



# Town of Wayland Massachusetts

## **Finance Committee**

David Watkins (Chair)

Gordon Cliff

Nancy Funkhouser

Jen Gorke

Carol Martin

Klaus Shigley

George Uveges

## **Finance Committee Minutes**

**Monday, April 24, 2017**

**Wayland Town Building**

**Small Conference Room**

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

**Call to order:** Chair Watkins called the meeting to order at 7:00 PM in the Small Conference Room in the Wayland Town Building.

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

### **Announcements:**

Gordon Cliff's stated that he has submitted his resignation to the BoS and was resigning from the Finance Committee effective 4/20/17.

Mr. Watkins commended Mr. Cliff for his valuable past service. Ms. Martin pointed out areas where he has added significant and unique value. The Committee will miss him.

Charles LaGor, Brooks Rd., attended the meeting and announced his interest in being appointed to the Finance Committee. He gave a brief summary of his background.

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

Brian Keveny, Finance Director, reported that:

- The School Department FY '18 budget is in a "soft open" mode, allowing for the ordering goods and services now.
- He is working with Jen Gorke on developing a policy for using the reserve fund (when and how, and under what conditions and what documentation might be appropriate).
- A full review of the 3<sup>rd</sup> quarter budget report will be delayed until May because there are un-

posted revenue items.

**Discuss ATM recap:**

The Chair invited a recap of loose ends, issues and observations from the recent ATM. Among other things:

- We need to develop policies for the reserve fund, current year and end of year transfers. (When, where, why and how they should be used).
- Ms. Martin wished to know the final year-over-year percentage increase in the School Department Budget, taking into account the \$421,000 transfer from the reserve for salary settlements as voted at ATM; she also stated that there had been very positive reaction to the report of the Finance Committee contained in the Warrant and congratulated Mr. Watkins for his excellent work; she also received positive feedback on the budget presentation by the FC prior to ATM and suggested that it helped avoid some questions that would otherwise have come up at the ATM; she observed that it would be helpful if the moderator were to give more explicit instructions whenever a new motion is being voted on.
- Mr. Watkins had previously distributed a one page document on the process for preparing and submitting warrant articles for Town Meeting, and suggested we think about how or whether that process could be improved.
- Mr. Cliff Observed that during the public comment portion of the FinCom meeting prior to the start of the ATM, all 10 voters who commented recommended that the Finance Committee not support the School Department warrant article. Yet 75% of the Town voted for that article. His point was to listen respectfully but keep things in perspective.
- Mr. Watkins asked the Committee to think about constructive ways to change the format of the Warrant. Perhaps putting it up on a public web site where it could appear in color, with references pointing to additional information that could add more depth, additional graphs, charts and exhibits. The Warrant could be brief. The web site could be used to show updates and revisions to reflect changes after the formal deadline for the printed Warrant. Using a web site might require a by-law change. Mr. Uveges pointed out that if we develop a process for posting articles to a website, we would also need a process for controlling who can post to the web site. There would still be deadlines related to the Warrant, but posting to the web site could be extended beyond the deadline for the Warrant.
- Mr. Cliff observed that it might be a useful exercise to compare the convergence or divergence between FinCom votes and Town votes. EG there was strong divergence on the 2 petitioner articles and the article seeking to give resident aliens the right to vote in local elections. Ms. Martin suggested that the divergence in the votes could be explained because of the FC's primary focus is on financial impacts.
- Mr. Cliff observed that the FinCom didn't offer any comments for some articles.
- Mr. Uveges asked for a clarification on what a vote to "abstain" means.

**WRAP Committee report:**

Anette Lewis, Chair of the WRAP Committee, summarized the draft of a report by the WRAP Committee to be presented to the Planning Board on April 25. The plan is to then draft a final report for release and discussion at a public forum on May 17 at 7:30 PM.

