

Stoneham Finance & Advisory Board Meeting  
Thursday, April 13, 2023 - 7:00 pm  
Town Hall Hearing Room

Attendees:

Cory Mashburn, Vice Chair

Julieanne Bovat      Jen Gray  
Mike Memmolo      Jeffrey Moyer  
Wendy Smith

*Absent:* Andrew Harmon, Ed Hurley, Sachin Joshi

Guests:

Dennis Sheehan, Town Administrator  
Brett Gonsalves, Department of Public Works Director  
Lori Plourde, Town Accountant

Agenda:

1. Open Meeting
2. Pledge of Allegiance
3. Board Officer Elections (Until June 2023 Meeting) - Vote Required
  - a. Chair
  - b. Vice-Chair
  - c. Secretary
4. Water and Sewer Public Hearing
5. May Town Meeting Warrant Review
  - a. Article 12 Recommendation and Description
  - b. Article 13 Recommendation and Description
  - c. Article 17 Recommendation and Description
  - d. Article 9 Description
6. Public Comment Discussion - Vote Required
7. Updates
  - a. Capital
  - b. School Building Committee
  - c. Subcommittees
8. Other Business - Non-Deliberative
9. Adjournment

Minutes:

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

Board Vice Chair began the meeting with Agenda Item #2. The Board performed the Pledge of Allegiance.

Board Vice Chair then moved discussion to Agenda Item #3. Mr. Mashburn explained that, because Tim Waitkevitch was elected as a member of the Stoneham Select Board, the Board has a temporary vacancy at the Chair position. Mr. Memmolo expressed interest in becoming the interim Chair (until annual Board elections are held in June 2023). Mr. Moyer introduced a motion to nominate Mr. Mashburn as interim Board Chair. Ms. Gray seconded. Mr. Mashburn deferred to any other individuals interested in the role. Mr. Moyer's motion was then tabled. Ms. Smith introduced a motion to nominate Mr. Memmolo as interim Board Chair. Ms. Gray seconded; all in favor.

Board Vice Chair then allowed the newly elected Interim Chair to run the remainder of the meeting. Mr. Mashburn expressed his desire to stay in the Vice Chair role until the annual election in June. Mr. Memmolo noted that, with Secretary Harmon being absent from the meeting, he should remain as Secretary until the annual election.

Interim Board Chair then moved discussion to Agenda Item #4. Ms. Gray introduced a motion to open the annual Water and Sewer Hearing. Ms. Smith seconded; all in favor. Mr. Memmolo then invited Mr. Sheehan to speak. He introduced Mr. Gonsalves and Ms. Plourde. Mr. Sheehan began by explaining that the MWRA sewer assessment in the current fiscal year was \$5.7M. And the assessment for the upcoming fiscal year is \$5.9M. In the FY24 proposed budget, the MWRA assessment accounts for 82% of the total sewer budget. For water, the FY23 assessment was \$3.2M. In FY24, the assessment will be \$3.6M. This assessment will represent 67% of the total proposed water budget. Mr. Sheehan then put these numbers in context to previous years.

For sewer, the Town is seeing a 4.1% assessment increase and a 2.02% increase in all other expenses. For water, the assessment is increasing 9.76% and all other expenses are decreasing by 0.40%. Mr. Sheehan then played a video on how the MWRA assesses towns on their water and sewer use. He then explained that, when factored together, the Town is faced with a 3.2% net increase in rates. In many other years, the Town would use Retained Earnings to offset the increase and keep the rates stable. There is a reluctance to do that this year because using retained earnings in that way would drop the Town below 20% of expenses held as Retained Earnings. This is a key benchmark in the Town's fiscal guidelines.

Mr. Sheehan went on to illustrate that Stoneham's consumption is above the MWRA average, but comparable to other communities of the same characteristics (e.g. Melrose, Arlington, etc.). Mr. Sheehan then opened up for questions. Mr. Memmolo asked for a final plan from the Town on the proposed use of the Retained Earnings to stabilize water and sewer rates. Mr. Sheehan

explained that the Town is proposing using enough Retained Earnings to stabilize rates with the expectation that the reserve would build itself back to 20% by the end of FY23.

