



Town of Wayland Massachusetts

Finance Committee

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

MINUTES

Monday, December 16, 2013, 7:00 P.M.
Wayland Town Building

7:02 Call to order

Update from Finance Director on Tax Recapitulation Process & Mass. Dep't of Revenue Review

Mr. Keveny summarized his meetings (with the Assessor) with the Department of Revenue regarding the Tax Recapitulation matter over the past week. He summarized the options presented by the Department of Revenue to cure the discrepancy on the Tax Recapitulation process stemming from the deficit in revolving fund balances against the respective appropriations at 2013 Annual Town Meeting from the revolving funds: \$218,848. The options proposed by the Department of Revenue are as follows:

1. Finance Committee transfer \$218,848 from the Reserve Fund
2. Finance Committee and Board of Selectmen vote tonight to support a \$218,848 transfer at 2014 Annual Town Meeting, or
3. Call a Special Town Meeting

Mr. Greenaway noted that there was actual and expected capacity in the Finance Committee reserve fund (balance \$325,000). Ms. Funkhouser noted that the schools may come back to the Finance Committee for funding for the Claypit public address system. Ms. Karlson inquired as to the timing of any reimbursement from the revolving funds.

Public Comment

Anette Lewis asked Mr. Keveny whether the revolving funds could reimburse the general fund in the current year. Mr. Keveny responded out that any unanticipated receipts from the revolving fund would go to the general fund as an unbudgeted receipt that would fall to free cash at the close of the fiscal year. Ms. Lewis then suggested that each of these revolving funds benefit private citizens and that they should carry their own costs.

Committee Members' responses to public comment

Ms. Karlson pointed out that Ms. Lewis' question got to the same question she was asking. Mr. Greenaway disagreed with Ms. Lewis' general proposition that each revolving fund must necessarily carry its own costs. Ms. Lewis said that Town Meeting must vote to support revolving or enterprise funds.

Consideration and vote in response to Mass. Dep't of Revenue Review

There was some discussion around the timing of a Special Town Meeting. Mr. Greenaway took the sense of the committee, and there was no support for a Special Town Meeting. Mr. Greenaway and Mr. Keveny outlined some of the timing considerations around Options 1 and 2. Discussion followed. Mr. Steinberg spoke in favor of Option 2, in order to let Town Meeting debate the question of whether the revolving funds should support themselves as a general proposition. Mr. Wolin spoke in favor of Option 1. Discussion continued.

Mr. Steinberg moved to support, at 2014 Annual Town Meeting, a vote to replace the Childrens' Way and Food Service revenue source on the FY2014 budget with \$218,848 from Unrestricted Fund Balance. (Option 2). The motion was seconded.

Discussion continued around the reasons why the school lunch revolving fund is not supporting itself. Ms. Funkhouser asked how we could have attended to this problem as a business model. Members of the Committee noted that the revolving funds could adjust their fee structure in order to cover these expenses.

Vote 6-1. Motion carried.

Ms. Martin continued the discussion around the question of whether the revolving funds should replenish the current-year shortfall addressed in the motion above. After further discussion, the sense of the committee was that the school liasions should request that the school revolving fund business plans take into account the anticipated town subsidy reflected in the motion above.

Finance Director's Report

Mr. Keveny distributed the operating and capital budgets. The debt service, the West Suburban assessment, and the Minuteman assessment are not included in the booklets.

Reports from Finance Committee liaisons to Boards & Committees

Ms. Karlson reported that the School Committee will revise its capital budget request in light of the recent school reconfiguration proposal. Mr. Wolin reported that he continues to get up to speed on the Minuteman budget. Ms. Karlson noted that the school bus contract is coming in above guidelines for the next fiscal year.

Committee members' reports, concerns, and topics for future meetings

– None

Chair's update:

- a) Items the Chair did not reasonably anticipate would be discussed at the meeting—None
- b) January 6 & 9 Capital Budgets, OPEB
- c) January 13 & 16 Operating Budgets

8:26 **Recess**

10:10 **Committee Reconvened at the Board of Selectmen's Meeting**

Mr. Greenaway, Mr. Gutschinritter, and Mr. Keveny briefed the Board of Selectmen on the discussion and the vote of the Finance Committee earlier in the night. There was some discussion around the question of whether the revolving funds can and should support themselves. Ms. Karlson noted that the FY13 OPEB charge had been taken against the revolving funds in February 2013, which depleted the balances within a few months of the 2013 Annual Town Meeting vote. The Selectmen voted unanimously in favor of a motion supporting Option 2.

10:28 **The Committee voted unanimously to adjourn.**

Respectfully submitted,

/s/

Thomas Greenaway
Chair