BILL STEINBERG: Basically they're thinking about what do we do with these funds. How do we deal with them? How we suggest they are transacted? I think that's a good thing, because that's what they really do some other accounting.

NANCY FUNKHOUSER: Yeah.

BILL STEINBERG: I would take away from this and try to let them finish it.

CAROL MARTIN: Right. So I said they've done a yeoman's amount of work on this. This has been on the agenda several times.

NANCY FUNKHOUSER: So we were just talking about this policy, and Dave raised a good point about – this is a great policy, but it doesn't seem like inherent in the way that our culture operates and is an accountability for what this is saying. So he is saying, "Great bit of policy, but we really are unable to track them on." And Carol was just saying that in fact on the school side they do have meetings, and Susan comes with her reams of empirical data that people look at, and they're doing some of that that we don't necessarily know about at least on the school side. That's where we are on this thing.

CAROL MARTIN: Well, she's trying to sit through and get drill down, as we say, to get this sort of analysis.

NANCY FUNKHOUSER: So we don't really need to do anything with this. We just need to say – that's it.

THOMAS GREENAWAY: Yeah. From my view – and I apologize for coming in late, but the schools are over-thinking all of this. And you point there is absolutely well taken. In a committee like this one, if they were going to try to take on that kind of responsibility, then guess what? Somebody is going to come in and say, "You didn't file your policy and we have no way of enforcing it." I guess the only reason I put this on the agenda last meeting and then again this meeting is we have this general – there are people in town who say, "Absolutely not. Revolving funds must stand on their own legs. Enterprise funds must stand on their own legs. If it doesn't happen, something is wrong and it's bad." That's an opinion.

NANCY FUNKHOUSER: Right.

THOMAS GREENAWAY: Whether or not we need to have a policy and say the Finance Committee either agrees with or doesn't agree with that, or sometimes agree with it, or always agrees with it, I don't know, but I just kind of wanted to have a conversation to sort of get that out there.

NANCY FUNKHOUSER: Well, at least there's a policy to fall back and then say, "Whether you agree or not, here is the policy."

THOMAS GREENAWAY: That's just on the school side. But that's just on the schools.

NANCY FUNKHOUSER: Right.

THOMAS GREENAWAY: Not for Wastewater. Not for Water department.

NANCY FUNKHOUSER: Yeah.

GIL WOLIN: Is the intent of the Revolving Fund to make the project work more like a private sector?

THOMAS GREENAWAY: The problem is there's so many different purposes. If you compare for instance the Transfer Station Revolving Fund, the answer is yes. It's supposed to stand on its own leg. Council on Aging – this may be not a fair comparison, but no. Obviously, that's sort of almost like a petty cash.

GIL WOLIN: Not intended to cover the whole amount.

THOMAS GREENAWAY: Right. And then you've got all those things that are not revolving that comes in between, and then Bill goes back to his example about permits for building fees and permits – should the Conservation Commission – people in this town – I can see an argument for that. Well, yes, do you want to have a full-throated Conservation Commission that has all this regulatory enforcement? Okay, if you want to put a deck on your house, you have to pay – I don't know what - \$10,000 because we ran the numbers and that's how many permits – multiplied that by the number of permits, that's what it cost to run conservation. We could do that, but I don't think people want to do that in this town. So that's my problem when people say, "Food service needs to stand on its own bottom", because we don't do that with Conservation. We don't do that with Water Department. We don't do it with Council on Aging. So how we draw that line, I think, is always going to be a case-by-case determination. And just from my view, I just want to have – because we've always had this conservation as a part of a broader conversation. So I just want it in a relatively quiet time to hear the committee talk about. I don't necessarily think we need to vote it. And I apologize – was there any consensus that we do?

NANCY FUNKHOUSER: No, no. We were just wondering.

CAROL MARTIN: No, we were just starting this topic.

NANCY FUNKHOUSER: We just talked about it.

CAROL MARTIN: I think I totally agree with what – when you came in I was just about to say to Bill – I totally agree and I applaud with what the school committee is tackling, because it is like Tom said and I have said before, they have so many different types of funds and accounts and their grants and all that stuff, and for them to have this subcommittee. And they are just doing so much work on these things and it is painstaking, and it does take a while to get things flushed out and sassed out to the way that they feel comfortable with. But I really applaud them because it's a lot of work to go back. It's much easier when you're starting a new fund to create the "how we're going to operate" and the do's and the

A's and the B's, but to go back and put it all together it's really been a lot of work. So I do applaud that, and I'm looking forward to seeing where they finish because I don't think they're quite finished yet.

THOMAS GREENAWAY: I apologize. We will come back. Brian, did you talk about the back and forth you're getting from George on these Revolving Funds?

BRIAN KEVENY: No.

THOMAS GREENAWAY: Yeah. I mean, the problem with putting all these policies in place is you get people in town who say, "Well, you know, here's paragraph 3 and you file it in paragraph 3." So I'd be just as soon to have it. Obviously, we're going to do everything in an open meeting and be transparent, predictably about, but I don't want to have to puff the tires.

[Off-Mic Conversation]

BRIAN KEVENY: That was Gulliver who was tied down.

CAROL MARTIN: I think those new glasses are making you come up with new –

THOMAS GREENAWAY: These are old glasses. I'm angry because I lost my new glasses.

CAROL MARTIN: Oh [Laughs]. They're making you think differently.

BILL STEINBERG: Different point of view.

NANCY FUNKHOUSER: Think you want to take over this meeting, sir, since this is your last one?

THOMAS GREENAWAY: No, no. Keep on going.

CAROL MARTIN: Yeah, yeah.

NANCY FUNKHOUSER: I'd like to see you take it over.

THOMAS GREENAWAY: Alright, let's go. Are we done on the bad item – free cash policy. So that went around – Brian circulated that before last meeting. I made a couple of tweaks to it. And Brian, I think, re-circulated the changes. I hope these –

NANCY FUNKHOUSER: Three more.

THOMAS GREENAWAY: Do these include the changes, Brian? And then Dave Watkins offered a percentage that's down at the bottom.

NANCY FUNKHOUSER: What did you change, Mr. Greenaway?

CAROL MARTIN: Yeah.

THOMAS GREENAWAY: The blue words.

CAROL MARTIN: What blue words? [Laughs]

THOMAS GREENAWAY: Tax recapitulation is in blue. Property taxes, deficits.

NANCY FUNKHOUSER: Well, none of mine came in blue.

BILL STEINBERG: They've printed them in black. Mine was printed out black and I just thought that was my thing.

THOMAS GREENAWAY: I just – oh, yeah. It's just little tweaks. I put General Fund budgeting just to make it a little bit more precise. I think before it said Last Year's Budget. And then what did the prior one say?

BILL STEINBERG: I don't have my prior one.

THOMAS GREENAWAY: Anyway, I didn't make much of a change.

BRIAN KEVENY: That's the prior one?

CAROL MARTIN: I don't know.

BRIAN KEVENY: Well, let's look at the current one.

THOMAS GREENAWAY: Yeah. So this, I think, is what –

CAROL MARTIN: So what do we add in?

THOMAS GREENAWAY: And then Dave Watkins' sentence – for consideration, Dave, will I share that?

DAVE WATKINS: Yes. This was an exciting sentence for cash models.

CAROL MARTIN: Okay.

DAVE WATKINS: Any budgeting process relying on Free Cash as its sole remedy to accommodate the funding of any expenditures resulting from overtures or contingency planning. Just what I'm trying to do is to say –

NANCY FUNKHOUSER: Say it again.

DAVE WATKINS: Okay. Any budgeting process relying on Free Cash as its sole remedy to accommodate the funding of any expenditures resulting from overtures or contingency planning, the general idea is that you don't put contingency planning in budget. You rely on the Free Cash pile of methodologies we have to move money around if we needed more money.

CAROL MARTIN: AKA, the Reserve Fund.

NANCY FUNKHOUSER: So I don't know that's happening.

BILL STEINBERG: I think that's a policy in my definition.

CAROL MARTIN: It's a procedure that we follow maybe.

NANCY FUNKHOUSER: It isn't. It isn't a procedure.

THOMAS GREENAWAY: Yeah, but we're looking for – what we have here, the definition –

BILL STEINBERG: I don't want you to spend too much money – I don't want you to budget too much money, so go into Free Cash –

NANCY FUNKHOUSER: Instead of policy, yeah.

BILL STEINBERG: [Voice Overlaps] know about Free Cash is.

THOMAS GREENAWAY: No, no. We're not messing with the definition.

BILL STEINBERG: Okay.

THOMAS GREENAWAY: All we're talking about here is, is this not –

BILL STEINBERG: Okay. This is given here down below.

THOMAS GREENAWAY: Yeah. The only policy, I think, we're talking about is –

BRIAN KEVENY: The last paragraph.

THOMAS GREENAWAY: So we're not talking about this stuff in italics. We're just talking about our policy, which has been consistent. I mean, I don't really understand why it is such a big deal for the auditors, because this has been the policy as long as I've been on the Finance Committee. I mean, we say it but we just don't know really how it does.

[Off-Mic Conversation]

THOMAS GREENAWAY: Yeah, yeah. So that has been the policy. Your point is – just to make sure I understand it as we haven't talked about this – is basically you don't put cushion in your budget.

DAVE WATKINS: Right.

NANCY FUNKHOUSER: But I'm not sure that we're doing that in practice. In fact, I know – yeah, the Department of Health isn't because they have extra money. In their case, I think it was mosquitoes or Africa. We had a conversation about it, an emergency. Remember?

BILL STEINBERG: But I think what you're trying to add to – in my mind what I'm hearing is you're trying to add a policy about, "I don't give no free cash if I don't know the purpose for you to do it." Versus what is –

NANCY FUNKHOUSER: A definition.

CAROL MARTIN: Process. It's a process.

BILL STEINBERG: Yeah. I don't know how you can say the rest is helping with this.

THOMAS GREENAWAY: I think Dave is saying not about building Free Cash. He doesn't want cushion in the budget. You don't want to over-budget. So the Town Department should feel comfortable knowing that there is this reservoir of free cash –

NANCY FUNKHOUSER: If they need it.

THOMAS GREENAWAY: – to cover their concerns and contingencies.

BILL STEINBERG: I just – I just need something a little nicer.

DAVE WATKINS: If we move out of Free Cash **(inaudible) (1:21:54)** because we're not – it's not –

NANCY FUNKHOUSER: Allocated.

[Voice Overlaps]

DAVE WATKINS: So I'm saying –

BILL STEINBERG: But we generally don't have budgets where we have input. You couldn't see it anywhere.

NANCY FUNKHOUSER: We have a couple. Not a lot of money but –

CAROL MARTIN: Less and less.

BRIAN KEVENY: Just Reserve Fund. That's all the Reserve Fund.

