



# Town of Wayland Massachusetts

## **Finance Committee**

David Watkins (Chair)

Gordon Cliff

Nancy Funkhouser

Jen Gorke

Carol Martin

Klaus Shigley

George Uveges

## **Finance Committee Draft Minutes**

**Monday, February 6, 2017**

**Wayland Town Building**

**School Committee Meeting Room**

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

Assistant Superintendent of Schools Brad Crozier, School Committee Chair Ellen Grieco, Assistant Town Manager/HR Director John Senchyshyn.

**Call to order:** The Chair called the meeting to order at 6:20pm in the School Committee Meeting Room.

Chairman Watkins reviewed the agenda and noted that the meeting was being recorded by WayCam.

At 6:23pm, Mr. Watkins move to enter into Executive Session Pursuant to Massachusetts General Laws Chapter 30A, Section 21(a)(3) to discuss Strategy with Respect to and in Preparation for Collective Bargaining with Police, Fire, AFSCME 2, AFSCME 2, Library, Teamsters, Wayland Teachers' Association, Wayland Educational Secretarial Association, Custodians Union and Food Service. Mr. Cliff seconded.

The Finance Committee returned to open session at 7:09PM in the School Committee room.

## **Approval of Meeting Minutes**

Ms. Martin moved to adopt the meeting minutes of the January 23, 2017 meeting. Mr. Cliff seconded. Motion was approved 7-0.

At 7:15pm the Finance Committee recessed to join the Board of Selectmen meeting in the Selectmen

meeting room.

The Finance Committee reconvened at 8:00pm in the School Committee meeting room.

### **Report of the Finance Director:**

Mr. Keveny updated the committee that he should have a number for the health insurance budget line at next week's Finance Committee meeting.

### **Article review: Library Construction Grant Application: Acceptance of Preliminary Designs and Procedural Authorizations**

Ms. Martin noted that the title has changed from: Acceptance of Design for New Library and Approval and Authorization of Library Building Grant Application to Library Construction Grant Application: Acceptance of Preliminary Designs and Procedural Authorizations.

Ms. Martin reviewed the article, gave a brief history of the effort and a review of the timeline of the grant process. Ms. Martin noted that the article is not a funding article. Ms. Martin reviewed the expected fiscal impact on the town but noted that it could change depending on when the grant is awarded. She briefly reviewed the pros and cons. The committee discussed the article and the scope of the write up. The committee decided to review a revised article at a future meeting.

### **Article: Transfer Station Access Road Improvements**

Mr. Cliff presented the article, including the history of the site and road. He explained that the DPW is still reviewing the project and costs and that at the time of the meeting, the cost is estimated at \$2.2M.

Mr. Holder, the DPW Director, reviewed the status and noted that the DPW is still reviewing the project and is prepared to break the project into segments therefore reducing the amount to less than \$2.2M. Mr. Holder noted that he is currently working to get price estimates for each portion.

The committee reviewed and discussed the article.

Mr. Lowery from the Board of Public Works arrived from the Board of Selectmen's meeting and updated the Finance Committee on the Board of Selectmen's discussion.

### **Discussion on the operating budget: School Committee response to Finance Committee's requests to identify additional reductions in the budget**

Ms. Fletcher and Chair Grieco from the School Committee reviewed their response to the Finance Committee's recent request.

Ms. Fletcher reviewed the analysis of potential new revenue and various ways to achieve the reduction requested by the Finance Committee. Ms. Fletcher and Chair Greico explained that the School Committee agreed to a higher assumption of higher state aid and to closing a few capital projects but beyond that, the

School Committee was not comfortable with the other changes and reductions suggested by the Finance Committee.

### **Article: Town Clerk**

Ms. Martin reviewed the article and shared the Board of Selectmen's action.

Mr. Cliff moved that the Finance Committee recommends approval of the article for town clerk. Ms. Funkhouser seconded. The Committee approved the motion 7-0.

### **Discussion of Draft Capital Budget and Potential Vote**

Mr. Keveny reviewed the capital budget and highlighted the changes made including finding different funding sources for some projects and reducing some line items. The committee discussed funding various items out of cash vs. borrowing.

Mr. Keveny suggested moving \$190,000 for Tractor H-6 to borrowing and moving \$18,534 in surplus bonds/closed funds to fund a portion of the \$65,000 for the Dump Truck H-13.

