



Town of Wayland Massachusetts

Finance Committee

Jonathan Barnett
Steve Correia (Co-Chair)
Michael Hoyle
Kelly Lappin (Vice Chair)
April Methot
Brian O'Herlihy
Pamela Roman (Co-Chair)

FINANCE COMMITTEE

March 25, 2024

In-Person and Remote

Town Building – Council on Aging Room

41 Cochituate Road, Wayland, MA

7:00 P.M. Minutes

Attendance: J. Barnett (via Zoom), S. Correia, K. Lappin, A. Methot, B. O'Herlihy, and P. Roman. Absent: M. Hoyle.

Call to Order: The meeting was called to order by Co-Chair P. Roman at 7:03 PM. She noted that she, S. Correia, K. Lappin, A. Methot and B. O'Herlihy were all participating in person and J. Barnett was participating via Zoom and then read the following:

One may watch or may participate remotely with the meeting link that can be found at <https://www.wayland.ma.us/public-body-meeting-information-virtual-in-person-and-hybrid>. Pursuant to Chapter 2 of the Acts of 2023, this meeting will be conducted in person and via remote means, in accordance with applicable law. This meeting may be recorded and will be made available to the public on WayCAM as soon after the meeting as is practicable. When required by law or allowed by the Co-Chairs, persons wishing to provide public comment or otherwise participate in the meeting, may do so by in person attendance, or by accessing the meeting remotely, as noted above. We request public comment be limited to two minutes per person.

P. Roman reviewed the agenda for the public.

Materials Discussed/Distributed: Meeting Agenda for 3/25/2024; draft Minutes for meeting held on 3/20/2024; revised FY25 Capital Budget and 5-Year Capital Plan Excel spreadsheet (V8 dated 3/18/2024) prepared by B. Keveny; Fiscal 2025 Town Manager Operating Budget PDF file (dated 12/20/2023); Finance Committee (FinCom) Excel Budget file (v7 dated 3/18/2024); and P. Roman's third draft of the *Report of the Finance Committee* which will appear in the 2024 ATM warrant.

Public Comment and Members' Response:

None.

Vote to approve Minutes of 3/20/24:

Members reviewed the draft Minutes of 3/20/24. K. Lappin moved to approve the Minutes of 3/20/24. A. Methot seconded. Motion passed by roll call vote of 6-0-0: J. Barnett (yes), S. Correia (yes), K. Lappin (yes), A. Methot (yes), B. O'Herlihy (yes) and P. Roman (yes).

Announcements:

P. Roman noted that Brian Keveny, Finance Director, had informed her that one of the funding sources included in the FinCom's 3/18/2024 vote on the FY25 Operating Budget and *Article F (Fiscal Year 2025 Omnibus Budget)* might need to be changed.¹ She noted that the estimated FY25 transfer from The Children's Way revolving fund of \$143,764 has been reduced to approximately \$65,000 reflecting an anticipated drop in enrollment. She also noted that B. Keveny was discussing with Town Counsel the potential use, in the FY25 Operating Budget, of certain retroactive transfers from the Schools BASE and Food Service revolving funds for certain FY21 indirect costs incurred during the COVID pandemic. P. Roman noted that, depending on the outcome of those discussions, the FinCom may need to re-vote the FY25 Operating Budget and recommended approval of *Article F* at the next meeting, if necessary.

¹ "Other funds" of \$1,057,634 were included in the 3/18/2024 motions to approve the FY25 Operating Budget and *Article F (Fiscal Year 2025 Omnibus Budget)*. This amount included, in part, transfers from various Schools revolving funds, including BASE, Food Service and The Children's Way, to cover their allocable share of certain indirect costs, e.g., health insurance premiums and retirement contributions, included in the Town's Unclassified budget line item.

Discuss and Possible Vote on Articles, including, but not limited, to Articles S, T, KK, and NN:

P. Roman noted that she wasn't aware of any articles that were available for review at the meeting.

Article S (Revise Town Code Chapter 43: Personnel)

S. Correia noted that it was still unclear if the Select Board (SB) planned to proceed with *Article S* or withdraw it. He noted the SB members were planning to discuss at their next meeting and reminded Members that the 2024 ATM warrant was scheduled to be sent to the printer on 4/5/2024. He also reminded the Members that the FinCom had not yet voted a position on this article and anticipated doing so at the next meeting.

Article NN (Solar Compact Development for Wayland)

J. Barnett noted that the SB had referred the revised version of *Article NN* to the Planning Board (PB) as required by state law. He noted it was unclear when the PB would hold the required public hearing. He had completed his write-up and noted that the FinCom previously voted to defer taking a position, if any, until the 2024 ATM given the uncertainty over which version of *Article NN*, if any, would be considered at the 2024 ATM.

Article KK (Amend Zoning Bylaw to Add Retail Self-Storage as Additional Commercial Use in a New Business District B Zone Subdistrict B-1)

Members discussed the status of *Article KK* which also had been revised. A. Methot noted that the FinCom had already voted (2-3-1) not to recommend the article and no further action was deemed necessary.

Article F (Fiscal Year 2025 Omnibus Budget)

K. Lappin noted that she had questions with respect to the proper classification of various FY25 capital projects being considered under this article, including the (i) Middle School fire sensor project shown under the Facilities Department (versus Schools); (ii) second water tank project shown as a Building Repair (versus Infrastructure); (iii) Department of Public Works (DPW) wash bay project shown as Equipment (versus Building Repair); (iv) DPW light truck shown as Equipment (versus Vehicles); and (v) two new mini-buses shown as Schools (versus General given expected use by both Schools and Town). She also noted that there was no Capital Improvement Plan (CIP) submission form for an IT video monitoring project. K. Lappin planned to speak with B. Keveny to confirm her proposed treatment of these items in the CIP detailed project listing included in the FY25 Omnibus Budget.

