



# Town of Wayland Massachusetts

## **Finance Committee**

David Watkins (Chair)

Gordon Cliff

Nancy Funkhouser

Jen Gorke

Carol Martin

Klaus Shigley

George Uveges

## **Finance Committee**

### **Minutes**

**November 15, 2016**

Attendance: D. Watkins, G. Cliff, N. Funkhouser, J. Gorke, K. Shigley, and C. Martin, B. Keveny (Finance Director).

Location: Wayland High School Field House.

**Call to Order:** The meeting was called to order by Chair David Watkins in the Wayland High School Field House at 6:35 pm. Mr. Watkins reviewed the agenda items to be discussed, indicated the meeting was being recorded by WayCam.

**Public Comment:** Ms. Linda Segal inquired as to whether the operating budget contemplated funds to complete the 2004 voted will of Town Meeting, which appropriated \$30,000 to rewrite the bylaws with the help of independent legal counsel. She was concerned that the Board has submitted no funding request to complete that project.

**Committee's Response to Public Comment:** D. Watkins responded by indicating that the preliminary operating budget information had not been shared with the Finance Committee yet and would be forthcoming.

**STM Article review, discussion and vote:** The committee decided to not open discussion or re-vote any articles being presented at STM.

**Goals, CIP Prioritization and five-year Program Review, Issues and Actions:** D. Watkins distributed a draft of the preliminary results of the FinCom five-year plan and indicated that B. Keveny will be further refining the plan prior to the next FinCom meeting. D. Watkins distributed a draft of the FY17 Goals for review at the next FinCom meeting.

**Adjourn:** Ms. Marin moved to adjourn at 6:55pm. Ms. Funkhouser seconded. Vote: 6, 0, 0 to adjourn.

Respectfully Submitted,

Dave Watkins

Documents:

D. Watkins

FY17 Goals

10-24-2016 Meeting Minutes

Capital Project Budget Workbook

11-15-16

## FY18 Goals:

**Goal: Establish guidelines for operating budgets, capital projects, headcount.**

Objective: Manage debt service policy to 10% and trend downward.

Objective: Manage operating budget increases to 2.5%.

Objective: Manage additional capital spending and resulting borrowing to not exceed \$5 million.

Objective: Minimize additional headcount.

Objective: Maintain AAA rating

**Goal: Implement process and procedure for the ongoing review and oversight of municipal budgets and department operations, and reporting.**

Objective: Include school budget in quarterly operating budget review.

Objective: Include as part of capital planning process a 1-year capital plan and a 5-year capital program and publish results in the warrant.

Objective: Complete and close capital budget by 12/15/2016.

Objective: Complete and close operating budget by 2/5/2016.

Objective: Follow and adhere to bylaws.

Objective: Provide method for public access and distribution of meeting information.



# Town of Wayland Massachusetts

## Finance Committee

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## Finance Committee

### Minutes

October 24, 2016

**Attendance:** D. Watkins, G. Cliff, N. Funkhouser, J. Gorke, G. Uveges, K. Shigley, and B. Keveny (Finance Director).

**Location:** ~~Selectman's Meeting 2<sup>nd</sup> Floor Conference Room~~ in Town Building.

**Call to Order:** The meeting was called to order by Chair David Watkins in the selectman's meeting room at the Town Building at 7:00 pm. Mr. Watkins reviewed the agenda items to be discussed, indicated the meeting was being recorded by WayCam.

**Public Comment:** Mr. Watkins reviewed an email from Bill Steinberg regarding the appropriate debt levels of the Town and the use of free and capital cash to pay for Capital items. A discussion ensued regarding the topic.

**Committee's Response to Public Comment:** N/A

**Report of the Finance Director:** Mr. Keveny discussed the status of the FY 2016 financial report (CAFR) and that once finalized it would be presented to the Audit Committee and the Board of Selectman. He updated the committee on the DOR certification of "Free Cash" which is estimated to approximate \$4.6 to \$4.7 million and their position on the use of bond premiums from prior borrowings which, per the DOR, cannot be used to fund future capital projects but must be amortized over the life of the bond issue. Under ~~the~~ [The Municipal Modernization Act effective November 2016](#) ~~new law~~, future bond premiums can be used to fund capital items.

