

Wayland Transparency's Glossary of Terms for Town Meeting:

*what all voters need to know about the terminology and acronyms
used at Annual & Special Town Meetings*

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Abatement – A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge or special assessment imposed by the town. Abatements can only be granted upon application by the person seeking the abatement and by majority vote of the Board of Assessors, unless appealed to the State’s Appellate Tax Board.

Article – An item listed in the Town Meeting Warrant which must contain a sufficient description of what is proposed to be voted upon. Every action taken at the town meeting must be pursuant to some Article printed in the Warrant, and must be within the scope of such Article. The Warrant is issued by the Board of Selectmen, and must also state the time and place of the upcoming Town Meeting.

Assessed Valuation – Value set upon real and personal property by Board of Assessors as a basis for levying taxes.

ATM – Annual Town Meeting, every spring

Available Funds – Balances in the various fund types that represent non-recurring revenue sources. Examples of Available Funds include Free Cash, Stabilization Funds, and Overlay Surplus.

Capital Outlay Expenditure Exclusion – A mechanism which allows a town to raise the total dollar cost of a capital purchase or capital project through a one-year increase in the tax levy.

Cherry Sheet – A cherry-colored form issued by the State each year which lists all state and county charges required to be paid by the town, as well as all reimbursements and Local Aid to be paid to the town. Some reimbursements are based on formulas which review how much the town spent on certain items during the previous fiscal year.

Community Preservation Act (“CPA”) – Enacted in 2000, MGL Ch. 44B permits towns accepting its provisions to establish a restricted fund from which monies can only be appropriated for the acquisition, creation and preservation of open space, historic resources, land for recreational use, community housing, and the rehabilitation and restoration of those town assets previously acquired or created using monies from the fund. Acceptance requires Town Meeting approval, together with referendum approval (ballot box vote) by majority vote. The local program is funded by a local surcharge up to 3 percent on real property tax bills and a percentage of matching dollars from the state generated from registry of deeds fees.

Debt Exclusion - A Debt Exclusion, contrary to how it sounds, is a debt. It is similar to a mortgage for a home, with the exception that annual payments for Debt Exclusions usually decrease each year until the debt is completely paid. The additional amount approved for the payment of the annual loan payments (“Debt Service”) is added to the Levy Limit for the life of the debt only (typically 10 or 20 years). Unlike Overrides, Debt Exclusions do not become part of the base upon which the Levy Limit is calculated for future years. A Debt Exclusion is typically used to pay for capital equipment and municipal building construction or renovation projects. A Debt Exclusion must be approved by a 2/3 vote of the Selectmen to be on the ballot, and then must be confirmed by a subsequent vote of registered voters at a ballot box election (majority vote required).



Debt Service – The repayment cost to be budgeted each year to make principal and interest payments due on the bonds owed by the town. It is similar to a homeowner’s budget for mortgage payments.

DOR – Massachusetts Department of Revenue.

ELVIS – An acronym for “Electronic Voting Implementation Subcommittee”, which oversees our E-voting.

Enterprise Funds - Funds that are set up pursuant to MGL Ch 44 §53F1/2 to collect fees paid by users to pay for certain self-sufficient programs. These funds account for all revenues and expenditures for services and allow surpluses to be used to reduce future fees for the services or to pay for future capital improvements for that service. Each fund has an independent budget. Losses are made up from the town’s general fund.

Estimated Receipts – Funds expected to be received by the town in the coming fiscal year, but not including real estate taxes. Building permit fees, marriage license fees, and automobile and boat excise taxes are examples of items included in Estimated Receipts.

Finance Committee (“FinCom”) – A committee of 7 volunteer residents who are appointed by the Selectmen (Wayland is one of a handful of towns where the Fincom is not elected by the people or appointed by the Moderator) to review and make recommendations for each budget line item and each finance-related Article in the Town Meeting Warrant. The FinCom also manages and controls the Reserve Fund.



Fiscal Year (“FY”) – The budget cycle period from July 1 of one year through June 30 of the next year. The Fiscal Year refers to the year in which it ends (FY12 is July 1, 2011 to June 30, 2012).

Fixed Costs – Costs that are legally or contractually mandated, such as retirement, FICA/Social Security, the town’s liability insurance, or Debt Service.

Free Cash - The amount of Available Funds which were not spent in a prior year’s budget, minus uncollected taxes from that prior year. Free Cash can be generated when the town collects more fees or revenue than expected in a given year (e.g., increased permit fees or delinquent taxes from prior years are paid to the town), or budgeted expenses are lower than expected (e.g., less unemployment payments or health insurance costs, or reduced heating or electricity costs). Free Cash must be certified by the State Bureau of Accounts after June 30th before it can be spent by the town.

