



# Town of Wayland Massachusetts

## **Finance Committee**

Paul Grasso  
Thomas Greenaway  
David J. Gutschenritter  
Cherry C. Karlson (Chair)  
Sam H. Peper  
Richard M. Stack  
Bill Steinberg

## **Finance Committee Meeting Minutes November 1, 2011**

**Attendance:** B. Steinberg, P. Grasso, C. Karlson, T. Greenaway, D. Gutschenritter, S. Peper, R. Stack. Also Attending: Mike DiPietro -- Finance Director, Kent George, Molly Upton, Linda Segal

### **I. Call to Order**

The meeting was called to order at 7:05 PM in the Selectmen's Meeting Room at the Wayland town building.

### **II. Public Comment**

Kent George discussed the benefits of issuing a joint statement regarding excess free cash and its potential uses. He pointed out the philosophical difference between the Petitioners and BoS articles. He was concerned about planned usage of free cash for capital items.

Cherry Karlson read the letter that was submitted by Shawn Kinney for public comment for the meeting of October 24 (submitted too late for public comment at that meeting). The letter is attached to these minutes.



Public Comments  
10-24-11.docx

### **III. Minutes Approval**

Motions were made and seconded to approve the minutes for the meetings held on September 26 and October 6. Both sets were approved 6-0.

### **IV. Discussion of STM Articles 3 and 4**

Cherry Karlson discussed the effort put into summarizing and commenting on a significant amount of data, and was concerned that the information may be overwhelming for citizens at Town meeting. Specifically, the Committee discussed the FY12-14 data summary and comparison chart of Articles 3 and 4.

- Bill Steinberg recommended that we clearly identify and reference where the “tax levy” and “levy capacity” can be more easily quantified and explained.
- The line item assumed in Article 4 related to pre-payment of pension obligations (‘Line 14’) was discussed, especially how the assumed future benefits could be better explained/quantified.
- It was decided to increase the turnback assumption (‘Line 17’) in FY 2013 from \$1.3M to \$1.5M to more consistently reflect the ~2% turnback amount across years. It was also agreed to reflect the addition \$.2M of free cash as an increase to the Unused Levy Capacity (‘Line 5’) amount.
- Tom Greenaway asked that the heading “DOR Certified Free Cash” in the chart to be included in the article commentary be identified as “Projected” in Columns B-G for FY 12-14
- Rich Stack asked that FY 13-14 be identified as “Projections”, as compared to the FY 12 “Budget.”
- Other detailed discussion for edits to the chart occurred.

The article commentary was discussed in detail.

- There was concern that the comparison charts assumed \$4M as the free cash usage in FY 12 in Article 3 (Petitioners’). Since there has not yet been a figure provided by the petitioners, the quantitative basis of comparison could be incorrect if the amount of free cash requested in the Article 3 motion at STM is significantly different.
- Other detailed discussion for edits to the commentary occurred, including a review of pro and con arguments pertaining to Articles 3 and 4.

#### **V. Votes on Articles 3 and 4**

A motion was made to approve Article 3 (with the assumption that the available free cash to be applied to the FY 12 Operating Budget is \$4 million); the motion was seconded, and defeated 1-6.

A motion was made to approve Article 4; the motion was seconded, and approved 4-3.

#### **VI. Chairman’s Update**

The recommendation from Article 3 petitioners Kent George and Tony Boschetto to prepare a joint statement from the petitioners and Board of Selectmen was discussed. It was the sentiment of the Committee that the article comments prepared and reviewed address any similarities and differences between the articles. Dave Gutschenritter made a motion to issue a joint statement, and the motion was seconded and defeated 0-7.

#### **VII. FinCom Members and Finance Director Concerns**

There was discussion regarding the Selectmen’s Warrant Hearing on November 14 and if the total assessed value could be calculated in time for STM. There was also discussion about a FinCom review of the FY 11 Tax Recapitulation sheet.

At 11:03 PM a motion was made and seconded to adjourn the meeting. The motion carried and the meeting adjourned.

Respectfully submitted,

Paul Grasso