**UniBank Presentation:** Clark Rowell and Kristy Genga, representing UniBank, addressed the Committee to discuss Moody's bond rating methods and areas of concern as well as considerations that the Committee should be aware of. Topics discussed included:

- Moody's is concerned about the Town's use of free cash to fund operating expenses and the level of "unassigned cash reserves" as a % of the Town's budget. Over the last several years the amount of unrestricted cash reserves has decreased and the Town has forecasted that it will use \$1.5M of free cash in the next several years budget. UniBank recommended that [we consider](#):

	Priority 1	Priority 2	Priority 3
2018	\$ 4,488,000	\$ 1,815,000	\$ 900,000
2019	\$ 5,612,500	\$ 1,750,000	\$ 170,000
2020	\$ 4,070,418	\$ 1,610,000	\$ 4,900,000
2021	\$ 3,643,823	\$ 1,400,000	\$ 1,070,000
2022	\$ 5,917,669	\$ 1,210,000	\$ 120,000

Special Project

Department	Projected Description	Category	FY 18	FY 19	FY 20	FY 21	FY 22
Campbell Wastewater Reversal	Water Fund	Infrastructure	-	1,000,000.00	-	-	-
Water Motor Replacement & Feeding System	Water Fund	Infrastructure	1,510,000.00	-	-	-	-
New Library	Facilities	New construction	-	24,000,000.00	-	-	-
Transfer Station Road Mitigation	DPW	Infrastructure	2,200,000.00	-	-	-	-
Old New Construction	Facilities	New construction	-	200,000.00	1,400,000.00	-	-
Laker Recreation Construction	Recreation	Land improvement	-	-	-	1,000,000.00	-
Middle School Field Construction	Recreation	Land improvement	-	2,000,000.00	-	-	-
<b>Total</b>			<b>3,860,000.00</b>	<b>24,200,000.00</b>	<b>1,400,000.00</b>	<b>1,000,000.00</b>	<b>-</b>

Priority 1 Projects

Department	Projected Description	Category	FY 18	FY 19	FY 20	FY 21	FY 22
Town-wide road reconstruction	DPW	Infrastructure	700,000.00	717,200.00	710,400.00	710,823.64	772,669.01
Equipment Replacement- Tractor H-D	DPW	Equipment	280,000.00	-	-	-	-
Equipment Replacement- Dump Truck H-D	DPW	Equipment	60,000.00	-	-	-	-
Small Equipment schedule	DPW	Equipment	70,000.00	70,000.00	70,000.00	70,000.00	70,000.00
Feeding Machines	Town Clerk	Equipment	-	-	21,000.00	-	-
Concrete Upgrade	JCC Dept.	Equipment	-	-	-	-	100,000.00
Suburb mobile water station	Services	Equipment	30,000.00	-	-	-	-
New Streets # 2 Reservations	Facilities	Building repair	70,000.00	800,000.00	-	-	-
Library ADA Improvements	Facilities	Building repair	-	-	300,000.00	-	-
Library Waterwater Connection	Facilities	Building repair	-	-	270,000.00	-	-
TD residential / electrical improvement	Facilities	Building repair	218,000.00	1,500,000.00	-	1,000,000.00	-
School-High School Network Upgrade	IT Dept.	Equipment	215,000.00	-	-	-	-
School-Audio Visual Equipment	IT Dept.	Equipment	110,000.00	110,000.00	110,000.00	110,000.00	110,000.00
School-Network Middle School Upgrade	IT Dept.	Equipment	-	300,000.00	-	-	-
School-High School Network Upgrade	IT Dept.	Equipment	-	-	100,000.00	-	-
School-Various Wireless Access	IT Dept.	Equipment	-	-	100,000.00	-	-
Rescue Pump Truck	Fire	Vehicle	-	-	115,000.00	-	-
Fire Vehicle	Fire	Vehicle	60,000.00	60,000.00	-	-	-
Rescue Vehicle	Fire	Vehicle	800,000.00	-	-	-	300,000.00
Emergency Apparatus	Fire	Equipment	-	-	-	-	-
Town Beach Improvements	Recreation	Land improvement	40,000.00	-	-	-	-
Bolter Replacement	Happy Hollow	Building repair	-	-	-	-	400,000.00
Bolter Replacement	Clayport School	Building repair	-	-	400,000.00	-	-
Phone upgrade	Clayport School	Building repair	30,000.00	-	-	-	-
Roof Top HVAC Replacement	Clayport School	Building repair	-	-	350,000.00	-	-
Phone upgrade	Middle School	Building repair	-	100,000.00	-	-	-
Gym Replacement	Middle School	Building repair	-	-	210,000.00	-	-
Tile Replacement	Middle School	Building repair	110,000.00	110,000.00	70,000.00	-	-
Roof Replacement / Air Handling Units	Laker School	Building repair	-	-	-	-	2,500,000.00
Bolter Replacement	Laker School	Building repair	-	-	-	-	400,000.00
Food Service Equipment	Happy Hollow	Equipment	80,000.00	80,000.00	80,000.00	-	-
Custodian Equipment	Various locations	Equipment	30,000.00	-	20,000.00	-	20,000.00
Replace Piton MSDA-Babbs Pond	Water Fund	Equipment	-	1,000,000.00	-	-	-
Water Motor Replacement & Feeding System	Water Fund	Infrastructure	1,510,000.00	-	-	-	-
Water Motor	Water Fund	Infrastructure	700,000.00	700,000.00	700,000.00	1,000,000.00	1,000,000.00
Well Cleaning	Water Fund	Building repair	80,000.00	-	-	-	-
Water Tank Study	Water Fund	Building repair	30,000.00	-	-	-	-
Plot Study Wastewater-Campbell Well	Water Fund	Building repair	110,000.00	-	-	-	-
<b>Total</b>			<b>\$ 4,488,000</b>	<b>\$ 5,612,500</b>	<b>\$ 4,070,418</b>	<b>\$ 3,643,823</b>	<b>\$ 5,917,669</b>