Among the points raised:

- The WRAP Committee's charge is to develop a long range process for capital planning and funding, longer than the 5-yr CIP developed annually by the FC.
- The study looks at projects that cost \$500,000 or more
- They inventoried all Town owned land and buildings. Observed that some of the Town owned property has deed restrictions.
- Ms. Lewis observed that not much long term planning was currently being done.
- The report recommends that decision criteria for prioritizing requests be developed (public health and safety, compliance with mandates, community goals and policies, public perception of need); and site selection criteria.
- The report will recommend the establishment of a Capital Planning Committee.
- The proposed Capital Planning Committee would look to the FC to define financial constraints.
- The report projected annual maintenance costs for existing town assets, estimated at \$2.3 million per year.
- The Committee identified roughly \$69 million of capital projects for the next 5 years.

In the ensuing discussion, Mr. Cliff asked if the WRAP Committee had surfaced any big ticket items other than the Library, Senior Center, or the Loker Recreation project. The response also surfaced the high school campus track facility and a potential Community Center. Mr. Shigley asked whose job it was in the current environment to coordinate overlapping/competing needs. Ms. Lewis observed that there is currently no entity/board that is charged with coordinating the needs that are being surfaced by independent interests.

Mr. Watkins asked how the proposed Capital Planning Committee would be approved.

Ms. Martin expressed the Committee's appreciation for Tom Abdella's work as the FinCom's liaison to the WRAP Committee.

And the Committee thanked Ms. Lewis for her presentation.

### **Review Schedule and Issues/Action List:**

Mr. Watkins had previously distributed a proposed schedule of meetings and deliverables for the upcoming budget year.

Mr. Watkins asked if we should consider moving the Monday meeting to another weekday, in part because Ms. Balmer was being coopted by the BOS, which also meets on Monday. Mr. Shigley and Mr. Keveny preferred Mondays.

There will be a STM in the fall.

The schedule prepared by Mr. Watkins proposes the following changes from the prior budget cycle.

- Earlier (Dec. 15) completion date for the operating budget
- Combining the analysis of and discussions with department heads to include both the capital and the operating budget. Mr. Uveges pointed out that this could present some challenges as we attempt to move more of the capital expenses into the operating budget.
- Consider extending the operating budget out for 5 years

Mr. Watkins offered a suggestion to eliminate the liaison function. This suggestion met with some counter arguments:

- The current system is not broken
- It often serves as a good starting point for assigning/writing up the articles
- It adds a sympathetic/informed representative to the Finance Committee

- It's a source of education for new FC members
- It helps the FinCom members to speak intelligently about issues in the respective departments
- It is otherwise too much work for the Chair

In reviewing the schedule, Mr. Watkins indicated that the next important deliverable for the Committee will be to prepare a budget guideline, due by the end of June.

Mr. Cliff observed that this was an aggressive schedule and it would require discipline to stick to the schedule. He suggested we keep a clear focus on the required deliverables and avoid peripheral deliverables.

Mr. Watkins distributed a spreadsheet that estimated the annual work effort/deliverables of the entire FC. The grand total work effort of the entire Committee represents over 2200 hours, and thus roughly a full man-year's work effort. His objective was to examine the deliverables involved in that work effort and identify any deliverables that could be eliminated in hopes of making more effective use of members' time for analysis/strategy rather than clerical effort.

One of the areas identified as being highly clerical was time spent writing up minutes.

Mr. Cliff suggested paring down on the number of articles that we write up, and focus solely on those with a financial impact.

Ms. Martin asked for a volunteer to work on the FC submission to the Annual Report due by end of June.

Ms. Martin volunteered.

Ms. Martin distributed a list of action items from last year. She promised to forward an updated list via email with deletions for projects completed and additions for new project assigned. She asked the Committee to review the list for omissions/deletions. Ms. Martin asked the members to review the list and identify the 4 or 5 priorities that we think we should tackle as well as identifying any projects that the respective members wanted to work on. We should try to get some of these items done during the upcoming slow season through the end of August.

Mr. Uveges asked for clarification on whether health care risks related to self-insurance were under the purview of the FC. We should know, for example, whether we have any potentially large exposure to incurred but as yet unreported health care claims.

