

Stoneham Finance and Advisory Board
Monday, January 22 — 7:30pm
Stoneham Town Hall Hearing Room

ATTENDEES:

Angelo Mangino, *Chair*
Susan Lippman, *Vice-Chair*
Thomas Dalton, *Secretary*

Heidi Bilbo Stephanie Hayes
Julianne DeSimone Domenic Martignetti
George Drugas Tim Waitkevitch
Andrew Harmon

GUESTS:

John Macero,
Superintendent of Schools
Martha Bakken,
Director of Student Services
Nicole Langley,
Director of the Stoneham Public Library
Martin Wantmann

AGENDA:

1. Review prior meeting minutes
2. SPS Budget review with Superintendent John Macero
3. Recommendations for January 29 Special TM
4. Long Range Fiscal Policy Committee
5. Miscellaneous

DOCUMENTS:

- 1) *School Department Budget Proposal 2018-2019* (link: http://www.stonehamschools.org/files/kRCeR/c19b8f2d85a9e5983745a49013852ec4/BUDGET_PROPOSAL_PLUS_FOR_WEB_1.17.18.pdf)

MINUTES:

The Chair called the meeting to order at 7:30 pm and directed the members to agenda item #1. Mr. Drugas moved to accept the meeting minutes, the Vice-Chair seconded the motion, and the members assented unanimously.

The Chair invited Mr. John Macero to address the Board regarding the Stoneham Public Schools budget proposal for FY 19. Mr. Macero introduced the school administrators in attendance, after which he proceeded to explain the *School Department Budget Proposal* which was circulated to the members in advance of the meeting, adding that the proposal had also been delivered to the School Committee in their January 11 meeting. Mr. Macero reviewed the budget elements, including the salary cost projections and the new school enrollment projections furnished by NESDEC, the New England School Development Council.

Mr. Macero separately discussed budgeting for special education, which he described as a budgetary “moving target,” since the needs and demand for special education programming shifts each year, as students and their families opt for “out-of-district” special education programs or stay in-district for individual programs. Mr. Macero discussed “circuit breaker” funding, which is the main state grant mechanism to support and offset special education costs. Circuit breaker projections are down from an earlier 72% to 65%, accounting for approximately

\$140,000 less in the budget from that funding source. To explain the entire mechanism for circuit breaker funding, Mr. Macero invited Ms. Martha Bakken to address the Board.

Ms. Bakken started by explaining that circuit breaker funding reimburses school districts for both in-district and out-of-district special education students. For each per-pupil expenditure to be eligible for circuit breaker reimbursement, the annual cost of educating the pupil must be greater than four times the state average per-pupil expense; therefore, many special education costs do not meet the circuit breaker threshold. The reimbursement is calculated by subtracting the state circuit breaker threshold (\$44,000) from the per-pupil tuition, and the state reimburses a percentage of that difference; in the case of the coming year, 65%. Ms. Bakken took extra care to note that the state's reimbursements are not "at cost"; they are based on typical costs determined by the state, meaning that the town is often reimbursed based on a calculation that understates actual costs.

Mr. Macero returned to review the areas in which he has requested a budget increase, including: expansion of the system's successful language base program, STEM support at all grade levels, and expansion of middle school art and music programs. Next, he reviewed the areas of capital requests, which will be presented to the Capital Committee: Chromebooks for students, repairs to the Old Central School, passenger vans, a security radio system, and a Gator all-terrain vehicle. Mr. Macero concluded his presentation by adding that the school budget will change several times before May Town Meeting, but that his projections aim to anticipate the financial realities. He asked if the members have any questions.

The Vice-Chair asked about the elementary literacy line items, which include a one-time expense and an ongoing expense; is the one-time expense for materials and a curriculum, but the salary annual? Mr. Macero confirmed this. The Vice-Chair followed up by asking if many other expenses in the budget were similarly construed, and Mr. Macero responded that no, most of the items are positions which will require annual funding. The Chair asked if staff "lane changes" often take place through continuing education, and whether the Town reimburses staff for education. Mr. Macero confirmed the former and latter, adding that the Town reimburses up to \$750 in education costs annually.

