

Stoneham Finance and Advisory Board—Tri-Board Meeting
Tuesday, January 10, 2017—7:00pm
Stoneham Town Hall Auditorium

ATTENDEES:

Town Moderator Larry Means, *Moderator*
Town Administrator Thomas Younger
Superintendent of Schools Les Olson

Finance & Advisory Board

Patricia Walsh, *Chair*
Hilde McCormack, *Vice-Chair*
Thomas Dalton, *Secretary*
Benjamin Caggiano
Stephen Dapkiewicz
Julianne DeSimone
Stephanie Hayes
Devon Manchester
Angelo Mangino
Robert Verner

Board of Selectmen

Ann-Marie O’Neill, *Chair*
Caroline Colarusso, *Vice-Chair*
Thomas Boussy
George Seibold
Anthony Wilson

School Committee

David Maurer, *Chair*
Marie Christie
Shelly MacNeill
Shawn McCarthy
Rachel Meredith-Warren

AGENDA:

1. Pledge of Allegiance
2. Introductions
3. Board Communications
4. Long-Term Fiscal Planning
5. FY18 Budget Planning
6. HS Renovation Planning/ MSBA Rejection of Statement of Interest
7. Capital Planning
8. Adjourn

MINUTES:

Mr. Means called the Tri-Board meeting to order. Ms. O’Neill called the Board of Selectmen to order, Mr. Maurer called the School Committee to order, and Ms. Walsh called the Finance and Advisory Board to order.

Mr. Means introduced the meeting and its origins, explaining that after several years’ hiatus, Mr. Maurer proposed the reconvention of the Tri-Board. Mr. Means led those present in the Pledge of Allegiance, and directed the meeting to Agenda Item #3, Board Communications.

Ms. O’Neill began by thanking Mr. Maurer and the School Committee for bringing the meeting together, and expressed the importance of the Tri-Board to fruitful inter-board dialogue. Mr. Maurer also expressed his thanks to all in attendance, echoed Ms. O’Neill’s call for improved channels of dialogue between the boards, and added his hope for more cordial behavior and a new emphasis on long-term planning among the boards. Finally, Ms. Walsh remarked on her excitement at the opportunity to reconvene the Tri-Board meeting and encouraged the members of the boards to consider having a similar meeting each month. Alternatively, Ms. Walsh suggested that the chairs of the three boards could at least meet monthly with the Superintendent of Schools, Town Administrator, and Town Accountant. Regarding the last point, Ms. MacNeill

told the meeting that in the past, during budget season, envoys from the three boards would meet weekly to discuss progress on the budget.

Mr. Younger expressed his own gratitude for the meeting's convention and his own invitation. He shared his belief in the value of monthly meetings of the Tri-Board chairs, and iterated his intent to update the Town website with a monthly capital report and a guide to the budget process.

Mr. Means directed the Tri-Board to Agenda Item #4, long-term fiscal planning. Mr. Younger expressed a desire to outline a five-year revenues and expenses projection by November 2017 in order to estimate budgets for future years. These projections would include project permitting revenues, school population, local aid estimates, and anticipated capital improvements. He has already encouraged the Capital Committee to begin consideration of a five-year plan. Finally, he expressed his view that, for planning purposes, the High School renovation or rebuild is the most crucial and sensitive upcoming project for Stoneham.

Ms. Colarusso asserted her concerns regarding retirement and pension fund liabilities, and offered outsourcing of town services as a path to the reduction of those liabilities. Ms. MacNeill remarked that our pension funding arrangement calls for full funding of the pension fund by 2023, and observed that by sticking to that plan even through the recession, Stoneham did itself a great fiscal service. Mr. Maurer agreed that pension funding is important to the Town and inquired about the liability-funding mechanisms of the Commonwealth at the state level, suggesting that a study of liability-funding methods might serve Stoneham well. Ms. Colarusso said that the Town's current fiscal guidelines ought to be replaced with formal fiscal policies, and expressed pride in the outsourcing of the golf course as a measure to reduce liability. Mr. Wilson asserted that the most essential element of the Town's fiscal health is new business growth, further asserting that even a 1% growth from the Town's current commercial/industrial property share would increase tax revenue by approximately \$800,000.

Mr. Maurer, addressing the school budget, remarked that maintenance and technology costs are growing rapidly. Those expenses are currently funded through capital expenditures, but Mr. Maurer expressed his desire for those costs to be anticipated and included in the school operating costs.

Mr. Means directed the Tri-Board members to Agenda Item #5, Budget Planning for Fiscal Year 2018. Mr. Younger said that it's crucial to provide complete budgetary information to the attendees of Town Meeting. He said that consistency in the budget at Town Meeting will inspire public confidence in the budget and, by extension, confidence in the governance of Stoneham.

Mr. Means directed the Tri-Board members to Agenda Item #6, the High School renovation planning and the Massachusetts School Building Authority's rejection of Stoneham's statement of interest. Dr. Olson informed attendees that on December 3, the MSBA rejected Stoneham's statement of interest, which was the fourth application Stoneham has made for the high school renovation. He explained that more and more schools are in line each year for state rebuilding funds, even as state sales tax revenues, which fund MSBA projects, are declining. Because of the rejection by the MSBA, the School Committee approved Stoneham's own feasibility study on a

Stoneham High School renovation or rebuild. Simultaneously, the School Department has already begun a fifth application to the MSBA.

Ms. MacNeill remarked that the best way forward for Stoneham might be to embark upon a renovation project without MSBA funds, bonding the costs together with other capital projects to maximize the usefulness of the debt exclusion. Mr. Boussy expressed concern that a solo project might be risky for the Town, because it wouldn't include the safety net of the MSBA protocols. Mr. Wilson stated his understanding that the MSBA is prioritizing projects in growing communities, not those that need the most help.

Mr. Means asked Dr. Olson whether Town Meeting would be consulted before an independent renovation can be conducted, and Dr. Olson said that Town Meeting would need to provide final approval after approval from the Capital Committee. Dr. Olson also reminded the Tri-Board members that the MSBA would not count an independent feasibility study against Stoneham in the application process, once a solo project begins, MSBA help will not be available. General consensus was expressed in approval of the feasibility study as a next step.

Mr. Means directed the Tri-Board members to Agenda Item #7, Capital Planning. As a member of the Capital Committee, Mr. Wilson informed the meeting that after October Town Meeting, the Capital Committee began to work on standardizing the capital process. With regard to the FY18 Budget and May Town Meeting, the Capital Committee aims to provide all capital requests to the boards and the public by January 19, 2017, and the five-year capital plan will be complete for May Town Meeting.

Mr. Maurer and Mr. Means once again thanked the Tri-Board members for their attendance, and the meeting was adjourned.

Respectfully,

Thomas Dalton
Secretary, Finance and Advisory Board