



# Town of Wayland Massachusetts

## **Finance Committee**

Nancy Funkhouser  
Thomas Greenaway  
David J. Gutschenritter  
Cherry C. Karlson  
Steven Lesser  
Carol Martin  
Bill Steinberg (Chair)

## **Finance Committee Meeting Minutes October 15, 2012**

Attendance: B. Steinberg (Chair), C. Karlson, T. Greenaway, N. Funkhouser, S. Lesser, C. Martin  
Absent: D. Gutschenritter

The meeting was called to order at 7:03pm in the Town Building, School Committee Conference Room, Second Floor.

### **1. Joint Meeting with School Committee to Discuss Budget Guidelines for Fiscal Year 2014.**

Finance Committee Chairman Steinberg introduced the members of the Finance Committee and explained the School Committee had requested the joint meeting to discuss the FY14 budget guidelines issued by the Finance Committee (FinCom). Barbara Fletcher, Chairwoman of the School Committee, introduced herself, fellow School Committee members Beth Butler, Ellen Grieco and Malcolm Astley as well as Paul Stein, Superintendent of the Wayland Public Schools. She added the School Committee had requested the meeting to afford an open forum discussion that included public comment.

B. Steinberg stated because many resident had requested the FinCom not recommend an increase in the tax levy for the FY14 budget, the guidelines were developed by evaluating the impact of both a Level Services Budget and a Level Funded Budget.

**Level Funded:** Expending the same dollar amount in FY14 as was expended in FY13. B. Steinberg explained that even though no additional dollars would be expended, because Free Cash was used to balance the FY13 Operating Budget, initial calculations indicate a Level Funded budget would result in a 5% increase in the tax levy.

**Level Services:** Maintaining the same services in FY14 that the town enjoyed during FY13. Steinberg stated the FY14 Level Services budget is projected at \$66.3M which would result in a tax increase of approximately 8%. Adding in the potential cost of the DPW building, or any COLA could result in a tax levy increase in excess of 9%.

**Summary:** Chairman Steinberg further explained that because Free Cash had been applied to the FY13 Operating budget, not only would a FY14 Level Funded budget result in approximately a 7.5% tax levy increase, it would result in a reduction of services. The Level Services option would retain current town services, but comes with approximately a 9-10% increase.

The reason the FinCom has requested both a level services budget and one that would cut budgets by as much as 10% is for departments and residents to understand the impact of reductions in departmental budgets and to have reasonable information with which to make decisions on the budget when it is debated and voted on at Town Meeting in the Spring. It also allows the Finance Committee to have better information when it recommends the FY14 budget.

B. Steinberg stressed the FinCom is aware that creating two separate budgets is a painful process, particularly when one proposal calls for 10% potential cuts. However, he pointed out this is an exercise to see the impact of these cuts and allow these issues to be raised now to afford meaningful discussion. He further stated that the budget does not have to be level funded or a 10% cut but could be somewhere in between these two alternatives.

**Discussion:** E. Grieco inquired if it would be possible to implement these cuts over time, minimizing the impact. C. Karlson explained that would result in a larger tax increase and that FinCom has been asked to minimize the impact to the taxpayer. She added that this process will afford the town to better understand both the budget and the impact of cuts.

B. Fletcher said she understood the process but felt it was a much more difficult one to undertake in the public sector because the conversations are public and can affect morale. She suggested a broad spectrum discussion of various percent cuts. C. Karlson reiterated that is the purpose of the prioritized list.

M. Astley indicated he understood the process but felt Annual Town Meeting had supported the School Budget in the past and felt it did not make sense to reduce the budget. T. Greenway replied that the FinCom wants to be able to respond to the residents that we had undertaken this process and that all departments collaborated. B. Steinberg added that the FinCom is trying to be pro-active and have these conversations now at the beginning of the budget cycle.