Mr. Waitkevitch asked about the 92 lane changes this year. Mr. Macero said that yes, 92 are a great many, but they have not come as a surprise. The Chair asked whether some of the 92 requests are unwarranted or might be received by staff who would then leave the system, but Mr. Macero said this is generally not a problem. Mr. Martignetti asked about the requirements for "step" changes. Mr. Macero said that early steps depend upon experience, and that all staff undergo substantial professional evaluation in their first three years. The Chair asked whether the Town would incur any major savings from retirements, and Mr. Macero confirmed that 5 staff retirements this year will produce some savings.

The Chair asked about the current arrangement of the music program. Mr. Macero explained that there is currently one high school instrumental teacher, a middle school generalist music teacher, and two elementary school generalist music teachers. The proposed additional music teacher would have their time divided between high school instrumental instruction and elementary instrumental instruction. The Chair and Mr. Dalton both expressed their approval of the healthy

music program in the schools. Mr. Macero agreed with their optimism, explaining that although the recession was hard on school music programs, demand is surging now, and music participation is a great indicator of test success.

The Chair asked Mr. Macero to comment on the projection of increased enrollment. Mr. Macero said that growing enrollment may threaten increased class sizes. The Chair asked where students could be housed if enrollment exceeds projections, and Mr. Macero said that a new high school facility could potentially include a “pre-school” wing or similar facility to accommodate younger students.

Mr. Macero concluded by contending that the previous superintendent did a great job laying out the system’s financial needs, and that now the system is ready for the next step of program improvements and expansion. He hopes to introduce more support for administrators, so that all of the system’s educators can educate more often instead of worrying about logistical or managerial matters. The Vice-Chair thanked Mr. Macero for his thoughtful and well-conceived proposal and presentation, and Mr. Dalton added his thanks for the aspirational and optimistic nature of the budget proposal.

The Chair called a brief recess.

The Chair called the meeting back to order, and Mr. Dalton made a motion to move Agenda Item #5 up in the order of the meeting. Under “Miscellaneous” business, the Chair invited Nicole Langley, the Director of the Stoneham Public Library, to address the Board. Ms. Langley explained that the library’s sole elevator is out of order and requires emergency maintenance in order to restore accessibility to the library. Ms. DeSimone asked about the nature of the current service contract for the elevator, and Ms. Langley explained that the elevator is out of order in spite of frequent service and maintenance call-outs, adding that there have been extensive and consistent problems with the elevator, despite the elevator always passing inspection. The Chair inquired about the age of the elevator, and Ms. Langley said that she has documentation for it back to 2006, but that it may have been installed as early as 1984. Ms. Langley requested funding for repairs “up to \$12,657” in order to cover the current repair needs.

Ms. DeSimone moved that the Finance and Advisory Board allocate up to \$12,657 from its reserve fund for the repair of the library elevator, Ms. Hayes seconded the motion, and the Board assented unanimously.

The Chair directed the members to consider Agenda Item #2, recommendations on the Warrant Articles for the January 29 Special Town Meeting. He began with Article #1, regarding a ban on the sale of marijuana for recreational use in Stoneham. The Chair remarked that the Board has discussed this issue in the past and found that there is little to no tangible data on the financial impact of the recreational sale of marijuana. Mr. Waitkevitch remarked that he attended part of the January 22 public forum on the question, and that he learned there that municipalities are entitled to tax up to 3% of the sale, that the total Massachusetts market for marijuana is projected to be about \$300 million, and that the Commonwealth is likely to approve 10 retail locations, statewide, in the first year of sales. The Vice-Chair recommended that the Board make no recommendation to Town Meeting on Article 1. Mr. Dalton assented, citing financial ambiguity,

but added that the Board should address Town Meeting to explain the Board's rationale from a financial perspective. Mr. Dalton moved that the Board abstain from recommendation on Article #1, Mr. Drugas seconded the motion and the members assented unanimously.

The Chair raised discussion of Warrant Article #2, regarding the adjustment of certain punitive fees levied when snow is shoveled into the public way (sidewalks and roads). After brief discussion, the Vice-Chair moved that the Board recommend favorable action on Article #2, Mr. Dalton seconded the motion, and the members assented unanimously.

The Chair directed the Board to consider Warrant Article #3, regarding the allocation of \$25,000 for the purposes of maintaining and improving the Town Hall parking lots. The Chair explained that the lot in question is the "third" lot, between the Town Hall lots and the houses adjacent to the playground, adding that the funds for the maintenance are drawn from the year's budgetary overlay. Mr. Martignetti moved that the Board recommend favorable action on Article #3, the motion was seconded, and the members assented unanimously.