[Off-Mic Conversation]

DAVE WATKINS: Part of the conversation which said, "How do I end this?" Right? Quite frankly, I would have had my hand in support. Bring to Finance Committee. Finance Committee has to go into each and every fund **(inaudible) (1:22:42)**. That wasn't clear and it wasn't their methodology.

BILL STEINBERG: Well, I think what we do have is we have the thing called the Group Fund.

DAVE WATKINS: Sure.

BILL STEINBERG: That's actually – that's actually taking this funding gap.

DAVE WATKINS: Right. I'm saying that if it is truly business as usual **(inaudible) (1:23:09)** where we're saying that your budget is lean and mean and could need extra money on our support.

BILL STEINBERG: Right. But I guess – I think I'm hearing you. What you're talking about is a budget policy. The way you budget should reach your budget too quickly. I think your real cost would be – and this is just talking about, so what does free cash consist of?

DAVE WATKINS: Right. But if you look at the percentages those have, that's the only thing relevant. You're saying that it should be 50% to 500%. I'm saying that theoretically it should be lower and it should build money in your budgets.

BILL STEINBERG: Or not. It shouldn't do.

DAVE WATKINS: Okay.

BILL STEINBERG: Let me re-tell the purpose of it all the time. You should be specially spending for what it is. I mean, most of the departments could sort of see the level of fund or level of service depending upon the year, but we typically are not. But if we're doing it, we've got a reserve fund per your description. And so I think your sentence belongs in – when you send out a policy on the operating budget for the year, you're telling the departments, "We expect you to budget to what you think your actual costs would be and not to your actual cost plus a little cushion." I think that's where that belongs. I don't think that belongs to sort of, "How much Free Cash in this town do we all have?"

BRIAN KEVENY: We're estimating this –

BILL STEINBERG: I just think they're two different things.

GIL WOLIN: We're estimating what we think is going to be the size of, what I call, the expansion joint. Think of an airplane. When it's at sea level the way the metal fits together is one way, but when it's up at 30,000 or 40,000 feet the temperature is different. Things fit together differently. And so you have to have some kind of margin to accommodate the changes, and that's what the Free Cash is. And maybe we're not clear in the way we explained that to the various committees. That's the expansion joint.

DAVE WATKINS: Understood. I've seen, I think, all the contingencies in the budget. I hear people say, "The money we spend we're getting rid of it by end of the year. Otherwise, we're going to lose it." Right?

GIL WOLIN: Yeah.

DAVE WATKINS: So when you hear those things you're like, "Okay, but that's not – it's not **(inaudible)** **(1:25:32)**."

BILL STEINBERG: Actually, our reality is just the opposite of that. Our reality, if you look over the last five years, is that the departments aren't going spending the money. They're saying – let's say 150 – "I spent 37." Then the problem we're having is, "Ouch. We've got money that's gone to Free Cash. 13,000 all gone to Free Cash." So those departments aren't saying, "I've got to spend it out of the 13,000 largely to get to where I'm even." Problem is the money is dropped in Free Cash. That's what we spent over the last at least three years or four years. Tom is the champion of that and saying, "No, you've got to really budget to look at things you're going to spend because we don't have to turn-backs." You've got no turn-backs now considerably and yet we're still fighting. So again, that's more of

a problem in the budgeting process. But I think in terms of the Free Cash policy we've always tried to talk about and that is, how much free cash at the end of the year should we have if it gets to your rating agency?

DAVE WATKINS: Sure.

BILL STEINBERG: So how they look at you as a town? And it gets to I can foresee – if you look at our Free Cash in 2004 or 2005 or somewhere in there, we were down to about 2%. And then you get to a point where you're only concerned that you have some deficit issues. I can foresee at some point in time we will sort of be scrubbing the healthcare thing. And we've got much better and we're still having overages in that with turn-backs. But at some point our healthcare **(inaudible) (1:27:07)**. But I think that's a budgeting question, and when you send you the policy to your departments I think you're just saying. I absolutely agree with it, but I think it should be removed, because I don't think it really is Free Cash policy, in terms of how much Free Cash of the town we think you want to have. And I think our target from 5 to 10 and that's really been trying to come down to 7, plus or minus.

CAROL MARTIN: I just want – a question I have.

NANCY FUNKHOUSER: 80 people.

CAROL MARTIN: The policy says, and we've discussed this in a earlier meeting, 5 to 10. And yet whenever we talk about the Free Cash like when we're trying to create a budget, we're always trying to hit 7-1/2.

NANCY FUNKHOUSER: 7-1/2, right.

CAROL MARTIN: And so are we somehow mis-communicating what our policy is, because a lot of folks will say, "Well, you're over 7-1/2. So you've missed your target." But again our policy is 5 to 10.

BILL STEINBERG: At any one year you say, "What do I want to get?"

CAROL MARTIN: Right.

BILL STEINBERG: But as a policy of the town you want to have a range, because you want to step within a range. You don't want to be too loaded, because that's a problem. You don't want to be too light, because that's a problem. So I mean, we've got our range where you want to be; 5 to 9, 6 to 8 or whatever we want to argue. But the 5 to 10 was set a long time ago, because we thought 5 was a good floor, and 10 should be a high ceiling.

CAROL MARTIN: So that might be part of the dialogue and the question that we have now.

BILL STEINBERG: I don't think you want to say that our Free Cash policy is 7-1/2 percent.

CAROL MARTIN: I know that, but I'm just – so Brian, what does the state recommend on Free Cash?

BRIAN KEVENY: I believe their recommendation is like 3 to 5, if I remember. But every town can do what they want with their own level. I mean, it's –

THOMAS GREENAWAY: Yeah, and that's a bit of a practical thing too because you get your towns like Cambridge that have colossal free cash balances.

CAROL MARTIN: Right.

THOMAS GREENAWAY: And then towns relatively – I mean, it has to be the richer towns that have higher free cash balances, not always. If DLR puts out something that says 5 to 10, then that just turns most of the towns and cities will come on and they whip it.

CAROL MARTIN: And what did Moody's say?

BRIAN KEVENY: Their opinion is as long as we stay within the 5 to 10, that's what they want to see. I mean, Wayland doesn't have vast stabilization funds. In general, say, we have a million dollars, but we don't have multiple stabilization funds with millions of dollars. But we can have a 3% free cash, but we have this other money. We have the free cash. That's pretty much a bread and butter reserve fund. We do have the \$1 million in the stabilization, but not \$4 million.

BILL STEINBERG: We talked about that. We've gone through this conversation three years ago or more, and we talked about – we looked at other towns. We did a certain comparison and there were other towns employing 3 to 5, but when you look at the stabilization funds they had not as much capacity.

THOMAS GREENAWAY: So just coming to Dave's point, I just tried to tweak this a little bit to get at what Dave is saying, because I think – first off, I appreciate Dave bringing the concern, but I think I do agree a little bit with Bill. What he is getting at is sort of an annual budgeting exercise rather than Free Cash. So I just thought to pick up Dave's concern. Maybe we could change the second sentence to read, "Generally, free cash is appropriated." And I stuck "by annual town meeting" to try to stop people from putting money articles in the fall, but I don't really care about that. "To support the next year's General Fund operating budget" – insert "next year". "Capital expenditures, articles, and current year transfers for contingencies and unexpected expenses." If somebody says, "Well, I need to put cushion in," you say, "No, look at our Free Cash policy. You can come to town meeting if you're running short, and we'll give you that." Right? Because that's the message we told – who did we tell?

NANCY FUNKHOUSER: Can't remember.

DAVE WATKINS: Fire department.

THOMAS GREENAWAY: Yeah, the fire department. Right? You said –

CAROL MARTIN: You said what? [Laughs]

NANCY FUNKHOUSER: We also told – even though it's a little amount of money, I remember specifically we told Julie Jerkins that because we cut her contingency amount for a disaster relief fund or whatever that was. I remember we made \$3750.

CAROL MARTIN: But we left her some.

NANCY FUNKHOUSER: I think we brought it from \$7500 or something down. But she still has a little.

CAROL MARTIN: Well, her comfort level may increase and she may take a little less next year. We never know.

NANCY FUNKHOUSER: Right.

CAROL MARTIN: That's the idea.

DAVE WATKINS: Right. So does that – they're being conservative.

THOMAS GREENAWAY: Thank you. So anything further, Gil or Carol or Nancy? Anything further other than Free Cash?

NANCY FUNKHOUSER: No.

CAROL MARTIN: No.

THOMAS GREENAWAY: Alright. So let's –

NANCY FUNKHOUSER: Have a vote on it?

THOMAS GREENAWAY: Yeah, I think we should.

NANCY FUNKHOUSER: Alright. I move to that we accept the Free Cash policy as amended by Tom just now, as presented?

THOMAS GREENAWAY: I'm going to second. Any further discussion on that? All those in favor?

[Ayes in Unison]

THOMAS GREENAWAY: Opposed? Alright, I think it's unanimous. Can we take a minute?

NANCY FUNKHOUSER: Tom got here at 8:15 and we'll –

THOMAS GREENAWAY: Whoa, whoa! Tom got here soon after the meeting began.

[Laughter] [Off-Mic Conversation]

THOMAS GREENAWAY: We haven't seen each in a long time. I expect you all have reports concerned and topics for future meetings, but the one item that I thought – and this is actually Carol's good suggestion to put this bullet point on the report from the OML training session. Who went to the training session?

CAROL MARTIN: On the day they were going to give the report. Gil went, I went, and Tom, and I think he had asked several questions that I thought – he talked about – some of the questions we raised and some of the questions we had. And so I thought it was a good idea for him to report. Do you want to say something?

GIL WOLIN: It was worthwhile.

CAROL MARTIN: Right.

GIL WOLIN: And well presented. There were no stump-the-band questions.

THOMAS GREENAWAY: That's good. That's great.

CAROL MARTIN: They did say that on that emails – let Tom back up what I say when he comes in. But on this email question I think that was a biggie that came up several times. Were you there? No.

THOMAS GREENAWAY: I went to the one prior.

CAROL MARTIN: Okay. And they said that you do have to keep track of these emails that come in to you. However, if you CC someone on the staff, then they are responsible for maintaining those. So in other words, we don't all have to maintain all those emails.

NANCY FUNKHOUSER: Or else we shouldn't be emailing Brian [Laughs].

CAROL MARTIN: So in other words, when we say this is the agenda and this is the meeting and then look up this draft policy and we CC Brian, which we do, then Brian is the one responsible. They said that the staff person is responsible for downloading a hard copy of these once a week and they have to save in one of these fire vaults. Right? Remember that?

THOMAS GREENAWAY: Well, this is now again crossing over to the Public Records Law, which is different than Open Meeting Law.

