

Stoneham Override Study Committee

Date:	July 16, 2025
Time:	5p
Location:	Stoneham Town Hall Hearing Room
Present:	Joe Joffe – Chair Stephen Ternullo – Vice Chair Nick Stavre, Jackie Mahoney, Heidi Bilbo, Brendan Dowdle, Eric Scruggs, Cory Mashburn
Absent:	
Guests:	Dennis Sheehan – Town Administrator, Lori Plourde - Town Accountant

	<p><u>AGENDA</u></p> <ol style="list-style-type: none"> 1. Organization and Elections –Vice Chair, Secretary – Vote Required 2. Overview of OSC Charge 3. Timing and Scheduling – Agree on Meeting Schedule 4. Review and evaluate the Town’s long-range forecast, budget projections, and Town Meeting-approved FY 2026 budget – Dennis Sheehan/Lauri Plourde will present to the OSC 5. Upcoming Budget Information Session at Stoneham PD on 7/24/25 6. Other business – Non-Deliberative 7. Adjournment - Vote Required

1.	<p>Organization and Elections –Vice Chair, Secretary – Vote Required</p>	<p>Mr. Ternullo nominated himself for Vice Chair. Ms. Bilbo seconded the nomination; all in favor.</p> <p>Mr. Scruggs nominated himself for Secretary. Mr. Stavre seconded the nomination; all in favor.</p>
2.	<p>Overview of OSC Charge</p> <p>Mr. Joffe read through the charge of the committee from the Select Board.</p>	<p>No votes needed</p>

	<p>There was a discussion of potential override vote dates. Ms. Bilbo clarified that any potential discussion of dates by the Select Board was for viable dates for an override rather than recommendations. Mr. Joffe noted that the Override Committee will need to be focused on having our recommendation ready to represent by Sept 30th as noted in our charge.</p>	
<p>3.</p>	<p>Timing and Scheduling – Agree on Meeting Schedule</p> <p>Future meeting dates and times were discussed and agreed upon. The meeting schedule is:</p> <ul style="list-style-type: none"> ● July 22nd @ 7pm: Town Hall Meeting Room ● July 29th @ 7pm: Town Hall Meeting Room ● August 5th @ 7pm: Town Hall Meeting Room ● August 11th @ 5pm: Stoneham Middle School ● August 19th @ 7pm: Town Hall Meeting Room ● August 26th @ 7pm: Town Hall Meeting Room ● September 2nd @ 7pm: Town Hall Meeting Room ● September 10th @ 7pm: Stoneham Middle School ● September 16th @ 7pm: Town Hall Meeting Room ● September 25th @ 3pm: Town Hall Meeting Room ● September 29th @ 7pm: Town Hall Meeting Room ● September 30th @ 7pm: Town Hall Meeting Room <p>All meetings will have a zoom link so that members can participate remotely if they are unable to attend in person.</p>	<p>No votes needed</p>
<p>4.</p>	<p>Review and evaluate the Town’s long-range forecast, budget projections, and Town Meeting-approved FY 2026 budget – Dennis Sheehan/Lauri Plourde will present to the OSC</p> <p>Mr. Sheehan presented on various financial topics to bring the committee up to speed with the current state of town finances and future budget projections.</p> <p>Some highlights were:</p> <ul style="list-style-type: none"> ● The town is required to have a balanced budget each year meaning that income and expenses need to be aligned annually. 	<p>No votes needed</p>

- A clarification on what Proposition 2 ½ is and how it limits the ability to increase the annual tax levy. He also discussed the impact of New Growth and how that plays a role in increasing levy amounts each year.
- Mr. Sheehan explained the details of the difference between Debt Exclusions and a Levy Override.
- He reviewed the sources of town revenue and noted that roughly 70-75% of the town’s budget comes from the tax levy.
- Mr. Sheehan discussed how a town budget is arrived at before it is voted on at Town Meeting.
- Mr. Sheehan reviewed town Fiscal Guidelines & Policies for Stabilization and Capital Stabilization. For the first time in several years the town is in compliance with our reserve funds which allowed some funds to be set aside in the current Fiscal Year to offset budget shortfalls. This transfer was seen as a one time event and should not be relied upon in future years to offset budget deficits.
- The committee discussed the concept of “Level Service,” the amount needed to maintain services year over year. Based on the projections presented at the meeting, there is projected to be a roughly \$9.2M budget shortfall by FY 29 to maintain “Level Service.”
- An additional conversation was had about prior year budget cuts and the loss of services across the town including to schools and the DPW over the last several fiscal years. To restore some positions and programs an estimated \$14.6M override would be needed.
- There was a discussion of the ability to increase the maximum levy amount via override and not necessarily increase the tax residents pay by the full levy limit immediately. For example, a \$14M override amount could be applied as a \$3.5M levy increase each year for 4 years (so a \$3.5M levy override increase in year one, an additional \$3.5M in year two for a total levy increase of \$7M over 2 years).
- Some data that was discussed as potentially being helpful to the committee:
 - Information on prior FY budgets including what was cut in those years and what maintaining “Level Service” would look like if the base year was FY 23 rather than FY 25.
 - Updated financials as the prior fiscal year is closed out and new FY 26 estimates as the Town is preparing that budget.
 - Data on “New Growth” revenue potential in the town over the next few years. Including the largest sources of new growth over the last few years and projected sources of new growth through FY 2029.

The committee discussed developing a framework for the final report as a way to determine what data will be needed to develop the report. All committee members were encouraged to develop a list of

	<p>questions and data requests so that potential guest presentations could be scheduled and to help ensure presenters come with data helpful to the committee.</p>	
5.	<p>Upcoming Budget Information Session at Stoneham PD on 7/24/25</p> <p>Several members expressed interest in attending the meeting. There was a discussion that members would not be attending their capacity as members of this committee to ensure compliance with open meeting laws.</p>	No votes needed
6.	<p>Other business – Non-Deliberative</p> <p>None.</p>	No votes needed
7.	<p>Adjournment</p>	Mr. Ternullo then introduced a motion to adjourn; Ms. Bilbo seconded; all in favor.