

Stoneham Finance and Advisory Board
Monday, August 7, 2017—7:30pm
Stoneham Town Hall Hearing Room

ATTENDEES:

Devon Manchester, *Chair*
Angelo Mangino, *Vice-Chair*
Thomas Dalton, *Secretary*

Ben Caggiano Susan Lippman
Julianne DeSimone Dominic Martignetti
George Drugas Tim Waitkevitch

GUESTS:

Jeanne Craigie, *Town Moderator*
Tom Younger, *Town Administrator*

MINUTES:

The Chair called the meeting to order at 7:30 pm and invited Ms. Craigie to address the members of the Board concerning a FUEL committee.

Ms. Craigie explained that in 2014, an article in Town Meeting called for the creation of a committee to “determine and assess the existing conditions and demands, of the public future utilities & energy logistics, to be referred to as the “FUEL” committee.” This article was never acted upon, and a committee was never created. Although a notice was posted calling for applicants to the committee, and two applications were received, the specific meaning and intent of the article has remained unclear. Ms. Craigie requested that the Board either present a candidate for the formation of the committee or call for its dismissal by the next Town Meeting. The Chair stated that he views the committee as unnecessary, citing existing government and private utility organizations and regulators who already oversee the purview of the FUEL committee. Mr. Younger noted that, according to the language of the article, the FUEL committee was meant to report to the 2015 May Town Meeting so that Town Meeting could consider its renewal, and because of this timeframe (with deadlines already past), it seems unlikely to him that creation of the committee now is ~~unnecessary~~ necessary [*per correction noted and agreed upon during the FAB meeting, 9/11/17, TD*].

Ms. Lippman remarked that the general intent of the article is highly unclear, and the Chair suggested that it seems the FUEL committee is intended to “watch over” gas and utility lines and their integrity. Mr. Younger noted that the language of the article makes the FUEL committee “broadly all-inclusive.” The Chair stated that he favors a motion to recommend dissolving the committee. Ms. DeSimone suggested that a committee like the one described could be useful as a “project committee” to liaise between parties during projects like the ongoing MWRA utility construction. Mr. Younger pointed out that the FUEL committee was not designated the purview to work on projects like the MWRA. The Chair remarked that the existing oversight of the Planning Board, Zoning Board of Appeals, and the Board of Selectmen renders additional oversight unnecessary. Further, the Chair determined that Town Counsel

should be asked to give an opinion before any Board makes recommendations for the FUEL committee's re-establishment or dissolution.

The Chair directed the Board to consider the vacancy on the Capital Committee and asked members to nominate a Finance and Advisory Board representative to that committee. The Chair recommended the nomination of Mr. Waitkevitch, citing his past membership and extensive experience on the Capital Committee. Mr. Dalton nominated Mr. Waitkevitch as the new Board representative to the Capital Committee, the Vice-Chair seconded the motion, and the Board assented unanimously.

The Chair expressed his intention to invite municipal department heads to the upcoming Board meetings before October Town Meeting. Board Meetings were scheduled for September 11, September 25, and October 2. Town Meeting is October 16.

The Chair raised the topic of the Vice-Chair's proposal for establishing a formula for the designation and use of the town's free cash. The Vice-Chair explained that because October Town Meeting often faces harsh fiscal deadlines and controversial debate about the use of free cash, capital issues should be dealt with at the start of the year during May Town Meeting with other budgetary considerations. He proposed the following formula to allocate free cash:

“10% to OPEB [Other Postemployment Benefits] (we have only \$50,000 set aside for this unfunded \$100+ million liability);
20% to infrastructure (limited only to new sidewalks/streets or their repairs, new street/traffic lights or their repairs - similar to parks below our sidewalks in some parts of town are awful);
20% to capital stabilization (our current balance is only ~ \$350k);
20% to parks & fields improvements (capped at \$200k & excluding the schools) - as most know our parks & fields are an embarrassment compared to neighboring towns. Improving them can help attract young families & therefore boost property values;
30% to General stabilization.”

The Chair remarked that the Capital Committee does have a plan in place for free cash spending on open space and recreation needs. He also expressed his view that it is worthwhile to establish a sub-committee of the Board to research the free cash plans of comparable towns. Mr. Waitkevitch noted that the Massachusetts Association of Town Finance Committees has many valuable resources available online regarding the spending of free cash. Further to ATFC recommendations, he expressed a view that it may be best to cap the expenditure of free cash for recurring costs, and establish a free cash formula aimed explicitly at addressing and improving one-time or capital expenditures. Mr. Waitkevitch said that if the Board forms a sub-committee to address this issue, it would be best to first review the Capital Committee's plans for a free cash formula, and then dovetail with or expand that proposal with the Board's own recommendations. Ms. Lippman moved for the formation of a Board sub-committee to address the question of the free cash formula; Mr. Martignetti seconded the motion, and the members assented unanimously.

Mr. Waitkevitch asked if the new subcommittee should draft a formal policy proposal, and the Chair assented. The Vice-Chair, Mr. Martignetti, and Mr. Drugas volunteered to join the sub-committee.

The Chair asked the Board to review the May 15 meeting minutes prepared and presented by Mr. Dalton. The Vice-Chair moved to accept the minutes, Ms. DeSimone seconded the motion, and the motion passed with the votes of all members who were present at the meeting in question.

The Chair asked the Board to review the June 12 meeting minutes prepared and presented by Mr. Dalton. Ms. Lippman moved to accept the minutes, Mr. Martignetti seconded the motion, and the motion passed unanimously.

Mr. Dalton moved to adjourn the meeting, the Vice-Chair seconded the motion, and the Board assented unanimously.

Respectfully submitted,

Thomas Dalton
Secretary