CAROL MARTIN: Right.

THOMAS GREENAWAY: This is what we have had our ongoing conversation with George about is – he believes to the contrary that he is entitled to duplicate emails. So that if I send one email, if I send an agenda out to all of you, George's view by email is that he is entitled to seven documents, not one document.

CAROL MARTIN: Yeah. I think that's not what she said about it. Let's – when Tom was –

THOMAS GREENAWAY: So listen, I don't really care which one is right.

CAROL MARTIN: I know that [Laughs].

THOMAS GREENAWAY: But there's a difference of opinion on that.

CAROL MARTIN: I see that. So that was one thing that we kind of took from it that if we included a staff person then they will be responsible for maintaining.

THOMAS GREENAWAY: Well, the other alternative on that front is, as the Board of Selectmen had done, to just roll – each member of the committee get a town account. In that way you don't have to worry about it. You can just run all your FinCom business through whatever is available in that.

NANCY FUNKHOUSER: You're right.

GIL WOLIN: As opposed to the problem that Hillary Clinton is faced with, using a personal account.

THOMAS GREENAWAY: Well, right. I mean, in theory if push comes to shove – let's just say for the sake of argument, George sent me a letter and said, "I want to see all of your Finance Committee documents for the past five years." Who knows if I have to turn those over? And I'd give him, I don't know, a file this big and he says, "I don't believe you." And the Secretary of State takes me to court. In theory I have discovery and I have access to all of my emails, presumably my work emails too. So there's a lot of – as you guys know, sometimes I will send out emails. That's kind of a ridiculous scenario, but I don't see any reason why – there's no boundary as far as I can tell in the procedures to stop that from happening. So if that's a concern of yours –

DAVE WATKINS: I think you get a full meeting suspension.

[Laughter]

THOMAS GREENAWAY: If that's a concern – I mean, I should say it's definitely an option and it doesn't have to be everybody on the committee. If that's a concern of yours, just get the town to set up an email account for you. And then that way the document preservation issue, as you say, is the town's problem, not yours.

CAROL MARTIN: Right, even though I have to worry about it, because the thing is if you serve on a committee like you say for five years or what have you and you receive so many emails, they are loaded with attachments and you just literally have a space issue and you run out of space.

BRIAN KEVENY: Right. But if we do take Tom's suggestion and set up a Finance Committee email, every time an email is sent you copy that. We don't have to go. We're just putting that email and print off that one.

DAVE WATKINS: It doesn't really need responsibility. It's actually **(inaudible) (1:36:50)**. Every individual is responsible for keeping it with them. There's no way around it.

CAROL MARTIN: But let's look at this town thing.

[Off-Mic Conversation]

CAROL MARTIN: That's what she said, because this gets saved anyway on the town's – and that's town email.

DAVE WATKINS: That would be a town solution. It's not necessarily the way it's set up today, but it's the way it will be set up in the future. I'm talking about the future, next three to four months.

NANCY FUNKHOUSER: For town employees and school employees?

DAVE WATKINS: Town employees – actually just town right now, but the scope of what that means – I'm trying to recall right now.

NANCY FUNKHOUSER: Committees?

DAVE WATKINS: Potentially. It's just related to the administrator problem who sends them out. He takes them down and picks them up **(inaudible) (1:38:08)**.

NANCY FUNKHOUSER: Is there a sense of the committee that we think would want to pursue that?

CAROL MARTIN: Collect the email?

NANCY FUNKHOUSER: Yeah. Not having to keep our own?

CAROL MARTIN: Yeah, I think so. I mean, is it something –

NANCY FUNKHOUSER: I have no problem there.

THOMAS GREENAWAY: So there's sort of two proposals on this thing. Number one, each of you would get your own individual Wayland Dot Mass email account.

NANCY FUNKHOUSER: Dot Org.

THOMAS GREENAWAY: That's proposal number one. Proposal number two is, anytime you send an email with respect to any finance committee meeting business you can send it from whatever account you want and just copy this bucket, this drop-box. Is that right, Brian?

BRIAN KEVENY: Right.

THOMAS GREENAWAY: Probably you would think process wise if this would help.

NANCY FUNKHOUSER: The bucket is easiest.

THOMAS GREENAWAY: Well, the bucket is easiest, but it's easiest to defeat as well. Right?

NANCY FUNKHOUSER: What do you mean?

THOMAS GREENAWAY: If you get somebody skeptical out there who says, "I don't know that you copied. I don't know, Nancy, when you sent a nasty email about somebody to Gil, I don't know you copied that. I think you did something, but you didn't copy."

BILL STEINBERG: I don't think either one is off because the same –

[Voice Overlaps]

THOMAS GREENAWAY: That's true. So you use your personal email. I guess that's a good point.

BILL STEINBERG: I think if someone is **(inaudible) (1:39:25)**. Deliver packets which you go picking later.

THOMAS GREENAWAY: But it's a level of paranoia and process again that is just completely out of place with –

NANCY FUNKHOUSER: The purpose and intent of our role here on the committee.

THOMAS GREENAWAY: Exactly right. So I could just leave it to you guys, I think. We've dealt with this. I mean, with any problem you face you don't create a solution that –

BILL STEINBERG: Creates more of a problem.

THOMAS GREENAWAY: Creates more problem than you already have. Right? So –

NANCY FUNKHOUSER: So we've discussed this before and we've come out in that place. So does anybody have any strong feelings to revisit?

CAROL MARTIN: I mean, I think that when maybe in the fall [Audio Jumps] but I think he was interested in getting a town email and I think –

NANCY FUNKHOUSER: Yeah, he was left, I guess.

CAROL MARTIN: – I'm just out of space and I want to save this stuff, but I'm out of space.

THOMAS GREENAWAY: We'll copy Brian then on everything you've said.

CAROL MARTIN: That I generally don't send, but I do, yes. I do copy Brian.

NANCY FUNKHOUSER: So just go to all your emails from all of us and just do forward to Brian. Dump them all. Brian will love that.

CAROL MARTIN: Brian will really like that.

NANCY FUNKHOUSER: 460 new emails on Monday morning.

THOMAS GREENAWAY: Rather than your – why don't you get a Finance Committee email account? In that way people can opt into it if they want.

[Off-Mic Conversation]

DAVE WATKINS: So it must generally have a **(inaudible) (1:40:49)**.

CAROL MARTIN: Right. But that's what he is saying; get one.

NANCY FUNKHOUSER: And then it would be an email that Brian wouldn't even check. It would just go into –

BILL STEINBERG: Based on the problem that somebody might say –

DAVE WATKINS: No, no. It would be – every one of us would have it. Every single one of us would have it.

CAROL MARTIN: Right.

BILL STEINBERG: It's not a problem that someone is going to say, "I want to see all your emails that you're listed."

DAVE WATKINS: That's inevitable.

THOMAS GREENAWAY: But at least it's defensible when you say, "Hey listen. We have a procedure. The procedure is when any member of the committee sends an email with committee business, to use this address to each other." Does everyone follow the rules? I don't know, but that's our procedure." Right? That's the committee procedure.

GIL WOLIN: It's just one more email feeding into the mailbox.

NANCY FUNKHOUSER: Tom, is your time up?

THOMAS GREENAWAY: Certainly is.

[Laughter]

CAROL MARTIN: One second. Before you go anywhere [Laughs] –

THOMAS GREENAWAY: Yeah, right. Was that note any other reports and concerns?

CAROL MARTIN: Yeah.

THOMAS GREENAWAY: Pretty good, Carol.

CAROL MARTIN: Go ahead, Dave.

DAVE WATKINS: I've got a couple of things. So one of them is – I'll just tell you what's happening with that IT project. So you guys are familiar with the Seven Step IT project **(inaudible) (1:42:02)** and we said we were going to fund six projects. Six of the projects were to do with IT security, and we were looking at the IT security for the town and try to do it, running short of things. That project is almost done, patched, a lot of servers and computers.

CAROL MARTIN: Very nice.

DAVE WATKINS: We've looked at our approach with desktops. We've looked at our environments. We've found these new things real challenging. For example, our email system right now, something that isn't budget for. So that will be a short-term concern. From 2003, our email system is a little bit weak, but it's just got to fine yet **(inaudible) (1:42:45)**. But good news is that the consultant has done a good job. We've got three other things that we're doing right away. One of them is short-term issues. The other one is teaching our town employees what it means to be secure with their email, with their communication. And that has run into a little bit of challenge in terms of the amount of money we're spending on that initiative. So to date we've allocated about \$1000 to train everybody, literally to train the trainer. And what we wanted to do is more of a shotgun approach where we literally – not with a shotgun – but we have everybody on last set of training in electronic format, so that they were educated

kind of on a baseline. And that's going to be about \$4000. We think we can rob from Peter to pay Paul when the budgets were allocated, but we may end up at some point to be back. We're not doing like that. Other things that we're working on are our short-term initiatives, and we've got quite a handful of those and then a long-term project, which is kind of how this is going into reaching out. Our challenge right now is that we're looking to assign a consultant into our longer-term plan, but we're running out of time for the CIP's in this attempt. We've got a project that really is going to get started from the next two weeks that has to somehow be done by the end of August. We don't know if we're going to make it by that day **(inaudible) (1:44:18)**, but we have some preliminary information that we could use for the CIP process to determine that.

NANCY FUNKHOUSER: Right. Placeholders, yeah.

DAVE WATKINS: There is also project wise the old system that we allocated money for buying the phones or something that wasn't necessarily that would require planning exercise. So that is moving forward. The one thing that we didn't require in planning exercise was **(inaudible) (1:44:45)**. It's going to done consistently in the future with developing future plan. I think there's some consternation as to whether – what it takes to action through that plan, and we try to determine that.

BILL STEINBERG: That's a great picture of IT.

CAROL MARTIN: What about 77?

[NO VIDEO OR AUDIO FEED] [1:45:07 to 1:54:58]

DAVE WATKINS: _____ decide if I've got to do this or I've got to do that.

THOMAS GREENAWAY: Well, what's important is that – that was your observation, but our process is, hey we're just looking at the nose of the camel here. What most of you don't appreciate we did is, if you buy this, you're committing yourself to a five-year program, whether you like it or not. I mean, that doesn't matter. So that to me suggests – well, you're right, that's where we got those.

CAROL MARTIN: So I mean, it's just a food for thought. Maybe you want to look at some of this. I don't know.

THOMAS GREENAWAY: Did you – these guys have approved the capital memo, because there's nothing in there?

CAROL MARTIN: Yeah, we did approve it. Because the other thing too is that, further to what we're just saying, is that it seems to me that the technology taskforce has become more visible. Well, they've come before us a couple of times with things. They've sent us some information and they've been kind of educating us on this as well. I mean, so there seems to be more information out there than we have.