K. Lappin suggested that, given her current plan not to seek reappointment at the end of her current term, Members should determine who will assume responsibility for maintaining her Excel spreadsheets for Capital Projects going forward so she can work to ensure a seamless transition.

Discussion on Finance Committee Report for 2024 Annual Town Meeting and Discussion Topics for Upcoming Meetings

Discussion of Report of the Finance Committee

P. Roman walked through a revised draft of the *Report of the Finance Committee* and the Members offered their suggested edits.

K. Lappin suggested that the public presentation of the FY25 Operating Budget, e.g., to the SB, should include details of the Unclassified budget and, if possible, an estimated allocation between the Town and Schools.

B. O’Herlihy noted that he had heard from the Chair of the Personnel Board (PB) who indicated there were approximately 25 Town position reclassifications approved by the PB over the past year and she questioned whether the budget impact had been reflected in the FY25 Operating Budget.

The Members discussed the Capital Spending Guidelines included in the Capital section of the report, including whether changes could be made without a vote of the FinCom. In particular, the Members focused on the ongoing inclusion of Cash Capital, i.e., taxation, which prior to FY24 had been used to fund road construction and resurfacing, but in FY24 and FY25 these projects are funded with Levy Borrowing, and the Water Enterprise Fund which didn’t reflect any Borrowing guideline and didn’t differentiate between Water Revenues and Water Retained Earnings. K. Lappin also noted that Excluded Debt not associated with standalone warrant articles was shown as a source of funds in the 5-year Capital Plan.

S. Correia’s recollection was that these guidelines were developed by a former Town Administrator, B. Keveny and the FinCom. The Members agreed to address any formal changes to the guidelines at a future meeting, and suggested various clarifying edits to this item in the write-up.

B. O’Herlihy noted that the Members’ prior vote on the 5-year Capital Plan for FY25-FY29 did not include the standalone articles noted in Table 11 of the draft *Report of the*

Finance Committee. He suggested changing the title for Table 11 to “5-year Capital Plan and Articles by Funding Source” to make clear what the FinCom had voted on. K. Lappin noted that the 5-year Capital Plan includes certain expenditures on the Town Building and questioned whether they should be deleted from future Capital Plans or at least moved out to a later year until a definitive plan for future use of Town Building is determined.

Following the review and discussion of the draft *Report of the Finance Committee*, the Members voted to approve its inclusion in the 2024 ATM warrant following revisions by P. Roman to reflect the discussion at the meeting. Following this vote, S. Correia suggested that P. Roman’s name be shown at the end of the report as the Chair versus Co-Chair since she had done all the work writing it. The Members noted that a formal vote had previously been taken making P. Roman and S. Correia Co-Chairs. The Members then took a vote to make P. Roman the sole Chair².

Following the votes noted above, B. O’Herlihy raised a point of order noting that a potential vote on the *Report of the Finance Committee* was not reflected in the posted agenda, nor was there an agenda item for a discussion and possible vote on the Chair versus Co-Chair of the FinCom. The Members agreed that neither vote was in order and, therefore, had no effect, and requested that both items, including potential votes, be included on the agenda for the next meeting.

Discussion Topics for Upcoming Meetings

The Members suggested the following discussion topics for upcoming meetings, subject to being prioritized at a future meeting:

- Proposition 2 ½ operating override planning for FY26 and/or FY27, including the formation of an ad hoc committee to review and recommend operational efficiencies, and public education;
- Capital Planning Committee warrant article to be sponsored by the FinCom;
- Review and update to FinCom webpage on Town’s website;
- Plan for ongoing review of Capital Projects in process, including review of planned reports produced by Town’s new project tracking software;

² The initial motion was made by K. Lappin and seconded by A. Methot and the vote passed 6-0-0 by roll call vote (all Members present voting in the affirmative). The second motion was made by S. Correia and seconded by J. Barnett and the vote passed 6-0-0 by roll call vote (all Members present voting in the affirmative).

- Review of Collins Center Report³ and possible conflicts between Wayland's Town Manager Act and the Town's bylaw covering the FinCom;
- Evaluation of FY24 and FY25 budget and Annual Town Meeting warrant article process;
- Opportunities for shared resources with other nearby communities;
- Status of Reserve Fund and fiscal year-end transfers;
- Evaluation of business plan for Transfer Station;
- Review and possibly modification of Capital Spending Guidelines;
- Succession plan for maintaining K. Lappin's Excel spreadsheets for Capital Project reporting; and
- Discussion of FinCom leadership positions, i.e., Chair, Vice Chair, etc.

Topics Not Reasonably Anticipated by the Co-Chairs 48 Hours Prior to Posting, if any, and Setting Next Meeting:

None.

P. Roman noted she would schedule the next regular meeting for 4/1/2024 at 7:00 PM.

Adjournment:

K. Lappin moved to adjourn the meeting. A. Methot seconded. Motion passed by roll call vote of 6-0-0: J. Barnett (yes), S. Correia (yes), K. Lappin (yes), A. Methot (yes), B. O'Herlihy (yes) and P. Roman (yes). Meeting adjourned at 8:57 PM.

Respectfully Submitted,

Brian O'Herlihy
Minutes Taker

³ In February 2018, the Collins Center published a report titled "Financial Management Structure Review: Town of Wayland, Massachusetts" (Collins Center Report). This report may be accessed online via <https://www.mass.gov/doc/wayland-financial-management-structure/download>.