**Public Comment:** At least a dozen residents rose to spoke. Kent George indicated these budgets were unsustainable. While he did not want to adversely impact the schools, he felt the school's budget should be a zero based budget not a percent applied each year to the prior year's budget. Jeff Dieffenbach felt the problem was with math not the budget. He stated that the drop in house valuations have caused revenue to drop which in turn has increased the tax rate as a percentage of home values and resulted in some residents focusing on the tax rate.

Tony Boschetto rose to say spending time developing a 10% reduction budget was not going to be time well spent. Instead the budget should be analyzed to determine which lines are being over budgeted and make the necessary adjustments. He felt zero-based budgeting would achieve that goal.

Louis Jurist indicated the Town votes on the level of spending, not the tax levy and that the last ATM supported current level of school spending. Margo Melnicove stated she was not in favor of drastic cuts in services, but felt this was an opportunity to implement cost saving initiatives. Andrea Case and Sharon Burke urged no cuts be made to the school budget.

Alan Glovsky added that while 10% cuts were large, to adopt a zero percent cut could alienate the 80% of households who do not have children in the schools.

Lisa Valone felt the schools are operating smartly and that ATM has voted repeatedly to support level services even if it meant a tax increase. Donna Bouchard offered that we need our teachers, but at the same time we need to hone the budgeting process and suggested hiring professional help to identify potential efficiencies. Alan Reiss added we are on an unsustainable course which will lead to an override. He stressed the importance of being pro-active.

The joint meeting recessed at 8:30 pm

The Finance Committee re-convened at 8:37 pm in the small conference room on the second floor of the Town Building.

**1. Public Comment:** Molly Upton encouraged the FinCom to continue to ask the School Committee to look for areas where it could streamline or develop efficiencies, particularly with contract negotiations being undertaken this year.

**2. FinCom Comments on Public Comment:** S. Lesser replied that it is more difficult to trim a Public Budget than a Private one because the process is out in the open and requires specifics versus generalities.

**3. Discussion of Claim of Open Meeting Law Violation by Wayland Resident George Harris (received at Wayland Town Building on 10/9).** B. Steinberg indicated that Mr. Harris has filed an Open Meeting Law (OML) violation based on an email sent to the board members that contained draft minutes and asked committee to review and be prepared to discuss at its October 15<sup>th</sup> meeting. B. Steinberg further stated that Town Counsel has been asked to contact the Attorney General's Office for a ruling on whether a document or minutes sent out to board members prior to a meeting may be an Open Meeting Law violation.

Tom Greenaway presented a briefing sheet that contained Determination Summaries from the Attorney General's office on similar open meeting law complaints. Mr. Greenaway argued the question is whether or not the FinCom deliberated on the document that had been sent via email and additionally, whether email is an acceptable means of distribution of materials to committee members. T. Greenaway addressed his questions to George Harris who stated it was not for us to debate these questions but up to the Attorney General's Office to determine if violations have occurred.

Mr. Greenaway added that all FinCom members have been very conscious of OML and complying with it and would continue to do so. B. Steinberg added that not being able to distribute documents prior to a meeting will basically shut down operations to a crawl and inquired if the FinCom could have a 30-day extension to respond to the complaint. G. Harris agreed. Follow up on this claim of OLM violation will be continued once there has been some resolution on these questions.

**4. Discuss Potential Letter from Finance Committee to Wayland Residents Outlining Fiscal Year 2014 Budget Guidelines:** B. Steinberg presented an open letter to Wayland Residents regarding the FY2014 Budget Guidelines. The Committee discussed the letter and made a few modifications. T. Greenaway moved the letter be approved as amended and submitted to the Wayland Town Crier, Wayland Patch and Wayland E-News. N. Funkhouser seconded the motion. Action was approved 6-0.

**Adjourn:** T. Greenaway made a motion to adjourn. C. Martin seconded the motion. Action was approved 6-0 and meeting adjourned at 9:25pm.

Respectfully Submitted,

Carol B. Martin

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Carol B Martin

**Items Distributed For Use by the Finance Committee at the October 15 2012 Meeting**

1. Briefing Sheet: OML Determination Summaries
2. Draft: Open Letter to Wayland Residents