THOMAS GREENAWAY: Yeah, that's true. I don't know which school department or the school committee thinks that is favorable development. I thought it was stupid. Kind of too bad. I mean, my attitude has always been – yeah, when we were going through it. In the spring, the natural inclination is to say these guys on the technology taskforce have a very limited menu. My attitude is they're

members of town meeting. So you can tell them to shut up if you want, but they're just going to fuck up your town meeting.

GIL WOLIN: Dave, how old is your server?

DAVE WATKINS: I think it's going up three years.

GIL WOLIN: Can we project our capital is going to be three years, or more, or less?

DAVE WATKINS: Yeah. Typically hardware lasts two operating systems. That's typically the way we think about it. We make it last seven to nine years. I mean, trust me, they stretch things. The question is, should they? And they like the labs to be – some of the technology labs, 7 to 10 years old. Is that the right thing to do for the student population? You can certainly preserve – you know, it's a useful piece of equipment. But that's on average. Batteries last a certain amount of time. The thing is batteries and operating systems can't break and hardware with it.

[Off-Mic Conversation]

GIL WOLIN: And at three years capital becomes questionable as opposed to operating five years capital. Makes sense?

DAVE WATKINS: Yeah.

BILL STEINBERG: I have a certain question for you on technology but not about computers, let's say, because I don't think I have the expertise to know this computer versus that one, right? I'm sort of wondering, as you're getting more into this – my understanding is the schools hired someone to take them through this, and the focus there was software for learning, both software and hardware for security reason, more when buying that, and that was sort of the focus. And you know over time it sort of folded; it changed. It became – well, maybe that person can also enable technology for the town. And they got new servers with memory and someone that's called great different from this, education software – so a good start. And then we have this technology taskforce, and frankly I'm still confused as to whether there is [Background Noise] right now or never. They don't have a formal committee. They don't have a committee of the town. They don't follow up here in meeting already. So I'm not really quite sure if they have an official role or just simply they are interested. But I think we're getting into a lot of – we're getting beyond the initial purpose of having leisure or something like that. So are we doing something structurally into the town at this point that's either a separate technology person who has a whole different set of skills because there really is a separate job? I mean, where do you see this function? I think for the Finance Committee long-term, I think other people that come to us and say, "I think we want to buy a Dell computer or an Apple computer" – I don't know if the Finance Committee really needs to make that decision, but whether we have the right people, the right skills in place, and are spending money on sort of the right structural set up to learn and affect the whole thing. I don't really know what's wrong with that. Is that part of your discussion?

DAVE WATKINS: Yes. So I'll answer your two questions. Part number six, just to make that number ready to call. The \$25,000 logic has been our long-term plan, which contemplates that arrangement **(inaudible) (1:59:36)**. I think the general consensus is town and school together. Certain decisions one has and I think this has a problem, but there's a whole set of services that are expected that are shared. And that is part of what I'm trying to get at by end of August. I want that planned, so that we're going to

see IT process think about headcount and we're able to say, "Hey, we can now hire (inaudible) (2:00:04) or change the way we do business. The TTF is, from what I've understood now (inaudible) (2:00:14). They were assembled for a specific purpose to help them build this plan back, a bigger plan – a type of new plan that proceeded – we're going to work on it right now. And it was imperative as they really don't unfortunately have a true bigger purpose of the customer. They really don't know if the customer might acknowledge. The people weren't technically – they were supposed to be surveyed and don't really know how to engage. And so we talked about it. One of the things is maybe to actually resolve them, and instead of going back and trying to figure out how to use them we put together a team to do (inaudible) (2:00:00).

THOMAS GREENAWAY: Yeah. I guess, this goes back to the proverbial rich guy concern. Are we providing all the services the town needs or do we try to run a thrifty Yankee town as best we can. And this is one area, I think, that we're under-budgeted for years. I mean, this committee and the town will talk a very long time. Do we need another DPW employee? Do we need new FTEs? Do we need new firefighters? I mean, they all can get their head around that. But if you go to town meeting and say, "We have not had a" – what I meant a chief – probation officer may be a too grandiose a title. We don't have anyone who is responsible for town IT. We just don't. And that's crazy and we need that. Call would go through town meeting in a flash, right? No one objects to that. I don't think – I mean, there are people who do that and some people won't. No one does everything in town meeting. But I think most people recognize any organization of any size, especially given what we went through over this past year, needs – that's a function that we need. We can't break that.

NANCY FUNKHOUSER: That's funny, because I think in my humble opinion people would really want to scrub that because that's just the way that we are in Wayland. I don't think it would be as easy as you said.

THOMAS GREENAWAY: Really?

NANCY FUNKHOUSER: I mean, maybe it's a bad correlation, but I'm looking at the Wayland Cares staff person and that was an \$85,000 budget item. Granted, it's not technology, but people had a hard time wrapping their arms around that. Maybe it was because of the nature of the responsibilities, but I don't know. I guess I wouldn't think that people would just be arm-embracing that kind of a budget. Why not myself? I'm just surprised you said that.

DAVE WATKINS: I'll give you an interesting case in point. We don't have policies for IT. So we don't have a policy that says, "If Brian puts data on his computer, takes it home and [Audio Jumps] –

NANCY FUNKHOUSER: Sister in laws or whatever. Got you.

DAVE WATKINS: We actually really don't have a written policy. It sounds nuts. You question that and say, "Well, I think every time what that supplier on the Internet has gotten his own policy on IT." And the challenge is not because they're just not doing their job. She doesn't own that. Nobody owns that. There is no owner right now of the IT policy of the town. So you need somebody that owns it, right?

BILL STEINBERG: I start looking at the problem and I say, "The computer is", what you're computing it by, and RAM, sort of like that – a nice little conversation. But to me the big conversation is, the technology is coming. We don't have the product for it. What are we going to do, right? That's really longer term, right?

NANCY FUNKHOUSER: Right.

THOMAS GREENAWAY: Alright. So anything further from reports and concerns?

DAVE WATKINS: That's it. [Video Blanked Out]

CAROL MARTIN: Someone like Dave will probably know the answer for this or Brian. I was watching a Board of Selectmen meeting and I noticed that it appears they all have tablets. So I know that's all there.

BILL STEINBERG: And they have a big screen TV. They can watch themselves.

CAROL MARTIN: They have little tablets in all their – packet is going in on that. I'm wondering, we print out a lot of stuff all the time. So I'm wondering –

BILL STEINBERG: Carol now wants a tablet. Who do you think have voted for that?

[Laughter]

CAROL MARTIN: No, but all should be having them. How come they're getting? We don't even have nametags.

THOMAS GREENAWAY: If the selectmen had – before they got their tablets they had the police cruisers driving around town to drop off them. So I think that's – frankly that grinds my gears. And the fact they have tablets grinds my gears.

CAROL MARTIN: Okay.

THOMAS GREENAWAY: [Voice Overlaps] That to me seems –

[Off-Mic Conversation]

DAVE WATKINS: I just said that point again, but a minimalist position would be just delivery of post. All of this content in one place where we can all just get online and download – you get the emails. I mean, I get 500 emails a day still. So I know we're trying to put the lines where it says Bill's, you know? I mean, there just must be a better way –

THOMAS GREENAWAY: That's probably a better approach. It's just having a little webpage that has just one set of delivery.

NANCY FUNKHOUSER: And we need another –

THOMAS GREENAWAY: Teach dinosaurs how to put stuff in the webpage. I'm glad I don't have to do it but.

[Laughter]

THOMAS GREENAWAY: It can't be that hard, right?

GIL WOLIN: Put it in a Dropbox.

CAROL MARTIN: Gil knows how to do it.

DAVE WATKINS: You just help us. Then we could have everything in one place. And then if we did have a tablet, then we could review whatever you think you've got it. It should just pop up **(inaudible)** **(2:05:38)**.

THOMAS GREENAWAY: Yeah. All of us have computers, right?

CAROL MARTIN: Yeah.

THOMAS GREENAWAY: Anyway, put that in the budget. You can get up and start a town meeting. I'll be the crank who gets up and says, "Golly, by your neck come here. I will demand the budget to take out \$300."

[LAUGHTER]

NANCY FUNKHOUSER: Or if you're just as naïve as I am, you would buy a laptop with Windows 8 on it. You might as well not bought anything at all because you can barely it, because you can't figure out how to use it. Somebody have Windows 8?

THOMAS GREENAWAY: Alright. So Carol, any other concerns?

CAROL MARTIN: I am most likely to buy a computer [Laughs].

BRIAN KEVENY: Anything else?

THOMAS GREENAWAY: Any other concerns?

CAROL MARTIN: No. I think that – I just was kind of wondering, which I'm sure you will talk about summer schedule. You'll get to that.

THOMAS GREENAWAY: Well, yeah I guess, but I haven't thought beyond today.

[LAUGHTER]

THOMAS GREENAWAY: Alright. Gil, any concerns or reports or anything?

GIL WOLIN: Just watching – nothing for the FinCom. Just watching the town political situation unfold with the school. You're getting into a situation with everybody there – it just is fascinating.

THOMAS GREENAWAY: Oh, okay. Somebody asked me, "Oh, did you know about that?" People, it's painful. I'm sure you guys get this. Oh, you guys must know about – listen, I have no idea what you're talking about, so this is – now I do, but just yeah, that's unfortunately not a Finance Committee kind of thing.

GIL WOLIN: Yes. That's why I said it's a town issue but not a FinCom issue.

THOMAS GREENAWAY: Right. Anything else? Alright. Okay, that's great. So next thing is my chair's update. I don't think there's anything. I should just say that on this Public Records Law I did get an email, which turned out was just sort of a blast email that the Secretary of State's office sent out to anybody who had open orders or had orders. So I got freaked out, because I had already complied with this. I haven't really done all this. And I eventually talked to the attorney – I forget her name. There's an attorney in the Secretary of State's office. Public Records is handled by the Secretary of State.

NANCY FUNKHOUSER: Not Kelly Murdoch?

THOMAS GREENAWAY: No.

CAROL MARTIN: Amy Noble or whatever?

THOMAS GREENAWAY: No, no. She is in the AG's office. AG is to Open Meeting Law as Secretary of State is to Direct Law. Anyway, I talked to her and she said, "As long as you did what you said you were going to do, just send us an email." I said, "Certainly." I hope that's the end of it, but who knows? It might pop up again. That's on the November –

NANCY FUNKHOUSER: And George got everything he asked for?

THOMAS GREENAWAY: I think so. I mean, basically I talked to Brian this morning. I said, "Hey Brian, next time you talk to George if you just want to – " – I mean, just to be clear, George is of the view that I am masterminding a plot to prevent George from seeing documents that Brian has. I am not. So I said to Brian today, "If you talk to George and George still has this concern, if you can mollify him and can share with him what you have, if that solves the problem, then God bless." Because I do not want to leave you guys with any open items as best I can, although I have to say that we do still have two open meeting law complaints that are still pending. So sooner or later those are going to hit, but those should have all now been resolved at least as far as action from us. I mean, who knows? They could make it be found to be in violation, but you can blame me.

