



TOWN OF WAYLAND

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BOARD OF SELECTMEN

JOHN BLADON
STEVEN J. CORREIA
THOMAS J. FAY
JOSEPH F. NOLAN
SUSAN W. POPE

Board of Selectmen Meeting Minutes November 10, 2011

Attendance: John Bladon, Steven Correia, Thomas Fay, Joseph Nolan, Susan Pope

Also Present: Town Administrator Fred Turkington

Chair T. Fay called the meeting of the Board of Selectmen to order at 4:00 p.m. in the Selectmen's Meeting Room and reviewed the agenda for the viewing public. J. Nolan reminded the residents of the Veteran's Day program.

Public comment Mike Lowery, 120 Lakeshore Drive, expressed concern that Special Town Meeting Articles 3 and 4 were complicated financial articles that would benefit from a colored chart that simplified the decision point for residents. Kent George, 15 Indian Dawn, and one of the lead petitioners for Article 3, offered to respond to questions if asked and was there to gather more information on the Finance Committee position.

A2. Review with Members of the Finance Committee Recommendations on Special Town Meeting Articles and Analysis of Free Cash Use for FY2012, FY2013 and FY2014 Bill Steinberg, Finance Committee vice-chair, reviewed the timeline for consideration of modifications to the FY2012 budget relative to funding sources by increasing the use of free cash. He said the Finance Committee first considered the issue on August 31 when preliminary FY2011 numbers were shared with the committee. Several meetings were held at which the issue was discussed and considered, culminating with the presentation of four scenarios to the Board of Selectmen on October 11: Annual Town Meeting adopted budget; revenue adjustment with no Special Town Meeting; Special Town Meeting vote of additional \$1M of free cash; and Special Town Meeting vote of an additional \$3M in free cash. The scenarios were finalized at a meeting on October 7. The petitioners submitted their article on October 8. He described the four scenarios as a bookend approach to the issue, with \$3M the ceiling based on representations by several residents at public comment and through correspondence with the committee.

Subsequent discussions with petitioners have driven the ceiling to at least \$4M and perhaps \$5M or higher based on recent comments and written material. As of this moment, petitioners have yet to publicly outline their position or submit a proposed motion. B. Steinberg explained that the Finance Committee had worked with petitioners to achieve consensus on numbers in hopes of having the Special Town Meeting deliberation be one of fiscal policy, resulting in a supplemental mailer to all residents. When the committee met on November 1 to vote their recommendation, the Finance Committee voted to oppose the petitioners' article 6-1 and support the Selectmen's article 4-3. As there was subsequent confusion as to the recommendation of the Finance Committee, the group convened on November 7 to clarify their individual positions behind the vote.

Cherry Karlson, Finance Committee chair, then reviewed the action of the Finance Committee on November 7. She explained that the three members who voted against the Selectmen's article favored more than \$1M additional use of free cash; one of these three members supported the petitioner's use of an amount not less than \$4M. Two of the three members of the committee favoring higher use of free cash than Article 4

presented scenarios for committee discussion. Variables and concerns included expected tax rates in FY2013 and FY2014, impact on ability to consider future large capital projects, and retaining use of free cash for long-range planning initiatives such as pre-payment of pension obligation and cash capital.

The discussion then turned to developing a consensus figure that could serve as a guide to residents seeking compromise between the two articles. The Finance Committee voted 7-0 support for \$2.25M use of cash, using the same assumptions as Article 4. The plan leaves free cash at 7.8% of FY2012 budget and 6.3% of FY2013; tax rate would increase by 1.2% in FY2012 rather than the Annual Town Meeting-adopted 7% increase, and grow by 5.1% and 5.8% in FY2013 and FY2014, respectively.

Town Administrator Fred Turkington asked whether the vote should be considered as a “proposal,” since it was too late to make it a third article, or merely guidance to reflect the parameters at which the Finance Committee would maintain a supermajority recommending a similar course if offered as an amendment on the floor at Special Town Meeting. Cherry Karlson confirmed the latter approach, indicating that the individual votes for use of free cash span a continuum from \$1M to \$4M or more. Several members voted for the \$2.25M figure only because the Article 4 assumptions were used. Others remain concerned about the estimated tax rates and the willingness of residents to vote budgets requiring such increases in five months and seventeen months, given the economic forecast of continued stagnation or minimal recovery.

Selectmen Discussion J. Bladon expressed his personal concern that the projected tax rates that result from the \$2.25M use of free cash would not be supported, and had the potential to result in the loss of services. He said he was unlikely to support any use of free cash greater than \$1M, and instead preferred a plan that pledged multi-year tax relief to stabilize taxes rather than the volatility required by the petitioners article and even the Finance Committee consensus. J. Nolan asked lead petitioner Kent George whether petitioners had a figure. K. George indicated the petitioners were meeting that evening to discuss the issue. J. Nolan expressed the view that Finance Committee’s consensus opinion reflected compromise among seven members, much the same way citizens assembled at town meeting will have to do. He asked the petitioners to encourage their supporters to stick to the policy issue in mailings, commentary, and speeches rather than questioning motivations or introducing side issues and to consider compromising so the town could move forward. S. Pope expressed reservations about the Finance Committee consensus, noting that while seniors and those on fixed incomes would welcome the tax relief in FY2012, they would be hard pressed to handle the resulting jump in taxes. S. Correia questioned whether all the assumptions in the Finance Committee consensus matched the Selectmen’s article 4. C. Karlson replied that the assumptions were identical. T. Fay noted that he appreciated the work of the Finance Committee and the effort to find common ground with the goals of tax relief, adequate reserves, and preservation of services. S. Correia asked about the timing of tax relief. C. Karlson explained the estimated tax bill and reconciliation process for direct payment of property taxes and the delay for those who escrow taxes through a mortgage payment. J. Bladon suggested that a chart be developed that shows projected tax rates using phased application of free cash over three years in an amount equal to the Finance Committee consensus in hopes to bring the projected tax rate increases for FY2013 and FY2014 below 5%.

A3. Topics Not Reasonably Anticipated by the Chair 48 Hours in Advance of the Meeting, If Any T. Fay said there were no additional topics.

A4. Adjourn There being no further business before the Board, S. Pope moved, seconded by J. Bladon, to adjourn the meeting of the Board of Selectmen at 5:08 p.m. YEA: J. Bladon, S. Correia, T. Fay, J. Nolan, S. Pope. NAY: none. ABSTAIN: none. Adopted 5-0.