

To: Finance Committee

From: Selectmen Lea Anderson and Cherry Karlson

Date: May 16, 2018

Agenda Item:

Discuss FY2020 Budget Process and Discuss Process for Town Administrator Special Act

1. FY2020 Proposed Budget Process

Action Requested: feedback to Board of Selectmen prior to implementation

Documents for Discussion:

- Historical Perspective of Structural Improvements
- FY2020 Budget Goals
- Summary of Roles, Town Code and Job Descriptions related to the Budget Process
- FY2020 Proposed Budget Process (detail)

2. Town Administrator Special Act

Action Requested: set a meeting date to receive Finance Committee feedback

Document for Discussion:

- DRAFT – An Act Establishing the Position of Town Manager

Historical Perspective and Future Process

1989	Charter Commission	Proposal fails in 1991
2002	Maximus Report	Recommends Town Administrator, creation of DPW
2004	Special Act - Town Administrator	Article passes
2008	Special Act - DPW	Article passes
Sep. 2014	Nan hired	Identified budget process/control changes needed Work to best practices
Aug. 2016	TA and FD propose FY18 Budget Planning at FinCom meeting	
Nov. 2016	TA's recommended actions for FY18 budget process	
	Collins Center - Review of Financial Policies and Procedures Interview department heads/committee chairs	
Dec. 2016	Additional Collins Center work proposed Development of financial policies Analysis of the Financial Management Structure of the Town Contract signed in January 2017	
Jan. 2017	Proposed Budget Policy Financial Advisor Clark Rowell, Unibank	
Oct. 2017	Draft Financial Management Structure Review report Collins Center Presentation on Oct. 10, 2017 FinCom attended	
Mar. 2018	Working Session on Draft Proposed TA Special Act Collins Center presentation FinCom attended	
Apr. 2018	BoS discussion with Dept. Heads - Proposed TA Special Act	
May. 2018	BoS discussion with FinCom on FY20 Budget MOU and Proposed TA Special Act Continued discussion with Department Heads FY20 Budget and TA Special Act BoS discussion with Boards and Committees on FY20 Budget and TA Special Act	
Jun. 2018	Continued discussions with Departments/Boards, Committees Begin discussions with public on Special Act	

Aug. 2018 Develop article for STM on Special Act?

Jan. 2019 Develop article for ATM on Special Act?

FY2020 Budget Goals (Proposed)

Draft for Discussion May 16, 2018

Goals

Efficient, Effective, and Fiscally responsible budget process that meets the planned needs and goals of Wayland

TA and Finance Director develop long term financial strategy and establish Budget Guidelines for review and comment by Board of Selectmen and for recommendation to Finance Committee

Town budget (all) process managed by TA and Finance Director with Board of Selectmen

School budget process managed by Superintendent and School Committee

Finance Committee with Finance Director reviews and issues Budget Guidelines and reviews, compiles, and prepares Omnibus Budget for ATM

Summary of Responsibilities, Town Code and Job Descriptions related to the Budget Process

Responsible Party	Town Code	Task	
BoS	MMA Handbook	Town's Chief Executive body with overall responsibility for the general operations with a strong active role in financial management of Town	
FinCom	19.2	1	Prepare Omnibus Budget and submit at ATM
		2	Prepare and present 5-year Capital Improvement Plan to ATM
		3	Make recommendations to authorities proposing such capital improvements
FinCom	19.3	Prepare report with recommendations on appropriations, budget, and such further recommendations on finances as seems necessary and appropriate.	
Depts and Boards	19.4	1	Town Committees file with Clerk of the Finance Committee by Dec 15: detailed estimates of the amounts to run departments explanatory statements of deviations from the preceding year estimates of all items of income for the ensuing year
TA		2	TA submits to BoS by Nov 15 (for all boards under BoS jurisdiction) detailed estimates of amount to run departments (including expenses and capital items) explanatory statements of deviations from the preceding year estimates of all items of income for the ensuing year
TA		3	TA submits to FinCom by Dec 15 (for all boards under BoS jurisdiction) preliminary budgets
TA		4	TA makes recommendation to BoS by Jan 15 with respect to budget requests (capital and expense) and income estimates for all other Town boards except School Committee
BoS		5	BoS makes recommendation to FinCom by Jan 15 capital and expense budget (for all boards under BoS jurisdiction)
TA	60.2.1	Responsible for executing all activities in TA's job description Shall act in any matter relating to the admin and operations of the Town which BoS may assign	
	60.2.2(c)	Work with the Finance Director and FinCom to: (1) Develop long term financial strategies for the Town (2) Establish set budgetary guidelines to be used in the development of annual budgets	

