



# Town of Wayland Massachusetts

## **Finance Committee**

Nancy E. Funkhouser (Chair)

Thomas Abdella

Gordon Cliff

Carol Martin

Bill Steinberg

David Watkins

Gil Wolin

## **Finance Committee**

### **Minutes**

**January 21, 2016**

Attendance: N. Funkhouser, B. Steinberg, D. Watkins, G. Cliff, C. Martin and B. Keveny (Finance Director). T. Abdella & G. Wolin were not in attendance.

**Call to Order:** The meeting was called to order by Chair Funkhouser in the Senior Center at the Town Building at 7:00pm when a quorum was present. Ms. Funkhouser indicated the meeting was being recorded by WayCam and may be recorded by others.

**Public Comment:** Mark Hays of Sylvan Way inquired about the status of the report recommending the SAN size and/or Firewall patch management. He urged the FinCom to approve the proposed FY17 IT budget but exert caution in purchases. He wondered how the upgrades were being carried in the School budget.

Peggy Patton, Plain Road, expressed concern the water meter project was being considered, particularly since this project had been presented and rejected by Town Meeting on three separate occasions. Linda Segal, Aqueduct Road stated it would be beneficial if the documents being reviewed and discussed by the FinCom were posted. Frank Krasin of Edgewood Road stated in his professional opinion as a certified physicist that the water meters were unsafe.

**Finance Committee Response to Public Comment:** The Committee agreed its documents should be online and indicated it would determine how that could be accomplished. Concerning the IT budget, Mr. Watkins indicated funds were committed at the STM in November to determine the appropriate size and scope of the SAN, firewalls, patch management, etc.

**FY2017 Operating Budget Request Discussion:** Jessica Brodie, Recreation Director discussed the Recreation Department's FY16 & FY17 financial models. To ensure FY16 budget will not exceed its \$595K cap, she stated no new programs would be added, enrollment would be managed and any

one-time unforeseen expenses monitored.

For FY17, Ms. Brodie explained that if the special legislation to increase Rec's cap is not authorized before Annual Town Meeting, Recreation would again in FY17 have cap of under \$600K. As an interim measure, the Recreation Commission is proposing to create a 53D Revolving Fund for the Beach which would create more flexibility within the Rec. Revolving Fund as it would move approximately \$100K of expenses from the fund. To tackle the surplus, a Recreation Stabilization Fund is being proposed. Initial funding will be approximately \$300K. These fund will be used to fund future Recreation capital projects.

A discussion of the differences between an 53D and a 53E ½ followed during which Ms. Brodie indicated the major difference is at year end, only \$10,000 may remain in the fund. Any balance is "swept" to the General Fund. Finance Director, B. Keveny indicated there was additional reporting with a 53D. Brud Wright, Recreation Chair indicated the intent was not to enrich the general fund and would be looking for the swept funds to be returned to the 53D.

In discussing the Stabilization fund, Town Administrator Nan Balmer indicated that while more discussion with the Department of Revenue ( DOR) needed to take place, the DOR has stated user fees are to be spent on the costs associated with the program from which they are derived. They are not to be "banked" for future projects. Ms. Brodie and Mr. Wright both indicated they wish to set aside surplus user fees in order to rebuild fields. Ms. Balmer reiterated user fees are to match costs as closely as possible.

In discussing the revolving fund surplus, Mr. Steinberg stated it appears we are winding up with excess user fees on an annual basis. He wondered if Wayland was unique in this area and would it be possible to lower program fees or spent these funds on field costs such as mowing. Ms. Balmer added these fees could be spent what is deemed "present costs". She stated her recommendation was to treat user fees as a local receipt. Then, use them to offset related expenses.

The Committee then discussed Recreation's operating budget request for salaries and personnel changes. Ms. Brodie explained the Recreation Commission had requested the Personnel Board change the current vacant position to Assistant Director and requested an additional FTE. The Committee noted the Personnel Board did approve both the change of duties and title of the vacant position as well the new position. The Committee also noted the Personnel Board felt the 2nd position should be funded from within the revolving fund.

**Discussion with Town Administrator:** Ms. Balmer, Town Administrator distributed a memo with her comments and recommendations on the FY17 operating and capital budget. She stated overall she felt the FY17 budget as submitted is modest. Ms. Balmer concurred with the Assistant Town Administrator that an additional \$10K was needed for Elections.

Regarding additional staff, Ms. Balmer added that although the Personnel Board agreed to add one position to DPW, she feels that department may still be somewhat understaffed. Expressing concern with the workload in the Facilities Department, she estimates an additional \$36-48K in contract services may be needed to clear the backlog.

Discussing the IT budget, Ms. Balmer agreed it was on the high side but added based on prior discussions and votes taken by both the FinCom and Town Meeting, it appeared the Town was looking for a high end budget. She agreed to re-visit the budget and report back. The Committee wondered

what was the best way or if at all possible to break out School IT costs. Mr. Watkins stated he felt the bigger issue is the Town is waiting for the arrival of new IT staff. Ms. Balmer replied the hiring process was taking shape.