Discussion moved to Warrant Article #4, and the Chair invited Mr. Martin Wantmann to address the Board regarding his petition. Mr. Wantmann explained the detail of the warrant article in question. In the course of his presentation, Mr. Wantmann suggested that the history of previous ditch maintenance in the town indicates that the cost of clearing the ditch in question would be approximately \$6000, although he was unable to substantiate this assertion beyond a letter from the DPW Director stating that clearing half of the ditch in question cost \$3000 in 1999.

Ms. DeSimone asserted her view that the Town should clear the ditch in order to fulfill its obligations. The Chair said that he sympathizes with the situation but that the Town should obtain solid figures and cost projections before proceeding. Ms. DeSimone moved that the Board recommend that the DPW obtain a cost estimate for the ditch clearing, Mr. Martignetti seconded the motion. Mr. Drugas stated that the Board cannot make recommendations on the article without data and cost estimates. The Chair and Ms. DeSimone said that the Town should rectify the situation regardless of the cost. Mr. Waitkevitch questioned the legality of the clearing, citing Town Counsel's previous remarks about the need to conduct a title search and other legal foundation before proceeding.

Ms. DeSimone amended her initial motion, adding that the DPW should obtain a cost estimate for the ditch clearing unless documentation is procured that would prevent the Town from clearing the ditch. The Chair and Mr. Dalton reminded the Board that such a recommendation would be non-binding and advisory only. The Chair called the vote and the motion passed.

Ms. DeSimone moved that the Board recommend favorable action on Warrant Article #4, stating her view that the Town is obligated to clear the ditches. The motion was seconded.

Mr. Dalton moved that the Board recommend unfavorable action on Warrant Article #4, citing the legal ambiguity of the situation and the complete lack of cost estimates, and Ms. Bilbo seconded the motion.

Ms. DeSimone noted that Town Meeting could amend the warrant article to include language around title searches and cost estimates, but Mr. Dalton countered that on-the-fly amendments at Town Meeting can open the Town up to other unintended legal liability. Ms. Bilbo stated that the Town will likely want to know about cost estimates, so an amendment to that end may be amenable to Town Meeting. Mr. Wantmann interjected that he feels that an amendment at Town Meeting would create an opportunity for attorneys to “obfuscate, delay and inflate.” Mr. Dalton stated that the Town’s attorneys counsel to prevent legal liability for the Town and to protect the Town from unintended legal consequences.

The Chair asked the Board which options should be considered for Warrant Article #4. Mr. Dalton stated that the Board can act upon his motion for an unfavorable recommendation, recommend favorable action, or seek some sort of third way like a recommendation for amendment. Mr. Waitkevitch said that he is sympathetic to the proposal for unfavorable action, as Town Meeting should be careful not to open the Town to unlimited liability. Ms. DeSimone said that the cost is secondary to the need for the Town to rectify the situation, and Mr. Waitkevitch countered that a large expense might require extensive planning which is not included in this article. Mr. Dalton repeated his assertion that the Board should recommend unfavorable action on the article as written. He added that, if the article is amended at Town Meeting, the Board could reconsider, but that the Board should recommend against the article as written. Expressing her support for a Town Meeting amendment, Ms. DeSimone withdrew her motion for favorable action. The Chair indicated his support for a favorable recommendation on the warrant article as written, stating that the Town should solve the problem regardless of cost.

The Chair called a vote on Mr. Dalton’s recommendation for unfavorable action on Article #4:
Aye: Ms. Bilbo, Mr. Dalton, Ms. Hayes, Mr. Waitkevitch
Nay: the Chair, the Vice-Chair, Ms. DeSimone, Mr. Drugas, Mr. Harmon, Mr. Martignetti

Ms. Bilbo moved that the Board abstain from recommendation on Warrant Article #4. All members assented except for Mr. Dalton and Mr. Drugas, who abstained from voting.

The Chair directed the Board to consider the appointment of a member to the Town’s new Long Range Fiscal Policy Committee, and Mr. Drugas expressed his interest in serving. Ms. Bilbo nominated Mr. Drugas to serve as the Finance and Advisory Board’s representative to the committee, Mr. Dalton seconded the motion, and the members assented unanimously. Mr. Drugas nominated Mr. Martignetti as his alternate, Mr. Waitkevitch seconded the motion, and the Board assented unanimously.

Mr. Dalton moved to adjourn the meeting, and the Board assented unanimously.

Respectfully submitted,

Thomas Dalton
Secretary