DPW	Equipment Replacement	Equipment	-	-	150,000.00	-	-
DPW	Equipment Replacement	Equipment	-	-	80,000.00	-	-
DPW	Equipment Replacement	Equipment	-	-	50,000.00	-	-
DPW	Equipment Replacement	Equipment	-	-	-	-	-
DPW	Light Trucks-various	Equipment	-	-	-	-	-
DPW	Heavy Equipment-various	Equipment	-	-	-	-	-
DPW	Heavy Trucks-various	Equipment	-	-	-	-	-
DPW	Transfer Station Truck	Equipment	-	-	-	-	-
DPW	DPW / Rec-MSU Capital	Land improvement	70,000.00	80,000.00	80,000.00	100,000.00	110,000.00
Facilities	Library Historic Window	Building repair	-	80,000.00	-	-	-
Facilities	Town Building Renovation	Building repair	-	-	-	-	-
Facilities	Town Building New W	Building repair	300,000.00	-	1,180,000.00	-	-
Facilities	Library HVAC system 2	Building repair	-	-	-	800,000.00	-
Facilities	Library Exterior Paints	Building repair	-	-	-	-	70,000.00
Facilities	Municipal Parcel	Land improvement	-	-	2,000,000.00	-	-
Recreation	Recreation Design Cad	Misc	-	-	30,000.00	-	-
Recreation	Playground Design	Misc	-	-	25,000.00	-	-
Recreation	Joseph Williams Playg	Misc	-	-	-	-	25,000.00
Recreation	Playground Design	Misc	-	-	-	-	25,000.00
Recreation	Recreation Vehicle	Vehicle	-	-	-	-	50,000.00
Recreation	Capital Field maintenance	Land improvement	-	-	-	-	-
Recreation	Alpha Field Design and	Land improvement	20,000.00	200,000.00	-	-	-
Recreation	Land Acquisition	Land improvement	-	-	500,000.00	-	-
Middle School	Music Space / Carli	Building repair	-	-	350,000.00	-	-
Middle School	Stage Lighting	Building repair	-	-	-	-	110,000.00
Middle School	Tile Replacement	Building repair	-	-	-	-	-
Various locations	School Bus Relocation	Land improvement	700,000.00	-	-	-	-
High School	Turf Replacement	Land improvement	-	-	-	-	-
High School	Resurface All Weather	Land improvement	-	-	-	-	-
School	Vehicle	Vehicle	-	-	30,000.00	-	30,000.00
Laker School	Furniture Replacement	Equipment	-	-	-	-	-