



Town of Wayland Massachusetts

Finance Committee

Nancy Funkhouser (Vice Chair)
Thomas Greenaway (Chair)
David J. Gutschenritter
Cherry C. Karlson
Carol Martin
Bill Steinberg
Gil Wolin

Finance Committee Meeting Minutes, December 9, 2013

Attendance: N. Funkhouser (Vice-Chair, serving as meeting Chair), D. Gutschenritter, C. Karlson, C. Martin, B. Steinberg, G. Wolin, and Finance Director Brian Keveny. Absent: T. Greenaway

I. Call to Order

The meeting was called to order at 7:00 PM in the School Committee Room of the Wayland Town building. The Vice-Chair announced that the meeting was being recorded.

II. Update From Finance Director – Prepare for Tax Recapitulation & Classification Hearing

Finance Director Brian Keveny provided Members with a draft copy of the Tax Recapitulation Sheet. He informed Members that there was a shortfall of funds available due to two revolving funds that had shortfalls in their ability to reimburse the Town for certain pension and health care benefits. The Town voted \$2.4mm to be appropriated from other funds; however there was a shortfall, as only \$2,245,729 was in place. The Department of Revenue (DOR) informed Mr. Keveny that those funds needed to be in place with the Town by April 4, 2013 (the date of the Town Meeting vote). These monies, from the Food Service (Schools) in the amount of approximately \$210,000 and from the Children's Way in the amount of approximately \$8,848, were not available to be paid by these entities as of such date. After consultation with the DOR, it was Mr. Keveny's suggestions that his estimates of greater Local Receipts than initially projected could be applied to that shortfall in order for the Tax Recapitulation worksheet to balance. The funds may have been able to make some or all their payments subsequent April 4th; therefore, the issue is, in part, one of timing.

FinCom recessed at 7:15PM to a joint meeting with the Assessors and the Board of Selectmen

III. Tax Recapitulation & Classification Hearing (Joint Meeting with the Assessors and the Board of Selectmen)

The Board of Assessors made a presentation regarding the Tax Classification, which is a consideration of whether the Town should have a single tax rate or a split tax rate between residential and commercial properties. Following their presentation, the Board of Selectmen voted unanimously to maintain a single tax rate, meaning that the rate for residential and commercial properties shall be the same.

The Assessors next discussed the Tax Recapitulation worksheet, which included the explanation that Mr. Keveny had provided to the Members earlier in the evening (see above). His recommendation to allocate the shortfall from Local Receipts was supported by the DOR and the Town's auditor, Melanson & Heath. In the future, any funds to be allocated by Town Meeting must be in the accounts by the day of the vote in order to be included in the Tax Recapitulation worksheet.

Comments from members of the public raised a concern that the Town Clerk would be certifying to information as being voted upon at Town Meeting that was actually different from what is shown on the tax recapitulation worksheet.

At 8:44PM the joint meeting ended and FinCom reconvened its regular meeting at 8:46PM.

IV. Public Comment

Annette Lewis stated that the Finance Committee needs to do a better job of understanding the revolving fund accounts; needs to separate them from Town accounts and needs to make them self-sufficient or privatize them. She does not believe that taxpayers should subsidize such funds. She also commented that she feels that school finances should be under the direction of the Finance Director.

In response to public comment, Ms. Karlson asked the Finance Director whether recreation is run as an enterprise fund in some towns, and the response was that it sometimes is and that there can be pluses and minuses to such a structure.

V. Presentation by Anne Harris of Energy Committee

Taken out of order, as Anne Harris of the Energy Committee was waiting to meet with the Committee. Ms. Harris explained that the capital plan being proposed would provide the Town with a means of funding significant capital improvements that would improve the energy efficiency of Town facilities with debt service being funded by energy savings and with a guaranty of such savings by a third party, Ameresco, who serves as the contractor on these projects. They provide similar services to many other cities and towns. Ms. Harris provided a handout to Members. It was asked how this ties to the facilities study and Mr. Steinberg responded that the facilities study did not recommend a different use for the Town Building, but that there have been conversations regarding alternative uses for the Town Building that could be somewhat conflicting with this proposal. Those alternative uses are highly speculative and have a low probability of occurring. Mr. Keveny noted that the Town of Melrose had entered into a similar program and had leased the energy saving equipment as a means of financing the program and that this might be an alternative means of financing the projects.

VI. Finance Director's Report

Mr. Keveny reported that the Schools have requested that FinCom approve \$30,000 from the Reserve Account for a new PA system at Claypit Hill School, as that system recently became dysfunctional. It is a 2015 CIP item and the question is whether the school can wait until FY 2015 for those funds to replace the system. Members suggested that the Schools be asked to fund the new system from within its existing budget for FY 2014 and that if that were not possible, we could consider a transfer from the Reserve Account later in this fiscal year.

A motion was made by Ms. Karlson: The School Committee should fund the Claypit Hill PA System from the School Committee Operating Budget with the understanding that if that causes an undue burden they will come back to the Finance Committee to discuss funding from the Reserve Account. The motion was seconded by Mr. Wolin and the vote in favor was 6 – 0.

Mr. Keveny provided CIP forms from the Schools and draft operating budget documents to Members.

VII. Reports from Finance Committee Liaisons to Boards & Committees

Mr. Gutschenritter reported that the OPEB Committee would like to meet with FinCom on January 6, 2014, in a joint meeting with the Board of Selectmen.

VIII. Committee Member' Reports, Concerns and Topics For Future Meetings

Ms. Karlson reported that the Town auditor is presenting to the Board of Selectmen on December 16th. On the same date, the School Committee will make a presentation regarding the potential elementary school presentation.

IX. Review & Approve Prior Regular Meeting Minutes

Minutes of 11/20/13 were presented by Ms. Karlson. C.Martin made a motion to approve the minutes as amended. Ms. Karlson seconded the motion. They were approved by a vote of 6 – 0.

X. Adjourn

The meeting was adjourned at 9:55 PM.

Respectfully submitted,

William Steinberg

Documents: Draft Tax Recapitulation Worksheets
Energy Committee Power Point Presentation
CIP Forms From School Committee
Draft Operating Budget Documents