



Town of Wayland Massachusetts

Finance Committee

David Watkins (Chair)

Gordon Cliff

Nancy Funkhouser

Jen Gorke

Carol Martin

Klaus Shigley

George Uveges

Finance Committee

Minutes

September 12, 2016

Attendance: D. Watkins, G. Cliff, N. Funkhouser, J. Gorke, G. Uveges, C. Martin and B. Keveny (Finance Director). K. Shigley joined the meeting prior to the presentation by UniBank.

Call to Order: The meeting was called to order by Chair David Watkins in the Senior Center at the Town Building at 6:25pm. Mr. Watkins reviewed the agenda items to be discussed, indicated the meeting was being recorded by WayCam.

Public Comment: None

Committee's Response to Public Comment: N/A

Question regarding handout at the last meeting: G. Cliff inquired as to the free cash policy distributed at the meeting of Aug. 29, 2016. He requested a listing of all Town policies and suggested that the Town consider putting said policies on the Town Website.

Review of warrant articles for the Nov. 15, 2016 Special Town Meeting. (Note – the Board of Selectmen attended the Finance committee meeting for this section): D. Watkins explained that the objective of the session was a workshop to review the articles to be presented at the upcoming Special Town meeting and that submitting board articles and supporting comments are due to the Finance Committee by Sept. 19, 2016. The sponsoring person or spokesperson for each article (see enclosed article listing, which shows the article, sponsor and finance committee assignee and the specific articles wording) then reviewed their article and responded to questions from the Finance Committee. Additional input was provided by members of the audience.

Report of Finance Director: Mr. Keveny distributed

- the FY 2018 Operating Budget Process memo,
- The FY 2018 Capital Budget request draft (and noted that the financing by debt column will be completed at a later date and that in the next draft he will indicate which items were not included in FY 2017 capital budget request).

A discussion ensued regarding the Capital budget. In addition, an analysis of the CIP projects that need to be closed out and funds released is in process and will be furnished to the committee when complete.

UniBank presentation (Note – the Board of Selectmen attended the Finance committee meeting for this section): Ms. Pierce, Town Treasurer, introduced Mr. Clark Rowell, Vice President of UniBank and Ms. Kristy Genga, Fiscal Advisory Associate of UniBank Fiscal Advisory Services, who are the Town's Debt and Financial Advisors. Mr. Rowell provided an overview of his background and that of UniBank, and the firm's municipal business focus. He then reviewed the factors in Moody's bond rating process including Moody's concern about where the Town stands in relationship to its rating factors such as drawdowns of cash balances, dollar balance of available funds vs. the Town's expenditure levels, use of free cash to reduce tax levels and debt levels. He then discussed the Town's debt capacity and Moody's preference to see free cash used for Capital expenditures vs. tax reduction and preferred market timing of bond issuance. He then responded to questions related to Moody's view of debt levels, free cash flow levels and short vs. long term borrowings in today's low interest environment. The Committee requested an analysis of the current debt outstanding including interest rates and the dates the various instruments are callable.

Executive session: At 8:55 the committee, after a roll call vote with all members voting yes (Watkins – yes, Cliff – yes, Funkhouse – yes, Martin - yes, Shigley - yes, Uveges – yes), adjourned into executive session. The executive session was to discuss the following:

Executive Session Pursuant to Massachusetts General Laws Chapter 30A, Section 21(a)(3) to Discuss Strategy with Respect to Health Insurance and Successor Bargaining in regards to the AFSCME Clerical Union, the AFSCME Professional Union, the Teamsters, the Library Association, the Police Union, the Fire Union, the Wayland Teachers Association, the Wayland Educational Secretarial Association, the School Custodians Union, and the Food Service Association.

Discuss potential declassification of executive session minutes pursuant to M.G.L. Ch. 30(a) § 21(a)(7): Vote to Release Previously Considered Minutes for 5-9-2016 and Vote to Approve Minutes for 8-29-2016. Pertaining to the Above Subjects, because a Public Discussion of These Matters will have a Detrimental Effect on the Bargaining, Negotiating, or Litigating Position of the Town.

The Finance Committee meeting reconvened at 9:49 pm.

Warrant articles: The Committee reviewed the assignments for preparing the Finance Committee's presentation of warrant articles and the responsibilities were agreed to (see responsibility matrix attached).

Communication process: Mr. Watkins reviewed the process for the Committee to request information from Town personnel. In summary, the process is:

- Bring the request to the Committee at a meeting for discussion and input from the Committee
- If agreed to, the request will be added to a Town action list
- The request should be in writing via email with a copy to Mr. Watkins.

The following requests were discussed:

- OPEB – email request (copy enclosed) was reviewed and the Committee agreed to add the request to action list to provide the Committee information on the OPEB contribution to be included in the FY 2018 budget.
- Analysis of fund balance – request was reviewed (copy enclosed) and it was agreed to request the information in a format that is available from current Town analysis.

Other items: Mr. Cliff raised questions regarding the FY 2018 Budget memo distributed. Ms. Martin distributed a copy Finance Committee Annual report and requested that the members be prepared to discuss and approve the report at the Sept. 19th meeting.

Topics not reasonably anticipated by the Chair 48 hours in advance of meeting: None

Meeting Minutes Review:

- The Committee reviewed the Minutes of August 1, 2016, suggested minor edits and Ms. Martin moved and Mr. Watkins seconded a motion to accept the minutes, as amended. The motion was passed 7, 0.
- The committee reviewed the minutes of August 29, 2016, suggested minor edits and Ms. Martin moved and Mr. Watkins seconded to accept the minutes, as amended. The motion passed 7, 0.
- The committee reviewed the minutes of July 19, 2016, suggested minor edits and Ms. Martin moved and Mr. Watkins seconded a motion to accept the minutes, as amended. Motion Passed by vote 7, 0Ms. Funkhouser moved the Executive Minutes of May 9, 2016 be released, Ms. Martin seconded. Roll Call vote results were Watkins-Yes, Cliff-Yes, Funkhouser-Yes, Gorke-Yes, Martin-Yes, Shigley-Yes, Uveges-yes. Motion passed 7 to 0 to approve.

Adjourn: Ms. Martin moved to adjourn at 10:25pm. Ms. Gorke seconded. Vote: 7, 0, to adjourn.

Respectfully Submitted,

George Uveges

Documents:

Source: B. Keveny:

Agenda

FY 17 Finance schedule& Milestones

FY 18 Meeting Minutes assignmentsArticles Submitted for Admission to Warrant for Special Town Meeting on November 15, 2016

Moody’s Investor Rating Methodology

Draft Minutes: August 1 and 29, 2016

Memo from Chief Irving - “Withdrawal from Civil Service”

Memo FY 2018 Operating Budget Process

Fiscal 2018 Capital Budget Request

Information related to Acceptance of Subdivision Streets as Town Ways

Source: Dave Watkins

Article list for November 15, 2106 with responsibility assignments

Open meeting law communications regarding approval of minutes

Draft of Finance Committee mission statementDraft of FinCom responsibilities

Source: Carol Martin:
Finance Committee Annual Report

Source: George Uveges:
OPEB questions
Analysis of Town's Government Fund Balances / Trust Funds