

**Wayland Recreation Department  
Draft Minutes  
January 7, 2016  
Recreation Meeting**

**Present:** Brud Wright, Frank Krasin, Asa Foster, Jessica Brodie, Anna Meliones

**Meeting called to order at 2:00 pm** – taped by WayCam

Anna called the meeting to Order.

**Public Comment:**

- No one present to comment

**Meeting with Nan Balmer about Revolving Fund:**

- Nan started the meeting to update the commission on her recent conversation with DOR and updates on Indirect Costs.
  - o Nan and Beth have been digging into the Indirect costs to see if Recreation is being over-charged anything related to employees collecting benefits.
  - o Frank would like to see a copy of how the calculations are being done to show what Recreation should be paying in Indirect Costs.
  - o Nan indicated that the Finance Director has identified ~\$98,000 in expenses that occurred last year that should not be taking place this year, but Jess' projections still show the department going over the cap, mainly due to projections in seasonal staff rates and hours
  - o Anna asked who calculates the Indirect costs. Nan indicated that the Finance Director calculates them, with the policy direction from various boards. Some of the policies having to do with Indirect Costs, such as Indirect Costs being included for retirees, have been decided many years ago.
  - o Brud wants clarity of what the "Recreation Budget" is comprised of, and if the % includes the year round salary amounts and if so, should it? Brud feels there may be a \$20,000 delta if done differently.
  - o Nan has seen Indirect Costs calculated in a variety of ways at other organizations, as well as discussed this with a representative from DOR, and there was some concern about how things are being calculated and if they could be changed and are reasonable.
  - o Nan can recommend changes to a Indirect Cost policy, but she can not make a decision on that herself.
  - o Frank would like to know if the calculations are done the same for all other departments with Revolving Funds. Frank believes they are not based on information we have seen in the past.
    - COA is not charged Indirect costs. Other large Revolving Fund departments are charged Indirect Costs consistently with what Recreation is charged.
  - o The Policies for Indirects need to be found in writing and Nan would like to investigate that.
- Discussion about managing in FY17 under the cap.
  - o Discussion about choices to potentially submit an article to create a separate Revolving fund or Enterprise fund for the Town Beach
  - o The seed money needed to start a new fund would come from an appropriation from the Revolving Fund
  - o Brud asked a question about how sweeping the fees at the end of the year works with a 53D Revolving Fund? Can the money that is swept to the General Fund then be used to pay the bills that still need to be paid in the start of the next Fiscal Year.
  - o Nan explained that a transfer would be made out of the account to transfer any fund balance above \$10,000, but then a transfer could be made back into the fund for the start of the new fiscal year. This would need to be voted and approved at Town Meeting. The Finance Committee would need to approve this method and motion to occur at town Meeting.
  - o Asa wondered if there was a commitment with the 53D account for 3 yrs like the Enterprise fund, which it would not have.

- An Enterprise Fund would have to incur all Indirect Costs associated with that facility, including DPW time and staff resources.
- Discussion about the Fund Balance within the current 53E ½ Revolving Fund:
  - DOR has indicated to Nan that if funds remain in the account that were not spent in the account, then they should
  - Fees collected from the users need to be spent on an Operating Cost for that facility – according to Nan’s conversation with DOR
  - Frank would like to know how we were supposed to spend any of that money when we were up against the Spending Cap and can’t spend them
  - DOR said that technically, because of the 53E ½ issue, the fees should not be collected into that account.
  - Other options of where funds could be collected include a Stabilization Fund
  - Nan explained that Town Meeting can vote to transfer funds from the Revolving Fund for any purpose at town Meeting. The assumption is that if there is excess money in the account, then it can be spent anywhere because it was not used for the purpose it was collected.
  - Brud feels it is prudent to earmark funds collected by user fees to maintain those facilities, even if those repairs get deferred from year to year.
  - Nan explained that DOR feels field fees should be paid for Operating Costs.
  - If the Recreation Commission created a Stabilization Fund (required 2/3 vote at Town Meeting), and all fees collected in Revolving Fund were moved to a Stabilization Fund then we would have the money to pay for field repairs.
  - Nan explained that our special legislation creating a DPW and separate Recreation Department done in 2008, she did not try to coordinate with DOR’s Opinion of the fact that the Recreation Commission is not solely in charge of the fees collected into the Revolving Fund.
  - Brud wants clarity that the 2/3 vote is to 1. Establish the Account and put the money in the account, and 2. For the Recreation commission to appropriate the money to be spent on specific purposes.
  - The money put into the Stabilization Fund would be a Recreation Stabilization Fund and funds would be reserved for the specified uses.
  - Asa wanted clarification about if there would be two separate articles or just one. There would need to be two articles: 1 to establish the fund, and the 2<sup>nd</sup> to specify and authorize expenses.
  - Nan also explained that the Finance Committee could recommend to Town Meeting to handle field user fees as local receipts and collect them in the General Fund.
  - There is a disconnect between what Mark Lanza and DOR’s thoughts on who controls the funds and how they can be spent
  - Nan will provide the DOR letter that states their opinion.
  - Nan feels a Stabilization Fund would lock up some of the controls of the money
  - Nan explained the Emerson Case which pertained the use of User Fees, decided that user fees need to be spent on what they are collected for.
    - Linda Segal asked if this case should apply to the Town of Wayland given that Emerson College is a private University.
  - Brud recapped some questions he had related to the following:
    - \$350,000 in salaries that were deducted from the account in 2013
    - OPEB back payment of \$60,000 and how that was calculated
      - The Finance Director should be able to provide the calculation of how that was calculated.
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  - Anna explained some of the frustrations that the Recreation Department has faced the past year, as well as some that have existed the past 6+ years.
  - Jess explained how difficult it is to limit programs based on last year’s numbers because it is hard to know how big wait lists are going to grow.
  - The Commission would like to see the Department manage registration numbers to fill naturally, and not specifically limit to last year’s numbers.
  - **Frank, motion to allow programs that were offered in 2015 to fill naturally into 2016, rather than just capping at last year’s number. Asa 2<sup>nd</sup>. All in favor 4-0-0.**

