

Stoneham Finance & Advisory Board Meeting  
Monday, June 6, 2022 - 7:00 pm  
Town Hall Hearing Room

Attendees:

Tim Waitkevitch, Chair  
Cory Mashburn, Vice Chair  
Andrew Harmon, Secretary

Youlia Bowerman	Jen Gray
Ed Hurley	Sachin Joshi
Mike Memmolo	Wendy Smith

*Absent:* Julieanne Bovat, Dave Tammaro

Guests:

Eric Duffy - Town Accountant  
Dennis Sheehan, Town Administrator

Agenda:

1. Meeting Minutes - Vote Required
2. Board Officer Elections - Vote Required
  - a. Chair
  - b. Vice Chair
  - c. Secretary
3. FY22 Year-End Transfer (w Town Administrator) - Vote Required
4. Water and Sewer
  - a. Recap of Town Meeting Changes
  - b. Board Appointee Acknowledgements
  - c. FY23 Rates - w Town Administrator
  - d. FY24 Process - w Town Administrator
5. Updates
  - a. Capital
  - b. School Building Committee
  - c. Subcommittees
6. Other Business - Non Deliberative
7. Adjournment - Vote Required

Minutes:

The Finance & Advisory Board Chair called the meeting to order at 7:00pm.

Board Chair began the meeting with Agenda Item #1. The Board was presented with the January 11, February 10 and March 8, 2022 meeting minutes. Mr. Memmolo introduced a motion to accept the January minutes as written. Mr. Mashburn seconded; all in favor. Mr. Memmolo also introduced a motion to accept the February minutes as written. Mr. Joshi seconded; all in favor. Mr. Mashburn then introduced a motion to accept the March minutes as written. Mr. Joshi seconded; 7 members in favor. Ms. Gray and Mr. Memmolo abstained.

Board Chair then moved discussion to Agenda Item #2. Mr. Waitkevitch first announced the election for Board Chair. He then expressed interest in continuing in that position for another year. Mr. Harmon then introduced a motion to elect Mr. Waitkevitch as Board Chair for the next year. Mr. Mashburn seconded; all in favor. Mr. Waitkevitch then announced the election for Vice Chair. Mr. Mashburn stated that he was interested in serving another year as Vice Chair. Mr. Memmolo introduced a motion to elect Mr. Mashburn as Vice Chair. Mr. Joshi seconded; all in favor. The last election announced was for Secretary. Mr. Harmon explained his interest in remaining Secretary for another year. Mr. Memmolo introduced a motion to elect Mr. Harmon. Mr. Joshi seconded; all in favor.

Board Chair then moved discussion to Agenda Item #3. Mr. Waitkevitch introduced Mr. Duffy and Mr. Sheehan to discuss year end transfers. Mr. Sheehan noted that requested transfers amounted to about \$1M. This is roughly one percent of the Town's approximate \$100M budget. He then did a brief explanation of the line item transfers being requested. Mr. Waitkevitch asked about overtime expenditures. Mr. Sheehan explained that it is a combination of retroactive overtime, turnover and illness coverage. Mr. Hurley asked about costs associated with Essex Agricultural school. Mr. Sheehan explained that the Town does its best to approximate enrollment in the school, but there are years where more students attend than expected.

Mr. Waitkevitch asked about the trash subsidy line item and Mr. Sheehan responded that the Town is interested in keeping trash collection rates stable. He further noted that the Town has been able to keep the trash fee the same for 3 years. Ms. Gray asked what the trash fee increase would be per household. Mr. Sheehan estimated about 5,000 households to divide the \$75K used to keep fees level. This translates to an increase of about \$15 per household per year that will be avoided by completing the proposed transfer. Mr. Joshi asked why \$15K in funding was being transferred away from the library. Mr. Sheehan responded that the library had a small surplus in their budget for FY22. But he emphasized that additional library funding was sought (and received) in the FY23 budget. Mr. Memmolo introduced a motion to approve the proposed end of year transfers. Mr. Joshi seconded; all in favor.

Board Chair then moved discussion to Agenda Item #4. Mr. Waitkevitch recapped the events of Town Meeting where the former Water & Sewer Review Board was dissolved and its duties transferred to the Finance and Advisory Board. Mr. Waitkevitch acknowledged Mr. Demerjian and Mr. Gray (the current Finance and Advisory Board appointees at the time of dissolution) and thanked them for their willingness to serve the Town. Mr. Sheehan explained that, as part of a

transition, it would be helpful to discuss the FY23 rates with the Board. And then discuss the mechanics of how the process will work moving forward. He then asked Mr. Duffy to share the FY23 water and sewer rates with the Board. Mr. Sheehan noted that retained earnings are near or exceeding the 20% benchmark outlined in the fiscal guidelines. In the future he noted the Finance Board will need to help consider what to do with retained earnings in excess of the 20%

The proposed rate increases for FY23 are 0% for water and 1.64% for sewer. This is an average increase of 1% on the rates. Mr. Sheehan explained that the MWRA assessment to Stoneham went up by 2% this year. Ms. Bowerman asked whether the MWRA assessment could potentially increase mid-year. Mr. Sheehan responded that is unlikely to happen. Mr. Hurley asked what the average water consumption per household is in Stoneham. Mr. Sheehan responded that it is about 3K cubic feet. Ms. Gray asked whether this year's MWRA assessment is in line with prior years. Mr. Sheehan said that they were and that he was interested in educating the Board on how the assessment works for future years.

Mr. Memmolo commented that roughly 80% of the enterprise fund activity is a result of the MWRA assessment. He stressed how important it would be for the Board to understand how the assessment works. Mr. Waitkevitch then asked about indirect costs and how they are calculated. Mr. Sheehan explained that any department that participates in administration will have a certain percentage of their costs paid by the enterprise funds. Ms. Bowerman noted that the expenditures were higher than the revenue. She asked whether the difference is non-collections. Mr. Sheehan explained that there are continual collections and so revenue continues to come in even after the fiscal year closes. Ms. Smith introduced a motion to accept the FY23 rates. Mr. Mashburn seconded; all in favor.

Board Chair then moved discussion to Agenda Item #5. Mr. Mashburn told the Board that the Capital Committee was meeting the following week to discuss use of ARPA funds. Ms. Gray mentioned that she talked with the Recreation department who relayed that they had received everything they had asked for in the FY23 budget.

Board Chair then moved discussion to Agenda Item #6. There was no discussion. Mr. Memmolo introduced a motion to adjourn. Mr. Mashburn seconded; all in favor.