#### **Vice Chair and Chair update:**

Susan Bottan has agreed to meet with Dave and Brian Keveny to work on a template for designing the 5 year operating budget.

There are already 25 articles for the fall STM.

Contemplate asking for help in eliminating the meeting minutes. We are the only major Board that writes its own minutes. Mr. Uveges suggested we cut down on the details contained in the minute need as an alternative way to reduce the time commitment involved. Ms. Martin indicated the need to comply with the OML.

Ms. Martin exhibited an article from the Boston Globe which plagiarized Mr. Watkins' dollarized pie chart.

#### **Topics not reasonably anticipated:**

Two FC meetings scheduled for 3/31 and 4/3 were canceled. The Committee should have notified the Town Clerk that these meetings were canceled. Brian Keveny was asked to inform Ms. DiNapoli.

#### **Meeting Minutes:**

Ms. Funkhouser moved to accept the minutes from April 2, 2017. Mr. Cliff seconded. Vote 6-0-0.

**Adjournment:**

Ms. Martin moved to adjourn at 9:00 PM. Mr. Cliff seconded. Vote 6-0-0.

Respectfully submitted,

Klaus Shigley

**Documents:**

Agenda


Revised FinCom Schedule

Project List

Work Effort Exhibit

Warrant Preparation Exhibit



 @waylandfincom

# TOWN OF WAYLAND

41 COCHITUATE ROAD  
WAYLAND, MASSACHUSETTS 01778

**FINANCE COMMITTEE**  
**Monday, April 24, 2017 7:00 P.M.**  
**Wayland Town Building**

## Proposed Agenda

### FINANCE COMMITTEE

GORDON CLIFF  
NANCY FUNKHOUSER  
JEN GORKE  
CAROL MARTIN (Vice Chair)  
KLAUS SHIGLEY  
GEORGE UVEGES  
DAVE WATKINS (Chair)

*Note: Items may not be discussed in the order listed or at the specific time estimated. Times are approximate. The meeting likely will be broadcast and videotaped for later broadcast by WayCAM and may be recorded by others.*

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|---------|------|--|
| 7:00 pm | 1.)  | Review Agenda for the Public<br>Announcements<br>Public Comment<br>Members' Response to Public Comment   |
| 7:05 pm | 2.)  | Report from the Finance Director<br>Review of Final Budget<br>Discussion Regarding Reserve Fund Transfer Policy<br>Review 3 <sup>rd</sup> Quarter Report   |
| 7:15 pm | 3.)  | Discuss ATM Recap and Follow Up<br>Rethinking form of Warrant  |
| 7:30 pm | 4.)  | Review WRAP Committee Report   |
| 7:45 pm | 5.)  | Review Schedule & Issues/Action List   |
| 8:00 pm | 6.)  | Review List of Candidate Projects for Next Fiscal Year<br>Discuss Annual Report  |
| 8:30 pm | 7.)  | Discuss Chair and Vice Chair's Update<br>Participate in Financial Planning Meeting in June<br>Discuss School Leadership Transition<br>Discuss Fall ATM<br>Meeting Minutes Management<br><br>Members' Reports, Concerns, and Topics and Schedule for Future Meetings<br>Discussion Regarding Scrubbing the Balance Sheet for Underutilized Accounts, Additional Analysis to Better Inform the 2.5% Target, a Fact-Finding Program to Pursue with School Committee, UniBank's Proposed budget policy and Potential Modifications, 5 Year Plan and Potential Improvements, Improve understanding of Insurance Coverage, Consolidated School Spending, Sensitivity testing, Public Safety Investment, Warrant Charts and Analysis, Town Reporting on Investment Policy |
| 9:00 pm | 8.)  | Topics Not Reasonably Anticipated by the Chair 48 Hours in Advance of the Meeting, If Any  |
| 9:05 pm | 9.)  | Meeting Minutes - Review and Vote to Approve: 3/27 Gorke, 4/2 Martin   |
| 9:30 pm | 10.) | Adjourn Meeting  |