GIL WOLIN: You're making it sound like a great thing to become the chairman of the FinCom.

THOMAS GREENAWAY: [Laughs] Yeah. You know what? That's a good point. Now let's move on [Laughs]. I have no other items.

[Laughter]

THOMAS GREENAWAY: Alright, so we need to – and I guess just before we go out of the leadership role – I think traditionally the Finance Committee has reorganized before the summer mostly. I know the selectmen for instance recast to themselves immediately the first meeting after town meeting, and so the new committee elects their own leadership. Finance Committee traditionally has not done that mostly because we don't meet up in summer. My term is going to end and anyone else – Carol's term is also going to end, but Carol has graciously agreed to serve another term.

CAROL MARTIN: I haven't been appointed yet?

THOMAS GREENAWAY: No.

CAROL MARTIN: I'll be facing the competition next Wednesday.

[Laughter]

THOMAS GREENAWAY: So I just put that to the committee that there's no real reason that we should vote tonight other than the fact that we always do that, and the committee generally doesn't meet. So it's nice to have a chair around. So my recommendation is we should do it. With that, we need a chair and a vice-chair as it is the two officers we've only had. I guess sincerely we could – one of the responsibilities of the vice-chair has been to sort of maintain the minutes and the records and that sort of thing. I don't know if your thought is –

NANCY FUNKHOUSER: Keep it a hand drop?

THOMAS GREENAWAY: Well, keep it as a vice-chair's responsibility or do you think we need basically a secretary position?

NANCY FUNKHOUSER: It's probably not a bad idea.

THOMAS GREENAWAY: And we haven't – I don't know. Any other views? I mean, because we've talked about getting a professional caretaker too and maybe having a secretary oversee that role.

NANCY FUNKHOUSER: Also, I wouldn't be thinking that the secretary would always be having to take the minutes, but more just try to keep track of who wrote them and if they were approved and if they were released if there were executive session minutes.

THOMAS GREENAWAY: The perennial concern is that there's a lot of work in the chair and there's a lot of work in vice-chair. So that's just – we haven't talked about that yet.

NANCY FUNKHOUSER: So as the vice-chair I did that and I did the capital budget. Those were my big two.

THOMAS GREENAWAY: Right.

BILL STEINBERG: Actually I don't think, before you did it, really the vice-chair was doing that or following this kind of things.

NANCY FUNKHOUSER: Well, the vice-chair –

THOMAS GREENAWAY: The vice-chair did very little.

NANCY FUNKHOUSER: I've been a very good vice-chair.

BILL STEINBERG: We know you did nothing but –

THOMAS GREENAWAY: No, you're absolutely right about that because we did everything.

[Laughter]

BILL STEINBERG: We figured that out in the meeting when I wasn't there.

THOMAS GREENAWAY: Well, that's true. So anyway, so we need a chair. We need a vice-chair. And maybe we need somebody else.

NANCY FUNKHOUSER: Well, after we find a vice-chair maybe we can find out if the vice-chair has appetite for doing minutes in the capital budget, and then that will tell us whether we need a secretary or not.

THOMAS GREENAWAY: Alright.

NANCY FUNKHOUSER: Right?

[Off-Mic Conversation]

BILL STEINBERG: We did have someone three or four years ago – I don't remember that very well.

NANCY FUNKHOUSER: What about high school community service projects?

[Off-Mic Conversation]

CAROL MARTIN: I think we have to post it, don't we? We have someone do the maps. Don't we have to post that stuff?

BILL STEINBERG: No, we'll get somebody on the –

THOMAS GREENAWAY: Somebody on the payroll.

BILL STEINBERG: Someone on the payroll.

CAROL MARTIN: That's what I mean. I think we have to post it internally –

THOMAS GREENAWAY: Oh, for union stuff?

CAROL MARTIN: – here to see if someone is interested or something. I don't know.

BILL STEINBERG: That's the time we did. It was just somebody from the office.

CAROL MARTIN: Yeah. I think that's –

THOMAS GREENAWAY: That's a summer project. Well, this is the type of meeting where anyone brings up a new topic I say, "That's a summer project."

[Laughter]

CAROL MARTIN: Okay. So minutes is a summer project?

NANCY FUNKHOUSER: No, we haven't decided yet.

GIL WOLIN: There's some kind of program for work of taxing or work of money owed to the town, and that may be a good – taking minutes might be something that fits into some other problem related to the town.

NANCY FUNKHOUSER: So I know that historically the committee has had people to come in who aren't conversant in the language of the Finance Committee, and that the minutes turn out to be a disaster and it's more work than its work. I heard that.

BILL STEINBERG: That is when we had someone doing it we ended up facing as a committee that we will be writing all the minutes. So it turned out to be there's always more work. So we had to just make sure we can get somebody who can actually do it.

THOMAS GREENAWAY: Yeah. No, that's a good idea, Gil, but this is one of the committees in towns that gets a lot of heat for open meeting law stuff by getting the minutes right and getting it done.

BILL STEINBERG: Yeah. If somebody is from that –

GIL WOLIN: But wouldn't it be nice to have someone to point at?

THOMAS GREENAWAY: But then if you're pointing at somebody – if you're pointing at some work off person and I say, "Where is my minutes?", and they say, "Well, I'm not working this month." That's not a good answer to the AG.

CAROL MARTIN: Yeah. The tax work off only works through March.

NANCY FUNKHOUSER: Speaking of that, what is the timeframe for the requirement for the release of minutes? Is it reasonable? I'm imaging it's reasonable, right?

THOMAS GREENAWAY: I think the selectmen just got danged for – I don't even know. Basically the pronouncement that – and I looked at this – it came out over the last month against our Board of Selectmen. The sort of the best practice at least that the Attorney General suggested was approve the minutes in the next meeting.

BILL STEINBERG: Next meeting, yeah.

THOMAS GREENAWAY: And they didn't say, "You have to do that or else you violated the open meeting law", but they said, "Well, this is what we suggest." Which is basically what we – I mean, as a rule we try to do that. Do we do that every time? No. I'm sure if you counted, I'd say at best 50%, but I don't know. I mean, we've gotten dinged for, what, six-month old minutes? That's too much? I don't know.

BILL STEINBERG: Usually within two or three meetings you get those things done.

THOMAS GREENAWAY: I think if you get it done within three meetings, you should be fine.

CAROL MARTIN: I think in that case they're discussing when you're meeting weekly. Sometimes we are meeting twice a week.

THOMAS GREENAWAY: Right. So it's hard to –

NANCY FUNKHOUSER: We're a little squished up. So what I really want to know is, are our minutes from January 5th that need to be approved tonight? Is that a problem? January 5th?

THOMAS GREENAWAY: I mean, we can't go back and tell them. I don't know – what are you going to do? Alright, so let's talk about the leadership. Is there anyone on this committee who wants to be in the chair? Nice!

BILL STEINBERG: I'd like to nominate Nancy to be in the chair with an estimate of fiscal year 2017.

CAROL MARTIN: 2016.

BILL STEINBERG: Oh, it will be fiscal 2017. I guess it's fiscal 2016. What we did in the budget?

THOMAS GREENAWAY: Alright. So any further discussion? I want to lock this one in. Seriously, this is a committee where traditionally the vice-chair goes to the chair.

BILL STEINBERG: So I'd just like to comment on that. I think Nancy stepped up two years ago to being vice-chair, but I think she struggled with the first year and she really struggled with her first capital presentation at the town meeting, but Nancy really started taking hell of a lot of work here this year. So in the middle, she's done a great job. So I think she will do a great job.

NANCY FUNKHOUSER: Thank you.

THOMAS GREENAWAY: Alright. Anything further on that one? So I have a motion that I second Nancy to be chair. Speak now, or forever hold your peace. All those in favor?

[Ayes in Unison]

THOMAS GREENAWAY: Opposed? Unanimous.

BILL STEINBERG: Next job, nominating vice-chair.

THOMAS GREENAWAY: So again, with the live traffic syndrome you can see that – I don't know; has it always been the case that the vice-chair goes on to the chair? Not necessarily, right?

BILL STEINBERG: Usually but not necessarily.

THOMAS GREENAWAY: Usually but not always. So there's no rule here, but it would be helpful to have somebody who obviously wants to get more involved with the committee and potentially sees at least a couple of years of service ahead to potentially fit into a chair role. So anyone interested?

DAVE WATKINS: I would be interested.

THOMAS GREENAWAY: Okay.

NANCY FUNKHOUSER: You didn't agree with me when I was interested.

[Laughter]

GIL WOLIN: You've got two years of headroom.

THOMAS GREENAWAY: Yeah. So that's right. You were one year in when you were vice-chair, right?

NANCY FUNKHOUSER: Mm-hmm. I think I left my – never mind.

THOMAS GREENAWAY: I appreciate that and, Carol, I think your work with the school committee and all the other work that you do –

CAROL MARTIN: Keeps me busy [Laughs].

THOMAS GREENAWAY: Right. No, it's very important and I think this is in a lot of ways kind of a division of labor. That's a – that liaison work is a really big –

NANCY FUNKHOUSER: It's a tough nut.

THOMAS GREENAWAY: It's certainly a big time commitment, but it's also substitutive of the big picture.

CAROL MARTIN: Yeah. I think the fact that they've created this sub – and again, I never get the name, sub-finance committee, which I tried to attend those meetings, and they're about three hours plus this prepping questions. Adding that in to the liaison position, it's important to go but I think you're right. Then it becomes a very full commitment.

NANCY FUNKHOUSER: Huge.

CAROL MARTIN: Yeah. And the meetings are on Friday morning.

NANCY FUNKHOUSER: That's at least nine hours a week then, because it's three, three, and three.

CAROL MARTIN: Since I'm meeting in that, then you're –

NANCY FUNKHOUSER: Right. Or two FinCom meetings – three, three, and three.

THOMAS GREENAWAY: Alright. No, I appreciate your – I mean, that's what this town is all about. So I appreciate everybody's service on the committee. And you got to fill them; you're going to fill it all. So I appreciate that. Alright. So I have a –

BILL STEINBERG: I want – okay, you want to make a motion?

THOMAS GREENAWAY: Yeah. I move to put Dave Watkins on as vice-chair. Any further discussion? Alright. All those in favor?

[Ayes in Unison]

THOMAS GREENAWAY: Alright. So that's 5, 0, 1. Dave, you're abstaining?

DAVE WATKINS: I'm abstaining.

