



Town of Wayland Massachusetts

Finance Committee

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

Meeting Minutes September 16, 2015 Final

Attendance: Committee members C. Martin, D. Watkins (attended by phone) G. Cliff, G. Wolin, N. Funkhouser, and T. Abdella. B. Keveny (Finance Director) also attended as well as Nan Balmer (Town Administrator), John Senchyshyn (Asst Town Administrator/HR Director) 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 D. Watkins indicated that he was participating by phone due to geographic distance.

7:01 Public Comment & Members' Response to Public Comment

Chris Brown, Chairman of the Board of Public Works, mentioned that two important CIPs had been inadvertently left out of their initial submission but that would be corrected.

7:02 Health Insurance Update and Discussion, John Senchyshyn

J. Senchyshyn provided an overview of the topic. He had noticed that Group Insurance Commission's rates for health insurance were scheduled to go up a lot less than the rates of Wayland's current provider (West Suburban) and that GIC's rates were considerably lower. The Board of Selectmen authorized Cook & Co. to do an analysis and their findings were presented to a joint meeting of the Board of Selectmen, School Committee, and Personnel Board on September 8 (see attachments). D. Watkins was at the meeting to represent the Finance Committee. The Board of Selectmen is scheduled to take a vote on the topic at its meeting on September 21 and John wants to let BoS know if FinCom has any input. John described the process that would occur if the Town moved to switch to GIC and summarized the major findings of Cook & Co's analysis. GIC appears to offer the potential for significant savings but little flexibility in terms of plan design and would require at least a 3 year commitment. West

Suburban is planning to make changes to make its plan design to bring its rates closer to GIC's. Even if we stay with West Suburban, plan design will change. N. Funkhouser asked some clarifying questions about timing and logistics of rate increases and the impact of potential changes at West Suburban. G. Cliff asked for information about the size of the two entities and whether GIC had cost advantages because it was larger. John observed that GIC was much larger and that West Suburban had recently lost 4 major communities and has been shrinking. C. Martin and T. Abdella asked clarifying questions about West Suburban, which communities had left, why, and who they went to. The 4 communities that left West Suburban did so primarily to get lower costs and the 3 of the 4 went to GIC. G. Cliff observed that it seems that employees would also save money according to Cook & Co's analysis. John responded that whether each employee will get savings will depend on what specific plan they are in and what coverage they have. John noted that Natick is also contemplating leaving West Suburban. D. Watkins asked why GIC can change plan design faster than West Suburban. John explained that it has to do with how the contracts with union employees are structured. N. Funkhouser stated that from a FinCom budgetary perspective the savings seemed sizeable and a move to GIC seemed to make sense for the town to pursue. John pointed out the GIC can be very inflexible, for example three years ago they put through a mid-year increase that towns then had to appropriate. Nancy asked for FinCom members to express their opinion. T. Abdella abstained. G. Cliff recommended that we change to GIC. There is real concern about whether West Suburban can remain competitive. Other towns near us like Sudbury and Weston have made the change. D. Watkins recommended that we consider a different option that is oriented toward self-insured individual self-designed plans. G. Wolin observed that West Suburban may be in a "death spiral" and that discretion would say that we should move. C. Martin complimented John and others on the investigative analysis that has been done and agreed that it probably makes sense to move. N. Funkhouser summarized the FinCom view that from a financial perspective pursuing the change to GIC would appear to be in Wayland's best interest.

7:37 Fall 2015 STM

N. Funkhouser provided an overview of article A amend FY2016 budget funding sources (see attachments). G. Cliff wondered if we needed the table of numbers. N. Funkhouser explained that it is a standard format that FinCom has used in the past, and that she was planning to add some commentary to make it easier to understand and that we will probably include a chart that we have used in the past as well. C. Martin, T. Abdella, and D. Watkins suggested a few edits, changes in formatting, and some additional information it would be helpful to include. N. Funkhouser moved that we approve the article as amended. T. Abdella seconded. Roll call vote. Wolin-Yes, Abdella-Yes, Funkhouser-Yes, Martin-Yes, Cliff-Yes, Watkins-Yes.

On article C current year transfers, B. Keveny distributed a memo with recommendations on IT funding requests (see attachments). He summarized key highlights of the memo. He recommended that funding for the items come from free cash. D. Watkins provided further explanation on each of the items, why it was needed and is urgent enough to be done at Special Town Meeting in November rather than waiting to part of the full CIP process for next April at

Annual Town Meeting. Nan Balmer agreed with D. Watkins summary of the needs, the rationale, and the urgency. C. Martin asked Brian if any of the amounts could be funded from the current budget. Brian thought it was too early in the year for the departments to be comfortable that they could fund any of the new amount. After further discussion, N. Funkhouser moved that we approve article C as amended. G. Cliff seconded. Roll call vote. Watkins-Yes, Wolin-Yes, Abdella-Yes, Funkhouser-Yes, Martin-Yes, Cliff-Yes.

G.Cliff provided an overview of article N amend chapter 36 of current bylaws to move back the earliest date of Annual Town Meeting (see attachments). A similar article was debated at 2015 Annual Town Meeting and did not pass. G. Cliff mentioned that he had been through several iterations with Alice Boelter representing the petitioners and had included many but not all of her suggestions. N. Funkhouser suggested some modifications to make the FinCom comments read better and eliminating one of the arguments in favor. T. Abdella argued that the comments can't all be neutral. C. Martin suggested we use the "some will argue" language and a few edits and formatting changes. FinCom discussed whether we could take a vote without having the benefit of petitioners' comments. Alice Boelter gave an update on when she expected petitioners' comments to be available. N. Funkhouser agreed to provide her a link to the current FinCom peer towns list. C. Martin indicated that she would prefer to wait and G. Cliff agreed. After further discussion, FinCom concluded that we should defer to a future meeting to take a vote on this article.