Referring to the budget presentation made by the Recreation Director, Ms. Balmer agrees a new position is appropriate and should be funded via the Rec Revolving Fund. She also endorses the local receipts option for field user fees, reiterating the DOR does not allow present costs to be set aside for future use.

**FY 2017 Capital Budget discussion and possible vote:** Finance Director Brian Keveny distributed a draft FY17 Capital budget with suggested funding sources. The FinCom discussed outstanding capital requests which included a review of the prioritized list of road projects submitted by the DPW, noting approximately \$775K would be needed to complete road projects listed as either a 1 or 2 priority and reduced that CIP request to reflect the \$775K. Mr. Keveny confirmed the funds in the cemetery account could be used for the proposed cemetery road work and the funding source for that CIP was changed accordingly. Discussing the outstanding Water capital requests, the Committee found the water meter project CIP's to be confusing and removed the water meter project from the capital budget. Other adjustments including reducing the Wayland Housing Authority's request from \$528K to \$475K based on project bids received and the water main replacement request to \$750K.

The Committee then reviewed funding sources. Mr. Keveny stated the FY17 capital budget calls for \$4.5M in borrowing and at a 2.25% borrowing rate, the debt service would be approximately \$400K. After a brief discussion, Mr. Steinberg moved the FinCom accept the FY17 capital budget of \$6,180,699 as follows: \$4,569,669 from the general fund borrowing, \$1,611,00 water fund borrowing, \$305,00 from cash capital, \$250,00 from free cash, \$515,000 from ambulance receipts, \$88,000 from transfer station fund, \$50,000 from cemetery fund and \$545,00 from Real Estate Sale. Mr. Cliff seconded. Approved by a vote of 5-0.

**Operating Budget Discussion:** Mr. Keveny stated as the collective bargaining units settle their contracts, those salary adjustments will be made to the appropriate operating budgets. He added the FY17 borrowing is scheduled for next week and our updated FY17 Minuteman costs are expected early February.

The Committee discussed the additional operating budget personnel requests. Using the Personnel Board's recommendations, the Committee approved both positions in IT and an additional maintenance worker in DPW. The Committee did not approve the Engineering position in DPW, the additional Police Officer nor part-time clerks for the Board of Health and/or Town Clerk's office. The Committee did approve the additional FTE for Recreation provided it is funded outside the general fund and the Senior Foreman position in DPW provided these funds are confirmed to already exist within the DPW budget.

Ms. Funkhouser announced she hoped to vote a draft operating budget on January 28th after which the Committee would prepare for its annual budget presentation on February 8th.

**Possible Debt exclusion discussion and vote:** After a brief discussion, the Committee voted against recommending a debt exclusion for FY17. Vote: 5-0.

**ATM Article Listing and Assignments:** Mr. Keveny distributed the list of articles for 2016 Town

Meeting. The committee discussed and assigned article write ups as follows:

Abdella: Q, V, BB-EE  
Cliff: D, R, X, Y, Z, WW, XX  
Funkhouser: A-C, E-M  
Martin: N, S, T, AA, FF-HH  
Steinberg O, P, II-NN, UU, VV,  
Watkins: U OO-TT

**Committee Members' Reports, Concerns:** Mr. Cliff expressed a concern over minute taking. He suggested rather than attribute comments to a specific member, the minutes be written to reflect a discussion took place. Mr. Watkins discussed preparing the Capital budget for the Warrant and indicated for FY17, the word template has been eliminated. The Capital budget will be prepared from the CIP's.

**Chair's Update:** Ms. Funkhouser stated she received feedback on the draft article checklist the FinCom is proposing that the date for maps and etc may place an undue burden on the staff. It was suggested and agreed that the date be changed from submission to a request. Ms. Funkhouser asked the Committee members to be respectful of staff time and to please defer to the department liaison before posing questions and requests to staff members.

**Minutes:** The Committee reviewed and approved minutes as follows:

December 14,2015 - approved as amended: Motion: Martin. second: Steinberg. Vote 5-0.

January 4, 2016: approved as amended: Motion: Martin. Second: Steinberg. Vote 5-0.

January 11, 2016: Approved as amended: Motion: Martin. Second: Steinberg. Vote 5-0.

**Adjourn:** A motion was made to adjourn. Vote 5-0. Meeting adjourned at 11:02pm.

Respectfully Submitted,

Carol Martin

Documents:

Distributed by B. Keveny:

Recreation Projected FY17 Budgets for 53E ½, 53D & User Fees

2016 Special Town Meeting Warrant

Articles Submitted for Admission to Warrant for Annual Town Meeting

Draft Fy17 Capital Budget

Memo: New Budget for Town and School IT upgrades (source M. Hays)

Memo: Request for Town Administrator's Comments on FY17 Budget Submission (source N. Balmer)