Ms. Smith asked about efforts to reduce sewer usage. Mr. Gonsalves explained that the Town is undertaking efforts to line the sewer pipes, but that the Town's infrastructure is very old. Mr. Gonsalves and Mr. Sheehan then walked the Board through ongoing infrastructure upgrades to the water and sewer pipes in Town. The Town has been using zero interest MWRA loans to perform some of the upgrades. But the needs of the system exceed the funding available solely from the MWRA.

Mr. Moyer asked for insight on how Stoneham's infrastructure compares to those of surrounding communities. Mr. Gonsalves noted that Stoneham is an older community and that the infrastructure (primarily in the downtown area) is in need of upgrading to tighten up the system. Ms. Smith asked for Mr. Sheehan to elaborate on why a town like Arlington can reduce water consumption and wind up owing a larger percentage in the MWRA assessment. He explained that a lot of it has to do with the total costs of the MWRA is increasing, even as water usage in some communities decreases.

Ms. Smith then asked Mr. Gonsalves how the Town verifies the way in which a new development connects to the water and sewer systems. He responded that he personally views the actual connection taking place. Ms. Smith then asked Mr. Sheehan how delinquent payments from citizens negatively affects the Town's overall rate. He noted that the uncollected balance from year to year is consistent. Because of that, rates are not adversely affected.

Ms. Smith asked how Town departments are assessed water and sewer. Mr. Sheehan responded that they are not assessed. But that, hypothetically, the Town departments could be billed. He noted that the High School is the largest consumer of water in Stoneham. Ms. Bovat asked whether the Town had weighed various scenarios of using different Retained Earnings amounts. Mr. Sheehan affirmed that a lot of scenarios had been tried before settling on the current proposal. Mr. Memmolo asked when the final numbers for Town Meeting would be available. Mr. Sheehan responded that the final numbers are usually not materially different from the numbers placed into the Articles. If they were, an Article would likely be introduced during October Town Meeting. Ms. Smith then introduced a motion to close the public hearing. Mr. Moyer seconded; all in favor.

Interim Board Chair then moved discussion to Agenda Item #5. Ms. Gray introduced a motion for favorable action on Article 12. Ms. Smith seconded; all in favor. The Board then composed its recommendation language for Town Meeting. Mr. Moyer then introduced a motion for favorable action on Article 13. Ms. Smith seconded; all in favor. Again, the Board composed its recommendation language for Town Meeting.

Mr. Mashburn then presented the Board with an explanation of Article 17. He explained that the Article is designed to provide a real-estate tax exemption for veterans. Mr. Sheehan further explained that the Article is meant to allow the tax deduction for veterans to extend to properties

held in trust (not directly in the veterans name). He further noted that there are a couple dozen individuals in Town who use this deduction. The Board then composed its recommendation on this Article. The Board then revisited recommendation language on Article 9 (the budget article). Mr. Sheehan then noted a discrepancy in the recommendation language for Article 6 and Article 7. He asked that the word 'intended' be removed in the context of zoning map changes (he argued the changes were not intended). Ms. Gray then introduced a motion to accept all recommendation language as written. Mr. Moyer seconded; all in favor.

Interim Board Chair then moved discussion to Agenda Item #6. Mr. Mashburn advocated for adding a Public Comment section to future Finance and Advisory Board meetings. Ms. Smith concurred. Mr. Memmolo suggested adding a set timeframe to each meeting's Public Comment section. The Board agreed that 30 minutes would be a good time limit. Mr. Mashburn introduced a motion to institute a Public Comment period of 30 minutes as a standing agenda item to future Finance Board meetings. Ms. Smith seconded; all in favor.

Interim Board Chair then moved discussion to Agenda Item #7. Mr. Mashburn provided an update that framing of the new school would be complete in June.

Interim Board Chair then moved discussion to Agenda Item #8. Mr. Mashburn said that there would be future discussions about hybrid meetings in Town. Mr. Moyer introduced a motion to adjourn. Mr. Mashburn seconded; all in favor.