General Fund – The fund used to account for most financial resources and activities governed by the normal town meeting appropriation process



I.T. – Information Technology, which includes the town’s computer systems, telephone systems, and other communication and data systems

Level Funded Budget – A budget for a certain department(s) or town service(s) which provides the same total dollar amount as last year’s budget. Since costs usually rise each year (fuel, salaries, supplies), a Level Funded Budget typically results in reduced services because the same budget amount must pay for the rising costs.

Level Service Budget – A budget for a certain department(s) or town service(s) which provides increased funding which is sufficient only to provide for the same level of services as last year’s level of services.



Motion to “Pass Over” – A Motion to Pass Over an Article is a way of postpone it indefinitely without passing judgment on its merits

MUNIS – Financial software used by the schools and the town

OPEB - Other Post Employment Benefits, the “Other” refers to everything other than pension for retired town employees - life insurance, healthcare, vision, dental, and deferred-compensation arrangements.

ORC - Operational Review Committee, charged with overseeing the review of the town by TAG

Overlay - Funds set aside each year to cover real estate tax abatements, exemptions and uncollected taxes in the coming year. Overlay and Overlay Reserve are required by law to be administered by the Board of Assessors.

Overlay Reserve -An account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve is not established by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet (see Recap Sheet).

Overlay Surplus - Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account. Within ten days of a written request by the CEO of a city or town, the assessors must provide a certification of the excess amount of overlay available to transfer. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus becomes a part of free cash.

Override – The ability of residents to increase the town’s Levy Limit by more than 2 1/2% by voting to approve a higher limit. A majority vote by the Selectmen is required to place an Override question on a ballot, and a majority vote by registered voters at a subsequent ballot box election is required to approve an Override. An Override vote must specify the exact dollar amount requested and the specific purpose of the increased tax, and if approved, the amount will become a permanent increase in the Levy Limit.



PDA – Principals’ Discretionary Accounts. These school accounts were found to be illegal and have been closed.

Recap Sheet – Also called the Tax Rate Recapitulation Sheet, it is a document submitted by the town to the DOR in order to set each year’s property tax rate. The Recap Sheet shows all estimated revenues and actual appropriations that affect the property tax rate, and must be submitted before December 1st of each year in order for the town to issue “actual tax bills” in the 3rd and 4th quarter of the fiscal year.

Referendum - a direct vote in which an entire electorate is asked to either accept or reject a particular proposal.

Reserve Fund - A small fund established each year by the ATM. The money is controlled by FinCom, which may authorize transfers at the end of each fiscal year to cover any extraordinary or unforeseen expenditures of the town. The fund may be composed of not more than 5% of the tax levy for the preceding year.

Revolving Fund – A fund established each year for certain town departments to allow them to collect fees for a specific service and use those fees/revenues to support the service without using tax dollars. By law, each Revolving Fund must be re-authorized each year at ATM, as well as the limit on the total amount that may be spent from each fund. By statute, Revolving Funds cannot be used for town water and sewer receipts.



Stabilization Fund - A special account created to provide a reserve for municipal purposes. It is typically considered as a town’s savings account or a “rainy day fund”, to be used to balance budget shortfalls in years when local revenues or state aid is low, or when unique or unexpected expenses arise, or for any other purpose that Town Meeting authorizes. To deposit or withdraw money from the Stabilization Fund, Town Meeting must approve the amount by a 2/3 vote.

STM – Special Town Meeting - not necessarily annual, we typically have these in the fall, as needed.

TAG - The Abrahams Group - independent consultants hired to perform review of town and schools.

Tax Neutral – When a debt is fully paid and comes off the books, but is replaced with another - so taxes don’t go up, but they don’t go down either, which they would if the town did not add a new debt to the books.

Transparency - This is not your grandfather’s transparency - acetate for the overhead projector. Transparency in government means open government. It means that those for whom government exists - “the people” - get to see and understand how decisions are made, how budgets are put together, etc. It is a means of holding public officials accountable.



Yes, it sometimes seems to go on forever, but don’t let others decide for you!

Do your part. Stick around for the whole thing!

With Electronic Voting, Town Meeting is now FAST, ACCURATE and PRIVATE.



DISCLAIMER: The information has been compiled from other towns that provide such a guide for their residents and from the DOR website. We cannot guarantee its accuracy. We encourage you to take this opportunity to talk with a neighbor or fellow attendee at the meeting and seek clarification.