THOMAS GREENAWAY: You voted for yourself?

NANCY FUNKHOUSER: I voted for myself. I have lots of confidence.

[Laughter]

CAROL MARTIN: Oh no, you're supposed to vote for yourself.

NANCY FUNKHOUSER: Have some confidence.

[Off-Mic Conversation]

THOMAS GREENAWAY: Now as we down to ticket, does anyone want to be the secretary? No, right? I mean, Gil, do you want to do it?

CAROL MARTIN: The clerk.

GIL WOLIN: Not given the time that's coming.

THOMAS GREENAWAY: No, you've got a bunch of commitments on your time. So why don't we –

BILL STEINBERG: We could see what we do with the minutes.

THOMAS GREENAWAY: Yeah. That's to be –

[Off-Mic Conversation] [Laughter]

CAROL MARTIN: Perfect.

THOMAS GREENAWAY: You just come in with a little cup every meeting.

DAVE WATKINS: Every meeting.

CAROL MARTIN: I'm with you. Sign me up.

[Voice Overlaps]

CAROL MARTIN: I'll tell you what. I'll trade in my tablet allowance.

NANCY FUNKHOUSER: Is that really true?

DAVE WATKINS: Absolutely.

NANCY FUNKHOUSER: You know people, huh?

[Off-Mic Conversation]

THOMAS GREENAWAY: Can you imagine how horrible would that be? What do you do for a job? I transcribe minutes for this horrible committee somewhere in –

NANCY FUNKHOUSER: Half of which I can't even understand, as evidenced by me – this was a meeting in January that I had to put the minutes together for this week.

[Off-Mic Conversation]

BILL STEINBERG: He was looking for a minute taker.

THOMAS GREENAWAY: You don't what? That's a great idea. Why don't we say this?

[Laughter]

THOMAS GREENAWAY: The sense of the committee – we will suspend the sentence. How about that? The sense of the committee was that Abdella should be the secretary, but we're going to suspend the sentence pending his good behavior and future attendance of meeting.

GIL WOLIN: Does the new chairman know that's fine?

THOMAS GREENAWAY: If he misses another meeting, he will be the secretary [Laughs]. Alright. I don't have anything else. Am I missing anything, Brian? Last chance here.

BRIAN KEVENY: Not at all.

CAROL MARTIN: I do. I have something.

NANCY FUNKHOUSER: I have minutes.

THOMAS GREENAWAY: Yeah? That's a good point.

[Off-Mic Conversation]

CAROL MARTIN: Madam Chairman?

NANCY FUNKHOUSER: Yeah. Ms. Martin.

CAROL MARTIN: Thank you. I did want to talk about summer schedule. I will not be popular for this, but we did meet last year a couple of times in the summer and quite frankly I think it took some of the pressure off the fall. We said, "Oh gee, we don't have that much." But between the time we set the dates and we got to FinCom we had quite a few things to attend to. My other big concern here is that you see all sorts of stuff going on in the stratosphere that we might be having a special town meeting. If

we have a special town meeting and we don't start again until the end of August, we're going to spend our whole time trying to do the capital budget and trying to do the articles to get ready for special town meeting. We're going to be really jammed.

NANCY FUNKHOUSER: But we're not even going to have the articles for special town meeting until August we do anyway.

CAROL MARTIN: But that's what I'm saying. We probably should meet again like July and August and we bring out some of the smaller things, things that come up before the committee. I really think we should have a couple meetings, one in July and one in August.

NANCY FUNKHOUSER: Right. I could tell you right now. I'm not going to be around for that. You can meet without me.

DAVE WATKINS: My suggestion would be –

NANCY FUNKHOUSER: I'm concerned.

BILL STEINBERG: **(inaudible) (2:22:41)** last two weekends to sort of those one or two capital bank meetings **(inaudible) (2:22:45)**. I only think about an agenda for early July or early August meeting to figure out what we want to tackle rather than just meeting just for the sake of meeting.

NANCY FUNKHOUSER: Oh no. If we didn't have anything, fine.

BILL STEINBERG: Yeah. So maybe look at couple of dates tonight **(inaudible) (2:23:04)**.

NANCY FUNKHOUSER: Placeholders.

BILL STEINBERG: Placeholders?

NANCY FUNKHOUSER: Well, I know that going forward next year I think **(inaudible) (2:23:19)** as the new chairman that the three of us meeting regularly among schools, too, I think, regularly like every other week to try to keep things floating, and current, and teach me, and keeps things in the right direction. So that would generate, stimulate agenda items for our meetings going forward, but I don't think we're going to begin until fall. My feeling on meeting summer is, special town meeting is not going to happen until October and the warrants aren't going to be submitted until August. There's not a lot that we can do in summer around that anyway. But there may be other things, but I just don't – off the top of my head I can't think of any. So as a committee –

BILL STEINBERG: No, I agree.

CAROL MARTIN: I agree too.

BILL STEINBERG: I'm just saying let's look at the dates and whatever comes up we're going to work in with what's people's availability.

NANCY FUNKHOUSER: So my availability is probably unavailable. Not because I have a bad attitude but just because it's just I have camp, and visitors, and vacations, and husbands, and more camps, and two kids, and too many moving pieces. I only have one husband for me.

CAROL MARTIN: No, what I'm saying is that if there's a special town meeting and we're doing the capital budget, our fall is going to be very full and we'll find out as long as it's scheduled 11:00, 11:30, and then other things will pop up. You know –

NANCY FUNKHOUSER: I'm not sure we can mitigate that.

CAROL MARTIN: We're not mitigating that, if we do some of the other stuff that's going to pop before then or whatever.

NANCY FUNKHOUSER: I don't know. In the absence of a specific bullet of what the other stuff is today, I guess – but yeah, I'm not at risk of doing that at all.

CAROL MARTIN: Right.

(Voice Overlaps)

CAROL MARTIN: How about like Wednesdays? Can we do Wednesdays? Can we do Wednesdays at all, Nancy?

THOMAS GREENAWAY: You can give a flat no.

NANCY FUNKHOUSER: I'm not coming home from New Hampshire this summer to come to a finance committee in July or August.

[Off-Mic Conversation]

NANCY FUNKHOUSER: If there was a compelling reason for me to come home. If on July 10th somebody says to me that somebody overspent their budget by \$4 million and we need to meet, then I'll come home. But right now, I don't believe –

[Off-Mic Conversation]

NANCY FUNKHOUSER: That's right. I could do it by phone.

BILL STEINBERG: So are people generally around the first two weeks of August or are they away? I'll go around the room. Gil?

GIL WOLIN: That depends on the in laws, but right now I'm alone. I'm around.

BILL STEINBERG: Okay. Carol?

CAROL MARTIN: What's the dates?

BILL STEINBERG: First is the week of the 3rd of August and the week of 10th of August.

CAROL MARTIN: Yeah, either one of those.

NANCY FUNKHOUSER: Unavailable.

BILL STEINBERG: You're not here, Dave?

DAVE WATKINS: I'm not here.

BILL STEINBERG: Okay.

[Off-Mic Conversation]

NANCY FUNKHOUSER: We could do something like that. I could come home early if I had to, happily.

CAROL MARTIN: Week of the 17th.

[Voice Overlaps]

BILL STEINBERG: We have a forum in the week of 17th of August.

CAROL MARTIN: Is 17th a Monday?

BILL STEINBERG: I just said that week.

[Off-Mic Conversation]

CAROL MARTIN: So we have no summer projects we have to look on.

NANCY FUNKHOUSER: Brian's got one.

[Off-Mic Conversation]

[Voice Overlaps]

NANCY FUNKHOUSER: You could report on that. I've got reporting that on **(inaudible) (2:26:51)**. That's why I was thinking that –

[Voice Overlaps]

NANCY FUNKHOUSER: Some of those things, we could discuss, you see, if we had a meeting.

CAROL MARTIN: Is it?

NANCY FUNKHOUSER: Nothing in July? You don't have any time in July? Like middle July?

[Off-Mic Conversation]

BRIAN KEVENY: But you can connect with the Chair and the vice Chair if you need to update people as you go.

NANCY FUNKHOUSER: The vice Chair should be around.

[Off-Mic Conversation]

NANCY FUNKHOUSER: I just have to know **(Inaudible) (2:27:17)** by 11:30.

[Voice Overlaps]

CAROL MARTIN: That's really what I'm trying to avoid of things that have some of these updates and I know I'm going to have some and Brian's got this project. Something will come up, the time we didn't have a huge agenda, we had really a lot of opportunities, some good dialogue and some good flow. That was really the reason I suggested that we're going to –

NANCY FUNKHOUSER: I have severe ADHD, so **(inaudible) (2:27:45)** gets the less effective I become. Just saying.

MALE SPEAKER 2: That's a threat.

NANCY FUNKHOUSER: No, I'm just saying. I might get out of here 10:00 as well. Just saying, Carol.

CAROL MARTIN: What happened?

NANCY FUNKHOUSER: Nothing. She wants to meet, I tell her no. She tells she doesn't want to meet later, I tell her I don't either.

[Off-Mic Conversation]

BRIAN KEVENY: So these actually were request **(inaudible) (2:28:24)** for review.

MALE SPEAKER 2: Yeah, you can keep that.

[Off-Mic Conversation]

BRIAN KEVENY: Oh yeah, that's just so everybody knows.

[Voice Overlaps]

NANCY FUNKHOUSER: Yeah, go ahead.

BRIAN KEVENY: We got –

NANCY FUNKHOUSER: No.

BRIAN KEVENY: Did we all get one or –

[Voice Overlaps]

MALE SPEAKER 2: These minutes have already been reviewed by the President **(inaudible) (2:28:41)**.

[Off-Mic Conversation]

BRIAN KEVENY: Oh yeah. Let me just make a point here. George, you all remember was at our meeting, and he requested these minutes, I'm not sure when. But the minutes had not yet been drafted so I don't think and then Bill took it a couple of days and drafted them. I took a look at him. Nancy took a look at him, sent them to George as draft. That triggered an e-mail that I think just came back to me and George asked. He asked did we release the minutes under the executive session minutes under one subsection or another of the **(inaudible) (2:29:26)** and I just didn't respond to the e-mail.

MALE SPEAKER 2: I've got executive session minutes **(inaudible) (2:29:30)**.

BRIAN KEVENY: Right. Just you guys have it because I kind **(inaudible) (2:29:41)** pass it our Chair.

NANCY FUNKHOUSER: Point of semantics yet. At the very top we have the attendance but actually later on you say I dropped off the (Inaudible) (2:29:50). I actually participated remotely so should that be in the comments that where Tom call the meeting to order?

MALE SPEAKER 2: Have it by phone. Under attendance, I have –

BRIAN KEVENY: Yeah, it's by phone.

MALE SPEAKER 2: By phone.

