

# TOWN OF SWAMPSCOTT



## TOWN ADMINISTRATOR'S PROPOSED FY2024 BUDGET

Photo credit: Bobby Zee



**TOWN OF SWAMPSCOTT, MASSACHUSETTS**  
**Fiscal Year 2024 Financial Plan & Operating Budget**

**SELECT BOARD**

**LAURENCE N. DUFFY, CHAIR**  
**DAVID GRISHMAN, VICE CHAIR**  
**MARY ELLEN FLETCHER**  
**CATHERINE PHELAN**  
**PETER SPELLIOS**

**SEAN R. FITZGERALD**  
Town Administrator

**GINO A. CRESTA, JR**  
DPW Director  
Assistant Town Administrator - Operations

**AMY SARRO**  
Director of Finance & Administration

**PATRICK LUDDY**  
Treasurer/Collector

**S. PETER KANE**  
HR Director  
Assistant Town Administrator



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# BUDGET TIMELINE

Budget Guide distributed to Department Heads	October 18
Departmental Budget requests due	November 12
Departmental Meetings to review budget proposals	December 1-20
School Budget submitted	February 9
Budget submitted to Select Board	March 1
Budget submitted to Finance Committee	March 2
Finance Committee review	March 9 - April
Finance Committee recommendations due	April 18
Warrants mailed to Town Meeting members	May 6



# TOWN OF SWAMPSCOTT

OFFICE OF THE TOWN ADMINISTRATOR  
SEAN R. FITZGERALD

ELIHU THOMAS ADMINISTRATIVE BUILDING  
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March 2023

To the Honorable Members of the Select Board and the Residents of Swampscott:

On behalf of the Town's Leadership team and in accordance with the Town Charter, I am honored to present to you the proposed Fiscal Year 2024 Municipal Budget for the Town of Swampscott.

This budget continues the efforts to balance the structural needs of the Town and move Swampscott forward as a community. This vision for Swampscott's future includes priorities identified in the Town's various plans while continuing our commitment to diversity, equity, and inclusion.

Over the last few years, Swampscott has made extraordinary progress while maintaining services and minimizing the financial impact to our taxpayers. We look forward to a robust conversation about this document over the next two months and leading up to Town Meeting in May.

The FY24 Budget continues to focus on core services that have helped Swampscott families and citizens thrive during these challenging times. As proposed, the FY 24 budget:

- Sustains Current Service Levels
- Advances efforts to address Climate Change and Growth
- Promotes Diversity, Equity, Belonging & Inclusion
- Meets Debt and Contractual Obligations
- Maintains Progress on Funding Long-Term Liabilities
- Healthy Support of Capital Infrastructure and Maintenance
- Compliant with Select Board and Finance Committee Financial Policies and Tax Impact Limits

This budget continues the hard work of balancing priorities while striking a balance with how we address municipal priorities. It is worth noting that this is the sixth (6<sup>th</sup>) year in a row that we are presenting an annual budget in Swampscott that does not propose spending up to the maximum 2.5% tax levy increase allowed by law. This, by no means, should be viewed as an austerity budget as Swampscott continues to levy one of the more costly municipal taxes in the Commonwealth.

## BUDGET OVERVIEW

On October 16th, the Town released the budgetary preparation instructions to all Departments, Boards, Committees, and Commissions outlining the guidance from the Finance Team. As part of the guidance, Departments were asked to provide a realistic outlook for FY 24 that also looked at the following budget scenarios:

*Scenario #1: Level-Funded Budget. This means that the bottom line of your non-personnel budget as included on the enclosed spreadsheet needs to be the same as FY2023's budget. (Department Heads were asked to shift between individual line items, but the bottom line should equal FY2023)*

*Scenario #2: 10% Reduction. This means that the bottom line of Department budgets should represent a reduction to personnel and expense budgets and what the effects of those cost reductions will be on services and programs.*

