



# 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 December 12, 2011

**Attendance:** C. Karlson (Chair), B. Steinberg, T. Greenaway, P. Grasso, R. Stack, D. Gutschenritter

Also in Attendance: Mike DiPietro, Finance Director

**Absent:** S. Peper

- I. Tax Reclassification Hearing:** At 7:30, members of the FinCom joined the BoS meeting to hear the Assessors presentation on the FY2012 tax classifications (scheduled for 7:15). When requested, C. Karlson presented FinCom's comments as shown in the minutes of December 5<sup>th</sup>. The BoS voted to maintain a single tax rate.
- II. Tax Recap Sheet for FY2012:** The FinCom stayed at the BoS meeting with the Assessors to listen to M. DiPietro explain the four-page summary of the Tax Recap sheet. Discussion included that the Assessors have confirmed the FY12 overlay number at \$1.2 million and increased the FinCom estimate for FY13 to \$1 million. Also, the Assessors released some of the overlay surplus through FY10 to the point of the worst-case analysis plus 15%. The Assessors will submit the FY12 Recap to the DOR tomorrow morning.
- III. Call to Order:** The regular FinCom meeting was called to order at 8:40 PM in the Wayland Town building.
- IV. Public Comment:** Anette Lewis, Claypit Hill Road, asked that the budget review and form be more detailed for the larger boards. She believes that money is being moved around and spent on other line items. Voting fewer line items leaves more room for abuse than in the past. She stated that the DPW budget has increased by \$1 million since pre-DPW days; they are either spending too much or money is floating around.  
  
Bill Hearn, Keith Road, stated that commissions lack budget info, specifically Rec. He questioned who spends the capital appropriations.
- V. Minutes:** The minutes of November 7<sup>th</sup> were reviewed and edited to better reflect the public comment at that meeting. Motion and second to approve as amended. Vote: 6-0. The minutes of December 5<sup>th</sup> were reviewed and corrected. Motion and second to approve the minutes as amended. Vote: 6-0.
- VI. Chairman's Update:** After the agenda was published, T. Fay asked for FinCom's thoughts on the timing of ATM and to have that information for the BoS meeting tonight. FinCom discussed an early April vs. late April/mid-May ATM. The sense of the meeting was that there was no preference for a Sunday meeting and a general preference for the early April ATM date:

- many broad budget discussions were held around the fall STM article preparation
- residents made their budget sentiments clear at November's STM
- FY2013 budget guidelines went out early on September 26, 2011 and were not impacted by STM
- departments and committees have worked on their budgets all fall and submitted both capital and operating budgets on schedule
- FinCom began a preliminary review of the capital requests in December 2011
- FinCom will review capital and operating budgets in January on the regular timetable
- warrant articles will have a full six weeks of review, preparation and write-ups

It was the sense of the meeting that the earlier date met our standard budget schedule, would allow FinCom to present a well-studied budget to the Town and build in time for citizen input on the budget and warrant articles. T. Greenaway left to report this info to the BoS in their meeting.

The meeting schedule for January/February was confirmed as published and available online. There is a possibility of adding an additional meeting if needed.

Overlay: The Assessors voted to release \$421,500 of overlay surplus. They may look at releasing other funds before the fiscal year end. The Assessor's also confirmed the FY12 overlay at \$1,206,447.63 and estimate the FY13 overlay at \$1 million. FinCom's estimate for FY13 had been \$850,000.

Minute taker: M. DiPietro is still working on this with J. Senchyshyn.

**VII. FinCom Members/Finance Director reports and concerns:** P. Grasso reported that the ORC received the FY2011 restatement today; it is available online. The Abrahams Group recommends reclassifying the School revolving funds (about \$700,000) to the general fund. The ORC will meet next week to discuss the report with TAG. TAG's work between July 25<sup>th</sup> and Dec 12<sup>th</sup> totaled \$30,000.

M. DiPietro reported that Moody's maintained Wayland's Aaa rating and removed the negative outlook placed this fall. This recent review does not take into consideration the recent STM actions of using \$4 million of free cash. The next review will be in January with our regular debt issuance.

R. Stack updated FinCom on the financial reporting project. The consultant is working on reporting with the town administrator and the School Committee. R. Stack will continue to track the progress for FinCom.

Public Records Requests: FinCom members requested that the Chair and Finance Director keep track of requests and report them at the meetings so they are documented in the minutes.

**VIII. FY2013 Budget Discussion:** FinCom discussed the capital budget approach. Topics of discussion included:

- review of capital project status as of November 30<sup>th</sup> (preliminary)
- residents have no appetite for more debt or taxes
- DPW building: need to understand the alternate budget for repairs only vs. the cost of a new building
- Town building repairs: would like to review a multi-year plan as a whole project
- 5 year capital plan: change wording in Warrant to reflect "departmental priorities" to show it has not yet been reviewed/approved
- generally, all projects need analysis to demonstrate value creation, cost/benefit analysis, key indicators, tighter timing/accuracy on potential operating budget savings.
- recognition of competing interests for capital dollars

M. DiPietro distributed the FY13 Operating Budget requests and gave an overview of key items. Overall the Town budget is up 4.4% and the School budget is up 3.8%. Some of this is due to the timing of salary changes. The FY12 budget did not reflect any salary adjustments as all funds were carried in Unclassified since negotiations were not complete. After correcting for salaries, the Town increase is about 3.2% due primarily to

increases in snow, Minuteman, pension (includes a \$1 million prepayment) and the FY13 salary increase (about \$1 million).

Other topics discussed include:

- Revolving funds are in place for Council on Aging, Recreation and Transfer Station.
- Facilities budget narrative has not yet been received. C. Karlson asked that FinCom have it by Dec 19<sup>th</sup>.
- Personnel Board is reviewing position requests.
  - One is a reallocation of resources between the Planning Board and the Building department.
  - Requests for additional administrative support are still being reviewed and are not in the budget.
  - DPW requests are in the operating budget.
  - Decision memos from the Personnel Board are expected in early January. These are independent from the funding decision.
- M. DiPietro will have FY12 ytd expense reports for the meeting on January 9<sup>th</sup>. These will also help estimate year end givebacks.
- Concern over the timing of the SC budget cycle. C. Karlson and P. Grasso will follow-up with the SC.

FinCom members should review the operating budgets and get all questions to M. DiPietro by January 3<sup>rd</sup> to facilitate follow-up.

**VI. Adjourn:** At **10:25pm**, a motion was made and seconded to adjourn the meeting. The motion carried and the meeting adjourned.

Respectfully submitted,

Cherry Karlson