



# 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 7, 2011

Attendance: C. Karlson (Chair), B. Steinberg, T. Greenaway, P. Grasso, R. Stack, D. Gutschenritter, S. Peper  
Also in Attendance: Mike DiPietro, Finance Director

### I. Call to Order

The meeting was called to order at 7:07 PM in the Board of Selectmen's Conference Room of the Wayland Town building.

### II. Public Comment

- Chairman Karlson began reading an email from Donna Bouchard; however due to its length and detail, and because it had been sent to all Members, she provided the following synopsis: The subject of the email was the amounts set forth on the tax recapitulation worksheet for FY'11 as they relate to the Town's tax levy limit. A copy of the email is attached hereto.

### III. Meeting Minutes:

- Approval of the minutes for the meeting of 10/3/11 was tabled, as they were not yet complete.
- The minutes for the meeting of 10/19/11 were approved, as amended by a vote of 6-0-1 (T Greenaway abstained, as he was not present on 10/19).
- The minutes for the meeting of 10/24/11 were approved, as amended by a vote of 6-0-1 (T Greenaway abstained, as he was not present on 10/24).
- The minutes for the meeting of 11/1/11 were approved by a vote of 7 – 0.

### IV. Discussion of the Tax Recapitulation ("tax recap") Worksheets – What Goes Into Them and The Entities Responsible for Various Items:

- Jayson Brodie, the Chair of the Board of Assessors, joined us for this discussion. Mike DiPietro handed out the 4-page tax recapitulation sheet for FY 2011 and walked Members through the forms, describing what goes into the line items and who is responsible for providing the numbers that are inserted onto the forms.
- Dave Gutschenritter suggested that the Finance Department provide a companion spreadsheet to go with page 4 of the tax recap sheet that would tie the approved appropriations from town meeting to the amounts set forth on that sheet.
- On page 3 of the tax recap worksheets, it was pointed out that if the water department becomes an enterprise fund, amounts pertaining to water will no longer be provided on this sheet. It was also explained that the actual receipts for auto excise tax are not known until the January following town meeting, which is more than a year after the budget has

been submitted. Rich Stack suggested that providing a narrative as a companion to page 3, providing a discussion of how the various local receipt estimates were made would be a good practice.

- Jayson Brodie pointed out that the Board of Assessors is typically submitting information to the DOR throughout the year, and not just at the time the tax recap sheets are due.
- There will be a meeting between the Board of Appraisers, the Board of Selectmen and FinCom on December 12, 2011 to discuss the process of finalizing the tax recap sheets for the current year.

V. Discussion of the Voting By Fincom Members at the Meeting of 11/1/11 With Regard to Articles 3 and 4 For Special Town Meeting:

- The Chair suggested that it would be helpful for Members to state their reasons for their votes on these Articles, as it was thought that the nature of the votes was confusing to voters. In particular, there was confusion whether the “No” votes on Article 4 meant that those Members wanted to allocate more or less free cash towards the tax levy in FY’12.
- Paul Grasso and Sam Peper stated that they believe that more than \$1mm of free cash should be used from the current free cash to offset the tax levy for FY’12.
- Tom Greenaway stated that he voted yes on Article 3 and no on Article 4 as he feels that the vote was a binary choice and that he believes that using \$4mm of free cash to offset the tax levy is more appropriate than \$1mm.
- The other four Members (Gutshenritter, Karlson, Stack and Steinberg) were more comfortable with \$1mm than \$4mm and did not have an alternative on which to vote based upon the two articles for STM.
- FinCom Members had a brief discussion with the sole petitioner for Article 3 who was present, Kim Cook. They requested that the amount of free cash to be used to offset the tax levy that will be requested by petitioners at STM be provided, as not providing a number was unfair to voters and lacked transparency. The petitioner was not able to provide a number, other than to state that it would likely be in the range of the numbers they had previously provided and discussed with FinCom and the Board of Selectmen at previous meetings.
- A motion was made, at the suggestion of the Chair, that FinCom take a position with regard to increasing the budget for local receipts in the FY’12 budget by \$1mm. That motion was seconded and approved by a vote of 7 – 0.
- Members considered a series of options prepared by Tom Greenaway in a format similar to the spreadsheets previously prepared by Dave Gutschenritter and which were the bases for discussions on assumptions with petitioners. These worksheets assumed the use of funds allocated in FY’13 and FY’14 for capital items and future pension obligations and proposed using some of those amounts to reduce the tax levy in FY’12.
- Bill Steinberg made a motion that \$1.25mm of funds allocated to capital and future pension obligations in FY’s ’13 and ’14 be used to reduce the tax levy in FY’12. Subsequent to discussion, the motion was seconded by Dave Gutschenritter. Members thought that the rationale for this number made sense, as it tied the free cash number back to the amount it would have been if FinCom’s projections going into the 2011 Town Meeting had been realized. Paul Grasso pointed out that by taking those funds from amounts that would already reduce free cash in future years, the estimated free cash for FY’13 would still be at the top of the FinCom range for free cash. Therefore, motion was withdrawn.
- Dave Gutschenritter made a motion to use an additional \$1.25mm of free cash to reduce the tax levy in FY’12 by a total of \$2.25mm (the \$1mm set forth in the proposed Article 4 plus the additional \$1.25mm). Paul Grasso seconded the motion and it was approved by a vote of 7 – 0.
- Members agreed that a summary chart should be prepared for distribution at STM and that it should compare the motion approved above to STM Articles 3 and 4. Dave Gutschenritter agreed to take responsibility for preparation of this chart and would work with one or two other Members to prepare it. The Members agreed that this subcommittee, not consisting of a quorum of the Members, would have the approval of the Committee to prepare the summary chart without the need to present it for review by the Committee.

VI. Finance Committee Reporting Initiative

- Richard Stack and Sam Peper presented a proposal to the Members for consideration to use funds from the reserve account for preparation of financial reports to assist in the preparation of the FY’13 operating budget. These reports could contain items such as detailed revenue analyses and ten year trending of various items. Subsequent to a brief discussion, Rich agreed to research consultants and/or CPA firms that might be able to provide such services, along with an analysis of the cost of such services.

A motion was made and seconded to adjourn the meeting. The motion carried and the meeting adjourned at 10:38 PM.

Respectfully submitted,

William Steinberg