NANCY FUNKHOUSER: Up here, it says – I'm looking at the finance, **(inaudible) (2:30:04)** the wrong one.

BRIAN KEVENY: Oh, that's just –

NANCY FUNKHOUSER: I'm in a wrong section, sorry.

BRIAN KEVENY: That's just the title.

NANCY FUNKHOUSER: Okay, thanks.

BRIAN KEVENY: Yeah.

MALE SPEAKER 2: Under (inaudible) (2:30:15) by phone, I have you dropping off for –

NANCY FUNKHOUSER: Right.

BRIAN KEVENY: Yup.

NANCY FUNKHOUSER: I think –

BRIAN KEVENY: Go ahead.

NANCY FUNKHOUSER: It's all right. If you're happy with it, that's fine.

BRIAN KEVENY: Here's George's e-mail. Tom has the item 8 which is the executive session thing. It says the draft minutes to do not make clear whether the review of executive session minutes was undertaken for the purpose of, one, periodic review at reasonable intervals or two, in response to my earlier request for access to executive session minutes. I've figured to put that on the table for the committee. I think, basically this was a concession for us to review, these minutes, was why do we just try to pull all these behind us. I don't know if there's a principle, one way or the other to it and we want this to stop.

MALE SPEAKER 2: Also last year. Actually, I also did the minutes of May 19th, 2014. So I put that in my minutes.

NANCY FUNKHOUSER: Very good.

MALE SPEAKER 2: On that date, we had executive sessions where we released the whole bunch of minutes.

NANCY FUNKHOUSER: Right.

[Voice Overlaps]

NANCY FUNKHOUSER: Right, every year.

[Off-Mic Conversation]

NANCY FUNKHOUSER: Later.

MALE SPEAKER 2: 364 days.

BRIAN KEVENY: Does anyone want to put that in? Does anyone want to clarify the minutes or do –

MALE SPEAKER 2: No, because we never put in discussion one way or the other.

BRIAN KEVENY: Yeah, we didn't say one way or the other why we're doing it.

[Off-Mic Conversation]

BRIAN KEVENY: Alright. That was the only thing that she can make. Okay, I have no further changes.

[Voice Overlaps]

NANCY FUNKHOUSER: Go ahead.

CAROL MARTIN: Go ahead.

NANCY FUNKHOUSER: Any further comments?

CAROL MARTIN: No, I was going to do the motions.

NANCY FUNKHOUSER: Oh, good. Who's running this meeting anyway? You or me, counselor?

BRIAN KEVENY: I just said no further comments from this humble member of the committee.

NANCY FUNKHOUSER: You're not a member anymore.

[Voice Overlaps]

NANCY FUNKHOUSER: What's that?

[Voice Overlaps]

NANCY FUNKHOUSER: It's still June 30. Let's get a motion for Mr. Greenaway, since he will be the last one.

THOMAS GREENAWAY: I move that we accept the minutes from May 18.

CAROL MARTIN: Second.

NANCY FUNKHOUSER: Excellent. All in favor? Any discussion? All in favor? Aye.

THOMAS GREENAWAY: Aye.

CAROL MARTIN: Okay, turn those back in.

NANCY FUNKHOUSER: Alright.

CAROL MARTIN: Thank you

NANCY FUNKHOUSER: I have a problem but I had sent everybody a copy but I'd forget to print out myself. Sitting at my home, my minutes from January 5th, which required me to go back and listen to the meeting again.

BRIAN KEVENY: How pleasant was that?

CAROL MARTIN: How long was the meeting?

NANCY FUNKHOUSER: 7:30 until 10:04. 7:00 to 10:04. I'm never doing that again.

CAROL MARTIN: It's the worst thing.

NANCY FUNKHOUSER: They are the most alleviated minutes you'll ever got from me and I don't have a copy. I don't even know if we can even do them right now.

BRIAN KEVENY: Sure, why not?

[Off-Mic Conversation]

NANCY FUNKHOUSER: Did everybody look on mine?

[Off-Mic Conversation]

NANCY FUNKHOUSER: Good.

[Off-Mic Conversation]

BRIAN KEVENY: What's this?

CAROL MARTIN: Oh no. [Laughs] At least, that's what I'm reading.

NANCY FUNKHOUSER: I'll fix it.

CAROL MARTIN: I just mentioned –

[Voice Overlaps]

BRIAN KEVENY: That's terrific.

NANCY FUNKHOUSER: Total typo.

MALE SPEAKER 2: Some people may feel that way.

[Off-Mic Conversation]

CAROL MARTIN: Can you move?

BRIAN KEVENY: Sure you can. Do whatever you want.

NANCY FUNKHOUSER: Does anybody have any comments for the January 5th, 2015 meeting minutes that I've prepared? Some typos. Yeah, that's fine. I'm sure there are. I did spell-check it. No comments? Any other comments? Alright, I move that we accept those minutes as amended by the changes of dates **(Inaudible) (2:34:20)** the next short term. Anybody second it? Mr. Greenaway?

THOMAS GREENAWAY: I second it.

NANCY FUNKHOUSER: Excellent. Any further discussion? All in favor? Anybody opposed? Alright, beautiful. **(inaudible) (2:34:39)**.

[Off-Mic Conversation]

[Voice Overlaps]

[Off-Mic Conversation]

NANCY FUNKHOUSER: Actually, I'm just about to focus on it.

BRIAN KEVENY: That's good. I move to accept these minutes.

NANCY FUNKHOUSER: This look that I've second it. Mr. Watkins, make sure you move draft and send them on to Mary Anne.

DAVE WATKINS: Right.

NANCY FUNKHOUSER: Please sir.

DAVE WATKINS: Mary Anne?

CAROL MARTIN: Mary Anne.

NANCY FUNKHOUSER: Mary Anne. Alright, we didn't vote yet. I seconded it. Anybody have any comments, discussion? Okay. All in favor of accepting of meeting minutes of April 6th, 2015? Anybody opposed? Nobody is opposed, right? Unanimous.

BRIAN KEVENY: The streak continues with unanimous votes during the tenure of your church.

NANCY FUNKHOUSER: Very powerful.

[Off-Mic Conversation]

CAROL MARTIN: I move **(inaudible) (2:36:01)**.

NANCY FUNKHOUSER. I second that.

MALE SPEAKER 2: I second that motion.

CAROL MARTIN: Oh no, she was giving me the look –

NANCY FUNKHOUSER: Does anybody want to talk a about Tom for a minute or we just blow him off?

[Voice Overlaps]

BRIAN KEVENY: Blast off into the night.

NANCY FUNKHOUSER: But he was late.

BRIAN KEVENY: That's true. [Laughs]

NANCY FUNKHOUSER: But he did keep the meetings brief this year. I appreciated that. We were out of here generally by 10 o'clock.

CAROL MARTIN: Tom, you were on speed.

[Voice Overlaps]

BILL STEINBERG: All the time.

BRIAN KEVENY: Yeah Bill.

DAVE WATKINS: I'd like to thank **(inaudible) (2:36:30)** for five years within this committee. It's been a pleasure. And I appreciate that you brought here **(inaudible 2:36:39)**.

NANCY FUNKHOUSER: Yeah. I second that with Gil. I second that. What's that? And I second that motion. Tom has been great, because I've been a little bit apprehensive of being Chairman, because I don't know, I've never felt like from the day one three years ago, my knowledge base was solid enough and Tom has been good enough to continue to enhance the discussions on the committee by remembering history, repeating the big picture and putting things into perspective that I think has always been this whole past years were really helpful for me. I've appreciated that and I'm going to miss that, because I don't think I quite yet have that. I know Bill does, which is one I'm going to be relying on over there for that. I appreciate that you were able to do that and you're good at that. You're really good at sifting through it and then putting it in a perspective and then getting your arms around it and then guiding us. I hope I'm good as you and I appreciate everything that you've done to indulge my insecurities and my need for guidance. I appreciate it.

[Off-Mic Conversation]

BRIAN KEVENY: I appreciate your patience for the new kids, because there are inevitable missteps and your guidance is appropriate and firm without being denigrating. That makes it a real difference for an adult.

CAROL MARTIN: The very first town meeting I went to, we had this large room, we had I think it was a special town meeting hearing, we did **(inaudible) (2:38:24)**. We did four million other things then we went to executive session regarding things that **(inaudible) (2:38:32)**. I look at him and said, "She'll never come back." [Laughs] But I did. But we went along that whole year and we didn't have a finance director and I watched Tom create **(inaudible) (2:38:50)** create all these budgets.

NANCY FUNKHOUSER: Spreadsheets.

CAROL MARTIN: Spreadsheets for us.

NANCY FUNKHOUSER: He was the keeper of them, totally.

CAROL MARTIN: We could keep going towards town meeting and be able to present a budget to the top.

NANCY FUNKHOUSER: And a cash balance –

CAROL MARTIN: We did not get Brian until, I don't know, maybe the middle of February that year or whatever, by that time had done all the work. I kept thinking to myself, "Oh my God. What have I gotten myself in to? Look what, they have to do these spreadsheets. I could never do all these stuff." Come to find out he was doing way above and beyond. It really was.

NANCY FUNKHOUSER: Right, totally.

CAROL MARTIN: I was really impressed with that. But like Gil said, one thing I really impressed about your chairship is that even when you didn't really agree with whatever we said, you let everyone have their say, that's right.

BRIAN KEVENY: Unless it was redundant.

CAROL MARTIN: Unless it was me –

[Voice Overlaps]

CAROL MARTIN: No, unless it was me at 10 o'clock, then you're off. But thank you, and enjoy. We will miss you.

THOMAS GREENAWAY: I certainly enjoy working with you (**inaudible 2:39:51**), Steinberg and Greenaway, and this guy from (**inaudible 2:40:01**). But it was enjoyable working with Tom

NANCY FUNKHOUSER: You mean you didn't say Funkhouser?

[Laughter] [Voice Overlaps]

MALE SPEAKER 2: He gave me the veterans we were going to watch out for –

CAROL MARTIN: That was not us, Nancy. You would know.

NANCY FUNKHOUSER: That's right. I would know.

BRIAN KEVENY: Definitely agreed with everybody. He kept the meetings going. He kept us informed. He handled all the tough issues that we didn't have to deal with, particularly this open meeting stuff. He kept going at it.

NANCY FUNKHOUSER: Yeah.

BRIAN KEVENY: Are you going to come and visit us in January, February? If you've got nothing to do, just come down and –

THOMAS GREENAWAY: You know what I like? You guys know me well enough to know that I might just come in here with a beer and crack it open and drink and get up and walk out of here.

[Laughter]

NANCY FUNKHOUSER: You're going to bring us some.

BILL STEINBERG: In a T-shirt.

BRIAN KEVENY: Right.