- Discussion about what Warrant Articles the commission would like to submit pertaining to their revolving Fund
  - o The commission is not in favor of an Enterprise fund for the Beach because of the three year commitment
  - o The Commission prefers to move the Beach into a separate 53D Revolving Fund
    - Ask Mark Lanza the following
      - 53D Article will include language that would establish the fund from funds appropriated from the current 53E ½ Fund, with the understanding that funds swept at the end of the fiscal year in 2017 can be voted at Town Meeting to be approved to be put back into the 53D Account after the account.
      - Need to clarify how the language can be written in the vote for FY16 creating the fund and for FY17 replenishing the funds at the start of FY18.
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  - o **Anna, motion that we submit an article establishing a 53D Revolving Fund for the Town Beach at the start of FY17, subject to a review by a designated member of the Recreation Commission and town Counsel. Asa, 2<sup>nd</sup>. All in favor 4-0-0.**
- Discussion about the Stabilization Fund and if an article should be submitted as a place holder until more details about the workings of the account are determined.
  - o The commission would like to confirm the authority with a Stabilization Fund, and the requirements of it.
  - o Jess expressed that it would be wise of the commission to submit an article to create a Stabilization Fund.
  - o Carol Martin explained that the Stabilization would safe guard the fees collected for fields, and would save that money for Recreational purposes. Expenses coming from the account would need to be approved through the Capital Maintenance program, with Operational expenses possibly having to come from a local receipts line item from the General Fund.
  - o **Asa, motion to submit an article to establish a Recreation Stabilization Fund for designated user fees. The amount of funding to be determined by the Recreation Commission annually will be from the current 53 E ½ Revolving Fund surplus. \$\_\_\_ will be transferred from the 53E 1/2 Revolving Fund to the new Stabilization Fund at the start of FY17. Mark Lanza will review the wording and a designated commissioner will approve the article. Frank, 2<sup>nd</sup>. All in favor. 4-0-0.**

#### Discussion about creating a Field Advisory Group

- Jess provided a draft of a “charge” for anew Field Advisory Group
- Discussion about what groups should appoint a member to sit on the committees
  - o 10 member group
  - o 1 member from: WAYS, LAX, WBSA, WCPA, Wayland Dad’s, Boosters, 1 Adult at large, Wayland Youth Basketball, 1 Resident at Large, Wayland Youth Football
- Jess to send out a notice about scheduling a meeting on January 25<sup>th</sup> with field user groups.
- **Asa, motion to form a Field advisory group with the first meeting to be held in January with the goals, mission, and charges as defined in the draft document Jess provided. Frank, 2<sup>nd</sup>. All in favor 4-0-0.**

#### Public Comment:

- No one present to comment.
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#### Topics Not Reasonable Anticipated:

- Frank wants to inquire about a scoreboard to be placed at Art King Field, as well as another set of bleachers. The commission needs to understand where exactly things would be placed around the field with a visual.
- Linda Segal feels this should be an agenda item on our next agenda.

- Bud feels we should seek additional legal advice on our Revolving Fund and financial authority questions since there seems to be a disconnect from what the Town Administrator has been told from DOR from what the Town's lawyer has told members of the Recreation Commission and Director.
- Bud would like an answer of the best way for the Recreation Commission to schedule a meeting or a phone call with a representative from DOR. Jess to ask Nan the process or other options for this.
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**Next Meeting: Tuesday, January 19<sup>th</sup>.**

**Adjourn** – Asa motion to adjourn, Frank 2nd. All in favor 4-0-0.

**Meeting adjourned at 4:10 pm.**