The committee discussed how to handle a few items that may not be in the budget yet. The committee agreed to vote tonight without placeholders and address other items if and when they surface.

Ms. Martin moved to approve the capital budget as amended dated 02-06-17 of \$2,983,000.

Mr. Cliff seconded.

The committee approved the motion 7-0.

### **Discussion of Draft Operating Budget and Potential Vote**

Mr. Watkins presented the current operating budget. Mr. Watkins pointed out that even after the reductions discussed, the budget still reflects a 3.63% increase from FY17 to FY18. The committee discussed that increase in the context of the 2.5% target set by the Finance Committee.

Mr. Cliff made a proposal that the Finance Committee recommend \$38,349,462 for the school budget by reducing the request equivalent to the cost of the "stepping stones" in the School Committee's recommended budget. The committee discussed Mr. Cliff's idea.

The committee also discussed goals with regard to the operating budget.

Mr. Cliff moved that the budget that the Finance Committee include in the warrant for the school budget be \$38,349,462. The committee approved the motion 4-3. Ms. Funkhouser, Ms. Gorke and Mr. Shigley voted against the motion.

The committee talked about other options to reduce the budget to get closer to the 2.5% target increase. Mr. Keveny noted that we may be gaining \$118,000 from the insurance line.

Ms. Funkhouser moved that we reduce the amount that Mr. Cliff moved of \$314,566 out of school budget by \$118,000, reducing the total expense reduction to \$195,000, and dividing that reduction evenly between the school budget and town budget. Ms. Gorke seconded.

The committee discussed the motion.

The committee did not approve the motion 2-5. Mr. Uveges, Mr. Shigley, Ms. Martin, Mr. Watkins and Mr. Cliff voted against.

Mr. Uveges moved to reduce the health care 32b line by \$86,000 and to reduce the finance committee reserve fund budget by \$75,000. Mr. Cliff seconded.

The committee discussed the motion.

Based on the discussion, Mr. Watkins amended Mr. Uveges motion to reduce the Finance Committee reserve fund from \$275,000 to \$250,000 and to reduce the line health insurance 32b line by \$86,000.

The committee approved the motion 5-2. Ms. Funkhouser and Ms. Gorke voted against the motion.

Ms. Gorke left the meeting at 10:20pm.

Noting approximately \$400,000 of additional adjustments were necessary to reach the 2.5% maximum increase guideline, the Committee considered moving the \$70,000 Small Equipment capital request for the DPW that had been moved from capital budget to FY18 operating budget back to the capital budget, but elected to leave it in the operating budget. Chair Watkins indicated he would follow up with the Town Administrator regarding questions posed concerning the IT and library budgets. Mr. Cliff suggested offsetting the DPW budget by \$160,000 to reflect field user fee revenue collected by the Recreation Commission. Ms. Martin suggested the Committee wait until the Revolving fund recommendations are made before making this adjustment.

**Discuss Chair and Vice Chair's Updates:** Mr. Watkins reminded the Committee that the FY18 draft Budget Hearing would be on February 13th in the Large Hearing Room. Attendance was optional, but he would post a meeting in case a quorum was present.

**Topics Not Reasonably Anticipated by the Chairs 48 Hours in Advance of Meeting, If Any:** None.

**Members' Reports, Concerns, and Topics and Schedule for Future Meetings:** Mr. Shigley stated the GASB methodologies and assumptions governing annual OPEB contributions have changed. He has prepared a worksheet outlining these changes and how they could impact the Town's annual contribution which he will present at a future meeting.

**Meeting Minutes: Review and Vote to Approve:** Due to the lateness of the meeting, Chair Watkins postponed review and approval of 1/23 and 1/30 minutes to a future meeting.

**Adjourn Meeting:** Mr. Cliff moved to adjourn at 10:41pm. Ms. Martin seconded. Vote: 6-0-0.

Respectfully submitted,

Jen Gorke

**Documents:**

Draft minutes of the 1-23-17 Finance Committee meeting

Draft Article: Library Construction Grant Application: Acceptance of Preliminary Designs and Procedural Authorizations

Draft Article: Transfer Station Access Road Improvements

School Committee Response to Finance Committee's FY2018 Budget Request

Draft Article: Town Clerk

Draft FY2018 Operating Budget