THOMAS GREENAWAY: No. This experience for me – and I said it – I don't know if any of you guys saw the letter that I said this. I really have enjoyed the time I had here on the committee. The town –we're

relatively new to town and I've learned a tremendous amount about Wayland, about the people of Wayland. I really, truly believe in this direct democracy that we have in our town. It's absolutely the basis for everything that's great in this country. This is tough selecting sometimes, but it's really important work and I've enjoyed working with all of you. I very much enjoyed the tenor and the tone and the collegiality of this committee. I think it's very important, and it's been the hallmark of all my time on the finance committee.

NANCY FUNKHOUSER: How many years has it been?

THOMAS GREENAWAY: Five years.

NANCY FUNKHOUSER: Five years?

GIL WOLIN: It's really three-year terms? Two and then three?

[Voice Overlaps]

END OF TAPE – [2:41:40]



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 DRAFT

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

NONE.

7:15 Finance Director's Report

Mr. Keveny reviewed the FY15 Revenue & Expense Update. Through July 11, 2015 Wayland collected 98% of budgeted revenue. Wastewater, Enterprise and General fund are on target with plan. He expects uncollected revenue to be \$500,000 due to uncollected real estate and overlay. He noted we collected 99.9% of our taxation and local receipts of 83%. He noted that unbudgeted revenue should read Children's Way and not Kindergarten. Turn backs were estimated to be 1.5M. \$212,000 of FY 13 rollover purchase orders will be returned to Free Cash. Insurance and the reserve for salary adjustments were the down and resulted in savings. Free cash is over 8%. It will be certified around \$6.4M. Several reserve transfers were discussed for town office supplies, payroll for library, snow and ice, council on ageing, youth services, and Medicaid Tax.

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

Mr. Keveny reviewed his compilation of all town and school revolving funds. He identified the funds that were receiving payroll charges. For older funds he noted that they would be

deactivated. He indicated that money would be brought back to Free Cash. Mr. Keveny reported that cash reconciliation is still a work in progress. It is anticipated to be completed by November or December 2015.

Lastly he indicated that he was working with Ben Keefe on an update on the DPW building project.

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

Ms. Funkhouser reviewed the memo that would be disseminated to department heads asking them for their budgets by the middle of September in the particular form. She discussed modifying the CIP form. Mr. Keveny suggested that Nan Balmer should meet with the department heads first to approve their budgets prior to presenting them to FinCom.

Mr. Watkins inquired whether there were benchmarks that could be used to compare Wayland to peer towns for use by the various departments in the preparation of their budget.

Ms. Funkhouser suggested that the turn back memo be part of the departmental budgeting process. Ms. Martin noted that it would be effective in jogging the memory and the mind that they need to go back and release the funds that are in balance funds. The committee discussed the need for the departments to have a fleshed out five (5) year plan and suggestions on how to make the process most efficient.

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

The committee discussed the proposed draft policy on fee based revenue funds that was drafted by the school committee. Mr. Keveny indicated that he was supportive of the School committee having a policy to deal with surplus funds that they have. He noted that we have not been cited by the auditor regarding the policy. The committee discussed the appropriateness of the policy without the methodology to track adherence to the policy. Mr. Greenaway indicated that the Schools were overthinking the policy. He further indicated that the reason he put the topic on the agenda was to debate the opinion that revolving funds and enterprise funds must stand on their own. Ms. Funkhouser noted that the policy pertained to Schools only, not wastewater or Water.

8:30 Discuss and vote free cash policy

The committee discussed the proposed Free Cash policy. Mr. Watkins reviewed proposed changes to the Free Cash policy. Ms. Martin, Mr. Wolin and Mr. Steinberg commented on the determination of a policy versus a procedure. The committee discussed that the opinion is to stay within 5 to 10% as a practical matter and to keep the Moody's rating. Mr. Greenaway amended the policy so that if a department were to say they need to put cushion in their

budget, they would be told to look at FinCom's Free Cash policy and that they can come to town meeting if they need 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 unanimously in favor.

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

Mr. Wolin and Ms. Martin noted that the training was well done and discussed inquiries made about record retention. The committee discussed the practice of using a Town Email and performing automated record retention on all emails sent and received from the email account.

Mr. Watkins discussed progress by IT on the planning and security initiatives. He indicated that the project is almost complete. He discussed unbudgeted items such as Exchange Email. He indicated that the work was coming in on budget.

9:30 Chair's Update

Nothing to note.

Mr. Steinberg nominated Nancy Funkhouser to be in the chair with an estimate of fiscal year 2016. Mr. Greenaway seconded the motion. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Ms. Martin, Mr. Greenaway, and Mr. Steinberg voted unanimously in favor.

Mr. Greenaway nominated David Watkins to be in the vice-chair in 2016. Mr. Steinberg seconded the motion. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Ms. Martin, Mr. Greenaway, and Mr. Steinberg voted unanimously in favor.

The committee discussed their availability to meet in August.

9:45 Minutes

The committee discussed the review of executive session minutes.

Mr. Greenaway moved to accept the meeting minutes of May 18, 2015. Ms. Martin seconded the motion. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Ms. Martin, Mr. Greenaway, and Mr. Steinberg voted unanimously in favor.

Ms. Funkhouser moved to accept the meeting minutes of January 5, 2015. Mr. Greenaway seconded the motion. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Ms. Martin, Mr. Greenaway, and Mr. Steinberg voted unanimously in favor.

Mr. Keveny moved to accept the meeting minutes of April 6, 2015. Ms. Funhouser seconded the motion. Ms. Funkhouser, Mr. Wolin, Mr. Watkins, Ms. Martin, Mr. Greenaway, and Mr. Steinberg voted unanimously in favor.

The committee discussed Mr. Greenaway's dedication to the committee and their appreciation of his service to the Town.

10:00 Adjourn

At 10:04 pm Tom Greenaway moved to adjourn the meeting, Carol Martin seconded the motion and the vote was unanimous 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

OML Checklist

	(a) A public body shall create and maintain accurate minutes of all meetings, including executive sessions, setting forth the date, time and place, the members present or absent, a summary of the discussions on each subject, a list of documents and other exhibits used at the meeting, the decisions made and the actions taken at each meeting, including the record of all votes.
	(b) No vote taken at an open session shall be by secret ballot. Any vote taken at an executive session shall be recorded by roll call and entered into the minutes.
	(c) Minutes of all open sessions shall be created and approved in a timely manner. The minutes of an open session, if they exist and whether approved or in draft form, shall be made available upon request by any person within 10 days.
	(d) Documents and other exhibits, such as photographs, recordings or maps, used by the body at an open or executive session shall, along with the minutes, be part of the official record of the session.
	(e) The minutes of any open session, the notes, recordings or other materials used in the preparation of such minutes and all documents and exhibits used at the session, shall be public records in their entirety and not exempt from disclosure pursuant to any of the exemptions under clause Twenty-sixth of section 7 of chapter 4. Notwithstanding this paragraph, the following materials shall be exempt from disclosure to the public as personnel information: (1) materials used in a performance evaluation of an individual bearing on his professional competence, provided they were not created by the members of the body for the purposes of the evaluation; and (2) materials used in deliberations about employment or appointment of individuals, including applications and supporting materials; provided, however, that any resume submitted by an applicant shall not be exempt.
	(f) The minutes of any executive session, the notes, recordings or other materials used in the preparation of such minutes and all documents and exhibits used at the session, may be withheld from disclosure to the public in their entirety under subclause (a) of clause Twenty-sixth of section 7 of chapter 4, as long as publication may defeat the lawful purposes of the executive session, but no longer; provided, however, that the executive session was held in compliance with section 21.
	When the purpose for which a valid executive session was held has been served, the minutes, preparatory materials and documents and exhibits of the session shall be disclosed unless the attorney-client privilege or 1 or more of the exemptions under said clause Twenty-sixth of said section 7 of said chapter 4 apply to withhold these records, or any portion thereof, from disclosure.
	For purposes of this subsection, if an executive session is held pursuant to clause (2) or (3) of subsections (a) of section 21, then the minutes, preparatory materials and documents and exhibits used at the session may be withheld from disclosure to the public in their entirety, unless and until such time as a litigating, negotiating or bargaining position is no longer jeopardized by such disclosure, at which time they shall be disclosed unless the attorney-client privilege or 1 or more of the exemptions under said clause Twenty-sixth of said section 7 of said chapter 4 apply to withhold these records, or any portion thereof, from disclosure.
	(g)(1) The public body, or its chair or designee, shall, at reasonable intervals, review the minutes of executive sessions to determine if the provisions of this subsection warrant continued non-disclosure. Such determination shall be announced at the body's next meeting and such announcement shall be included in the minutes of that meeting.

	(2) Upon request by any person to inspect or copy the minutes of an executive session or any portion thereof, the body shall respond to the request within 10 days following receipt and shall release any such minutes not covered by an exemption under subsection (f); provided, however, that if the body has not performed a review pursuant to paragraph (1), the public body shall perform the review and release the non-exempt minutes, or any portion thereof, not later than the body's next meeting or 30 days, whichever first occurs. A public body shall not assess a fee for the time spent in its review.
	Was there sufficient detail in the meeting notice?
	Were the chairman's verbal statements correct prior to any executive session?
	The Law requires a public body to post notice 48 hours in advance of a meeting and include a "listing of topics that the chair reasonably anticipates will be discussed at the meeting. it must cite the specific general or special law, or federal grant-in-aid requirement, that requires Confidentiality or requires the public body to meet behind closed doors.
	Minutes must be created and approved in a timely manner. G.L. c. 3 OA, § 22(c).
	The Open Meeting Law requires a public body to post notice 48 hours in advance of a meeting and include a "listing of topics that the chair reasonably anticipates will be discussed at the meeting."
	We generally consider a topic to include sufficient specificity when a reasonable member of the public could read the topic and understand the anticipated nature of the public body's discussion. See OML 2011-44.4
	Executive session topics must be described, both in the meeting notice and in the announcement during open session, in as much detail as possible without compromising the purpose for which the executive session was called
	For substantial compliance, the minutes should contain enough detail and accuracy so that a member of the public who did not attend the meeting could read the minutes and have a clear understanding of what occurred.
	While minutes do not have to a transcript, it is insufficient to state simply that "a discussion was had" about a particular topic; rather, the minutes should include sufficient detail about the discussion so that a member of the public who was not present for the meeting could understand what, in fact, was discussed. OML 2014-34; OML 2014-12.
	While it is not necessary to record the comments of every speaker, and we acknowledge the difficulty of doing so where there are speakers whose remarks may even overlap, if a particular individual speaks at some length or is the only one to offer an argument for or against a particular subject, that person and his or her comments should be identified in the minutes. OML 2013-47; OML 2012-29.