

Stoneham Finance & Advisory Board Meeting
Monday, March 2, 2020 - 7:00 pm
Stoneham Town Hall Hearing Room

Attendees:

Tim Waitkevitch, Chair
Cory Mashburn, Vice Chair

Jeremy Doyle Jen Gray
Mike Memmolo Wendy Smith
Chris Waszak

Absent: Jennifer Goldenberg, Ed Hurley, Andrew Harmon, Carol O'Loughlin

Guests:

None

Agenda:

1. Pledge of Allegiance
2. Meeting Minutes
3. DLS
4. Proposed FY21 Budget Review
5. Annual Report
6. Other Business - Non Deliberative

Minutes:

The Finance & Advisory Board Chair called the meeting to order at 7:00pm. Mr. Waitkevitch opened the meeting with Agenda Item #1. All members in attendance rose and recited the Pledge of Allegiance.

Board Chair then moved on to Agenda Item #2. The Board was asked to review the Meeting Minutes from 2/19/2020. Ms. Smith introduced a motion to accept the minutes as presented. Mr. Mashburn seconded; 5 members in favor (Mashburn, Memmolo, Smith, Waitkevitch, Waszak); 2 abstentions (Doyle, Gray). Motion passes.

Board Chair then moved discussion to Agenda Item #3. Mr. Waitkevitch brought up some relevant information from the Division of Local Services. There is a meeting on June 4 at Holy Cross (Worcester). The meeting covers basic municipal finance.

Board Chair then moved discussion to Agenda Item #4. The Board began to review the proposed FY21 budget. The group started with the proposed School Department budget. Mr. Waitkevitch noted that the Schools budget does include cuts to certain services (Professional

Development chief among them). Mr. Mashburn asked whether this school budget was sufficient since it does not enhance the Town's school system; only maintains the status quo. Ms. Gray then argued that the budget does not and then segued into budget surplus deficits laid out in the 5 year forecast. She noted that this was not an acceptable situation for the Town in the long term. Mr. Waitkevitch added that the increased Town revenues are not keeping pace with the financial obligations (pensions, health insurance). Ms. Gray emphasized that these projections don't even account for the fact that the Town will likely be borrowing soon to build a new High School.

Ms. Smith reiterated the rising cost of healthcare and Mr. Waitkevitch again emphasized that there wasn't a lot that can be done on the expense side and the focus should be on revenue (growth). Mr. Mashburn agreed. Ms. Gray added to this by asking whether the Board has a responsibility to highlight the projected budget situation at Town Meeting in some way. Mr. Waitkevitch suggested that maybe the Board could be afforded some time to make a short presentation, complete with slides and a clear message and proposed action items. Ms. Smith further explained how Citizen's Academy could help support this effort.

Ms. Gray did want to clarify the perspective of the deficit. She said 4% is, in the scheme of the overall budget, not overwhelming. But it should also not be ignored. Mr. Doyle added to the conversation by noting that Stoneham's tax rate is low compared to its neighbors. And that our population density is relatively high. And that changes to the tax rate could help improve the long term forecast. Ms. Smith asked the group to share their thoughts on where revenue growth in Stoneham would come from. She suggested valuations on existing structures could rise with home improvements. Ms. Gray suggested that similar improvements to existing commercial space could be a factor. Mr. Waszak then added that mixed use downtown space was also a good option. The Board agreed.

Aside from revenue, Mr. Mashburn emphasized that capital improvements could also be more proactive than reactive. Planning maintenance and capital plans would help manage future expenses. Ms. Gray added that the Arena should be self-sustaining. Mr. Mashburn noted that it was difficult for the Capital Committee to obtain revenue information from the Arena representatives.

Mr. Waszak then asked two questions. The first was whether anyone on the Board knew the Town's current borrowing rate. The second was whether the Town was obligated to be fully funded on its pension obligations within five years. He went on to explain that the Town may consider not fully funding obligations through deficit, but offsetting with borrowing. Ms. Smith noted that those decisions are made by the Pension Board. Mr. Waitkevitch added that the Finance Board should monitor any potential surpluses to pension funding and how those surpluses would be spent.

Mr. Doyle moved the conversation back to revenue generation and suggested that the Town may need to explore new, creative ideas beyond just increasing taxes. Mr. Waitkevitch posited

the question of what roadblocks are businesses facing in order to come to and grow in Stoneham. The Board then had a general discussion about events that could potentially promote the Town. Mr. Waszak asked whether the Town had a Facebook page. It was decided there was no official Town page. There was general agreement that this would be a huge benefit to the Town.

Ms. Smith then asked a series of clarification questions about capital improvements surrounding water and sewer. She then asked whether the DPW has an available list of which streets and sidewalks are next in line for paving.

Mr. Waitkevitch then noted that the Board could meet again on 3/17/2020 to review more questions surrounding the budget. He then asked if there are questions from the Board, they should send them to him and he will attempt to obtain answers from Town officials.

Board Chair then moved discussion to Agenda Item #5. Mr. Waitkevitch explained that the report is due. The report consists of Board goals and accomplishments. He asked that the Board discuss again in the next meeting.

Board Chair then moved discussion to Agenda Item #6. No members brought any business. As a result, Mr. Mashburn introduced a motion to adjourn. Mr. Waszak seconded; all members in favor.