

## Finance Committee Meeting Minutes

Monday April 16, 2019 held at 1<sup>st</sup> Floor Conference Room, Town Hall

Members Present: Fletcher, Sullivan, Hilario, McNerney, Rosenberg, Titcomb

Members Absent: Dorsey, Goldman,

Others Present: Ronald Mendes (minutes taker & Asst Town Administrator); Dina Maietta (candidate for Selectman), and another resident.

Called to order 7:02pm

Ms. Fletcher called the meeting to order at 7:03pm as Mr. Dorsey was unable attend this evening. Ms. Fletcher distributed copies of several documents provided by Mr. Mendes in response to a request from Ms. Fletcher earlier.

There was some discussion about the letter that the Finance Committee drafts that will appear in the Warrant booklet. Ms. Sullivan asked that she be provided with the updates to the budget that were voted at last year's town meeting in the article regarding collective bargaining agreements. Mr. Mendes indicated that we should be able to get those numbers to her by week's end (or earlier next week at the latest).

There was further discussion on the content of the letter and the role of Finance Committee at town meeting. Ms. McNerney expressed some topics she would like to see discussed in the letter, including tax policy (specifically unused tax levy capacity), sustainability of tax growth, traffic, development, and revenue, and the committee discussed these topics and the impact on town finances. There was also a discussion about equity in assessed valuation because some people feel that some households saw dramatic increases in their tax bill, while others saw more modest increases and decreases in their tax bill. There was some concern amongst members that the scope of the committee, which is limited to financial implications of certain policies, as opposed to managing development (which is the purview of the Selectmen and Planning Board). Overtime was another concern raised, including implementing ½ time Firefighter, etc. and "right-sizing" departments to control costs. There was some concern about changes in certain departments and the committee would like Sean to come to a meeting to discuss changes in departments (Community Development was specifically mentioned).

There were some other concerns that Ms. Fletcher raised that were provided my Mr. Dorsey regarding the content of the letter. Ms. McNerney also raised concerns about the Nahant contract and the use of the Fish House. There are concerns that Nahant isn't paying its fair share of the costs of running the High School. There is also a concern about other contracts and the sharing of expenses with the School Department.

There was some concern among the committee members that the Finance Committee was too silent last year and allowed others to take the lead on speaking about the recommendations of the Finance Committee on the floor of town meeting. This year the committee would like to take a more active role in speaking on the floor of town meeting regarding recommended operating budget and capital spending.

The committee also had an in-depth discussion about the unused tax capacity and the ability of the town to raise taxes significantly up to the levy limit if the town chose to do so.

Ms. Sullivan will write up a draft of the letter that will appear in the warrant booklet that will include the concerns raised and share the draft with the committee.

The committee then turned its discussion to the capital article. The committee reviewed the changes to the capital proposals that were voted by the Capital Improvement Committee, including the updated project amounts and clarification to some of the language on the specific projects.

The committee then reviewed each warrant article on the Draft Town Meeting Warrant and voted to recommend the following action on the following Articles:

Article 5: By Motion duly made and seconded, it was voted to recommend approval of Article 5.

Article 6: It being expected that Article 6 will be indefinitely postponed on the floor of town meeting, the Finance Committee is currently taking no position on this article, but may revise its position if any motion other than to indefinitely postpone is suggested.

Article 7: By Motion duly made and seconded, it was voted to recommend approval of Article 7.

Article 8: This Article may be indefinitely postponed depending on the status of collective bargaining closer to the date of town meeting, therefore the Committee is deferring any action on this Article until it is clear what action will be proposed.

Article 9: By Motion duly made and seconded, it was voted to recommend approval of Article 9.

Article 10: By Motion duly made and seconded, it was voted to recommend approval of Article 10.

Articles 11, 12, 13, 14, 15 & 16: These articles are making proposals concerning use of retained earnings in the Enterprise Funds that will be the subject of a presentation to the Board of Selectmen on April 24<sup>th</sup>. The Committee is deferring action on this Article pending further information on this topic.

Article 17: By Motion duly made and seconded, it was voted to recommend approval of Article 17.

Article 18: By Motion duly made and seconded, it was voted to recommend disapproval of Article 18.

Article 19: By Motion duly made and seconded, it was voted to recommend approval of Article 19.

Article 20: By Motion duly made and seconded, it was voted to recommend approval of Article 20.

Article 21: The Committee is deferring any action on this Article until it is clear what action will be proposed.

Article 22: The Committee is deferring any action on this Article pending further financial review of this proposal to deposit nonresident tuition (including tuition for Nahant student attending Swampscott schools) into a revolving fund for the benefit of the School Department. Currently these receipts are general fund receipts.

Article 23: The Committee is deferring any action on this Article pending further financial review of the proposed spending limits for the revolving funds.

Article 24: By Motion duly made and seconded, it was voted to recommend approval of Article 24.

Article 25: This is the proposed article sponsored by the Capital Improvement Committee to appropriate the FY2020 proposed capital projects. The Committee is deferring action at this time pending further review.

Articles 26 through 33 were deemed by the committee to not have a significant financial impact to the Town, and as such the Committee will not undertake any review of these Articles.

Meeting Adjourned 9:01 pm.

APPROVED 4/22