G. Cliff gave an overview of the article E OPEB Trust Fund Legislation and Governance (see attachments). He explained that he started with a draft that Jay Sherry, member of the OPEB Advisory Committee, provided and marked it up with a number of changes, but that the current version was probably longer than it needed to be and could be shortened. N. Funkhouser suggested putting a lot of the material in the middle in an appendix. D. Watkins agreed. N. Funkhouser made a number of additional edits to make the write-up clearer and less certain about the potential impact. C. Martin agreed that the write-up should be shorter, some of the language should be changed, and recommended some reformatting. D. Watkins argued that some of the argued benefits in terms of returns were potentially overpromised given the actual substance of the article. G. Cliff agreed to make the revisions suggested. After further discussion, G. Cliff moved that we approve the article as amended. N. Funkhouser seconded. Roll call vote. Watkins-Yes, Wolin-Yes, Abdella-Yes, Funkhouser-Yes, Martin-Yes, Cliff-Yes.

D. Watkins provided an overview of article G appropriate funds for energy resiliency project (see attachments). N. Funkhouser provided some suggested edits. D. Waktins explained that some of the expense contribution would be in kind from an employee's (Ben Keefe's) time. C. Martin suggested several edits and formatting changes. T. Abdella suggested an edit on one of the arguments in favor. After further discussion D. Watkins made a motion that we approve the article. C. Martin seconded. Roll call vote. Watkins-Yes, Wolin-Yes, Abdella-Yes, Funkhouser-Yes, Martin-Yes, Cliff-Yes.

On B. Steinberg's behalf, B. Keveny distributed a copy of the write-up on article I library planning design and article E acquire municipal parcel (see attachments). G. Wolin mentioned that he had attended a library trustees meeting and they had agreed that the library write-up should be shortened.

T. Abdella provided an overview of article K surface rail-trail (see attachments). Since we are changing to asphalt the amount that was previously appropriated is now likely to cover 2 out of the 3 miles of the trail. At this point it isn't clear whether they will ask for more money or continue with the current amount but only expect to cover 2 out of 3 miles. FinCom discussed and agreed that we should defer voting on this article.

T. Abdella provided an overview of article K update the open space and recreation plan (see attachments). N. Funkhouser suggested some additional information about the consultant's report be included. C. Martin suggested some edits and additions. After further discussion, T. Abdella moved that we approve the article as amended. C. Martin seconded. Roll call vote. Cliff-Yes, Martin-Yes, Funkhouser-Yes, Abdella-Yes, Wolin-Yes, Watkins-Yes.

9:00 FY17 Operating Budget and Guideline Memo Discussion

N. Funkhouser provided an overview of the revisions she had made based on the prior meeting (see attachments). G. Cliff suggested that Nancy's write-up was "perfect" with two very minor edits. C. Martin suggested that we move the key sentence on an overall goal to make it more prominent. B. Keveny and N. Funkhouser suggested that we add a sentence to make it clear that major departments should continue to submit detailed budget packages as they have in prior years. After further discussion, C. Martin moved that we approve the revised budget memo as amended. N. Funkhouser seconded. Roll call vote. Cliff-Yes, Martin-Yes. Funkhouse-Yes, Abella-Yes, Wolin-Yes, Watkins-Yes.

9:06 Liaison & Members' Reports, Concerns, and Topics

G. Cliff noted that the Board of Assessors was meeting on the overlay next Monday. G. Cliff suggested that we should have someone from BoA present at a future meeting. C. Martin presented an update on the recreation revolving fund article. A working group met but did not reach agreement on a financial model that all parties agree to. B. Keveny provided some further details. C. Martin observed that based on the Board of Selectmen meeting a significant part of the problem is the large surplus. There is no doubt the recreation revolving fund should have a higher cap, but we need an agreed financial model that addresses the surplus and the recreation department salaries. Linda Segal asked that Brian's memo recommendation on the recreation model be made publicly available if it isn't already.

9:19 Chair's Update

N. Funkhouser asked that we review the draft minutes from the Aug 31 meeting. Since B. Steinberg isn't here we agreed that we should hold off for the next meeting. C. Martin noted that she will distribute draft meeting minutes for Sep 8 prior to our next FinCom meeting.

On future meeting schedule, N. Funkhouser proposed that we plan to meet on Sept 21, Sept 28, and Oct 19.

N. Funkhouser recommended we defer the discussion about the possibility of writing a newspaper article to a future meeting.

9:24 Adjourn

N. Funkhouser made a motion to adjourn the meeting. C. Martin seconded. Roll call vote: Watkins-Yes, Cliff-Yes, Martin-Yes, Funkhouser-Yes, Abdella-Yes, Wolin-Yes

Attachments

Board Packet HI (Health Insurance)
Amend FY2016 budget funding sources
IT fundings request
Amend Chapter 36 of Current Bylaws
OPEB Trust Fund Legislation
Appropriate Funds Energy Resiliency Project
Surface rail-trail
Open space and recreation plan
FY 2017 Operating Budget Process

Respectfully Submitted,
Gordon Cliff