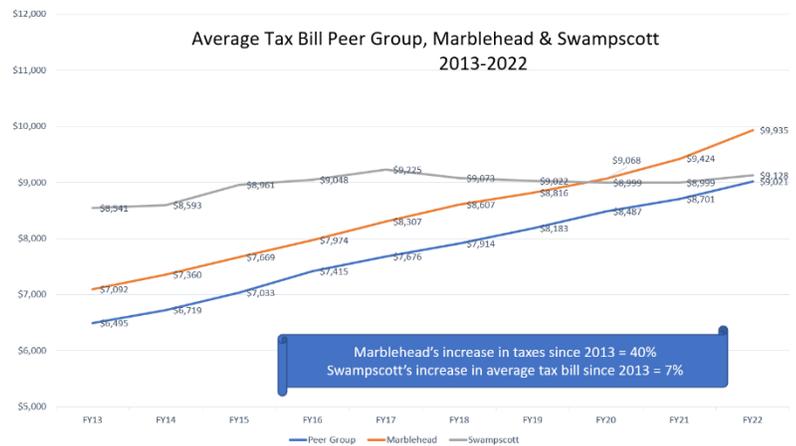
Review meetings with the Finance Team took place in the month of December with budget scenarios due by December 28<sup>th</sup>. During these meetings, the Finance Team considered changes in municipal spending that would improve the delivery of municipal services or help create efficiencies with how these services are provided or sustained.

## FOCUS ON LONG RANGE FINANCIAL PLANNING

The Town continues to focus on financial discipline by adhering to the Select Board and Finance Committee adopted tax policy guidelines for an increase of no more than a 2.0% to the base tax levy, plus an additional \$425,000 representing new growth.

The priorities set by Swampscott’s elected officials have been worked on and supported by Swampscott’s dedicated Department Heads over the last many months. We believe that this budget reflects the Town’s priorities – including quality Town services with a focus on public safety, education, infrastructure, and community programs, while trying to remain within our current fiscal constraints.

As outlined in this chart, the Town of Swampscott has set a steady course over the last several years with how we set and balance the financial priorities for Swampscott.



## BUDGET OVERVIEW

This year, as with last year, the Town has spent time carefully evaluating every line in the Town Budget. I am pleased to report that the FY2024 proposed budget limits departmental spending to an increase of 2.63% for general fund municipal departments. This budget also reflects an additional increase relative to the debt exclusion that was approved in Fall 2021 for the new twin elementary school. This proposed budget funds not only municipal services, but also some key services, such as some facilities costs and employee benefits that are shared by both the School & other municipal departments.

Swampscott’s Public Schools is limited to the same fiscal constraint consistent with the tax levy policy. The Enterprise (Water & Sewer) funds have increased spending by an average of 6.29% over the past five years, and for FY2024 I am recommending an decrease of 2.37%.Increases in the Enterprise Fund budgets have been analyzed over the past year; due in large part to the effects felt in the Sewer Enterprise Fund resulting from anticipated increases in Operations and Maintenance costs, as well as additional capital costs, at the Lynn Sewer Treatment Plant. We have also seen recent decreases in fixed costs this year in the Water Enterprise Fund resulting from a significant decrease in the water assessment from the MWRA. This decrease is the result of lower utilization of water by Swampscott ratepayers than in years past.

We have also established a Solid Waste Enterprise Fund in FY2023 for our waste, composting, and recycling programs. This budget is the continuation of an ambitious effort to think critically about our long-term challenges to get a better handle on the trash and waste we generate as a community.

## LOCAL AID/GENERAL FUND REVENUE ESTIMATES

The Town has taken extra steps in recent years to review and forecast revenues based on a detailed review of prior year actuals and projected revenues. We have also considered the current and predicted economic environment to ensure that we are not overestimating, but also not underestimating revenues. Based on this review I am proposing a 7.14% decrease in the estimated local receipts used for the Proposed FY2024 budget. This is mostly due to the estimated decrease in investment income as the interest rates decrease and the bond for the new elementary school is spent. It is important to understand that these receipts will be reviewed month-to-month and forecasted in Fall 2023 as we look to set the tax classification and levy.

## NET LOCAL AID

Inclusive of state assessments, the Governor’s proposed budget for FY2024 has not been released yet. Massachusetts Municipal Association’s recommended calculation has a revenue forecast for FY2024 that is 2.1% above the FY2023 base.

The Town has taken a conservative estimate of only a 1% increase of budgeted aid and an estimated 2% increase to state assessments.

- The Governor’s budget is scheduled to be filed by March 1<sup>st</sup> which will give us better insight on state aid.
- House Ways and Means budget is expected in mid-April which will give us a better idea if there would be any additional increase especially in Chapter 70 school funding, and whether the substantial increase in the School Choice assessment is going to hold.

## LOCAL RECEIPTS

Decrease of \$430,243, 7.14% under FY23; total FY24 estimate \$5,598,640.