- (3) Review budgets of all town departments and make recommendations to the affected boards and FinCom on priorities important to budget development

TA Job
Description

The essential functions or duties listed below are illustrative of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

Make strategic recommendations to BoS regarding priority initiatives, particularly related to finance, ...

Work with the FinCom and Finance Director to:

Develop long term financial strategies for the town

Establish budgetary guidelines for the annual budget

In coordination with Town boards that oversee departments, review budgets and make recommendations to FinCom regarding priorities

Finance Director Job
Description

The essential functions or duties listed below are illustrative of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

Coordination of overall budget preparation process

Functions as chief financial officer

Working as the primary staff person and liaison to the FinCom, coordinates the preparation of the overall budget by developing and implementing a schedule that meets the budget deadline dates as outlined in the Town's by-laws

Provides financial projections of revenue and expenses and resulting impact on tax rate

Provides advice on budget guidelines

Provides financial analysis and input on warrant articles that have a financial component

FY2020 Proposed Budget Process (detail)

Month	Who	Action	Task
May	All	Discuss	BoS, SC, FinCom on FY20 budget process <i>roles, responsibilities, timeline</i>
June	FinDirector	Issue Develop	Request for FY20 CIPs for ALL capital items/proposals Determine timeline for budget process with TA
July/Aug	Staff	Review Plan Develop	Revenues, Expenses, Assumptions Goals and Needs Financial Models (Town and School) Operating and Capital budgets ytd With Town Administrator, Finance Director, Superintendent and School Business Manager Long term financial strategy Timeframes for submission of FY20 Operating budgets Draft Operating Budget Guideline Letter Approach to fund repeat requests (operating vs capital budgets) Capital Budget funding guidelines (free cash, cash capital/taxation, debt)
Sept	Staff	Present	Summary of planning meetings to BoS (attendance by SC, FinCom, public) including a draft Operating Budget Guideline letter and Capital Plan
	BoS	Recommend	FY20 Operating Budget Guideline and Capital Plan to Finance Committee
	FinCom	Review	Budget parameters from staff Draft Operating Budget Guideline letter
Oct	FinCom	Issue Receive	Operating Budget Guideline by Oct 1 Liaison reports on School budget process/decisions

Nov	FinCom	Review	CIPs with FinDirector
		Meet	With staff and CIP project proponents as needed
		Vote	Draft Capital Budget with recommended funding sources provided by FinDirector and TA
		Table	Capital discussions until Operating Budget is complete
		Receive	Regular liaison reports on School budget process/decisions
Dec	FinCom	Review	Town Operating Budgets as submitted by TA's office Meet with TA/Depts having material changes Superintendent's draft budget
		Receive	Liaison reports on School budget process/decisions All Town Operating budgets (draft)
Jan	FinCom	Review	Operating Budget submissions
		Meet	With TA/staff on material changes
		Receive	SC recommended budget
		Develop	Draft Operating budget
		Revisit	Elements of Omnibus budget: Capital Unclassified Town School
		Vote	Draft Omnibus Budget
Feb	FinCom	Present	Draft Omnibus Budget to public
		Vote	Recommended FY20 Omnibus Budget
		Prepare	FY20 Omnibus Budget and Report for Warrant