- Level Funding of Motor Vehicle Excise Tax Revenue based on expected leveling of auto sales given economic conditions.
- Decrease of investment income from \$1,200,000 in FY23 to \$900,000 for FY24.
- Analysis will continue as part of the Town’s annual tax classification process.
- Building Permit Revenue is based on estimates including expected residential and commercial development.
- An increase to Meals/Rooms Tax based off trends over the past 3 years.

The Town budget includes more financial tools for Town Departments to advance important planning and economic initiatives, so that we continue to instill a stronger budget discipline. We also are working on improving Swampscott’s efforts to advance economic development and improve nonresidential property tax revenue growth. It also includes strategic capital investments in our infrastructure, like Complete Street paving, repairing seawalls, as well as community enhancements like improved beach entrances. Some highlights of these additional strategic investments are outlined below and in greater detail in departmental and capital budgets:

### ADMINISTRATION & FINANCE

Decrease of \$49,452, or -1.55%, over FY23, total FY24 budget: \$3,132,075

- Major driver is staffing changes that have been made.
- Removes previous year’s contingency in salary reserve for ongoing collective bargaining.

### COMMUNITY & ECONOMIC DEVELOPMENT

Increase of \$15,464, or +2.09%, over FY23, total FY24 budget: \$755,450

- Building Department includes a 100% increase in cost for State Weights & Measures due to the state charge increasing.
- Community Development reflects the position change from Senior Planner to Assistant Director of Planning.

### PUBLIC SERVICES

Decrease of \$91,063 or -4.40%, over FY23, total FY24 budget: \$1,979,862

- Includes the sharing of 4 positions within the Facilities department with the Schools.
- Also, includes some strategic adjustments in DPW expenses related to landscaping work and sidewalk repairs to reflect actual costs based on experience.
- Reduction to Cemetery landscaping to utilize the perpetual care funds for cemetery care.

### ENTERPRISE FUNDS

Decrease of \$246,767, -2.59%, over FY23, total FY24 budget: \$9,291,625

- Enterprise Fund Revenue is estimated to decrease by a total of 3.12% in the Sewer Fund and increase only 0.75% in the Water Fund to fully offset expenses. These can be achieved through a combination of increases in user fees and transfers from retained earnings.
- Addition of the new Solid Waste Enterprise fund of \$1,523,950 which will support the waste, composting, and recycling initiatives.

### PUBLIC SAFETY

Increase of \$339,100, +4.33%, over FY23, total FY24 budget: \$8,167,141

- Continued efforts to manage staffing and overtime costs.

- Increase for City of Lynn for regional dispatch services.

## HUMAN SERVICES

Increase of \$16,686, +1.42%, over FY23, total FY24 budget: \$1,189,856

- Continued development of the Senior Center staff and returning programming.
- Proposed Library budget continues to support development of Library based Community Programs.

## PUBLIC SCHOOLS

- Increase of \$785,796, +2.6%, over FY23, total FY24 budget: \$31,008,713
- This reported increase in funding to the School Department does not include funding from the nonresident tuition revolving fund that was established in FY21 to provide direct support to the School Department’s operations of \$1,732,314.

## FINANCIAL RESERVES

In the draft Financial Policies Financial Reserve Section, we are recommending that the Stabilization Fund be funded at a level of no less than 9%, preferably 10%, of the general fund operating budget; and the Capital Stabilization Fund be funded at a level of no less than 2%, preferably 4%, of the general fund operating budget.

Keeping these guidelines in mind I recommend the following:

Recommended General Fund Operating Budget of \$69,876,998 x 10% = \$6,987,700. The Stabilization Fund currently has a balance of \$6,135,724 (or 8.78% of the operating budget), which we will be addressing at a future Town Meeting.

Recommended General Fund Operating Budget of \$69,876,998 x 4% = \$2,795,080. The Capital Stabilization Fund currently has a balance of \$1,702,647, which is below high end of the recommended target but still above the lower 2% limit of \$1,397,540.

The OPEB Liability (primarily health insurance benefits to retired public employees) is an area that we will need to continue to focus in on as it was the single reason that is holding Swampscott back from the highest municipal bond rating. The fiscal prudence that has occurred over the past few years helped us to maintain our bond rating from Standard & Poors at AA+ (the 2nd highest possible rating); however, we have a long-term goal to achieve their highest rating of AAA and this important goal requires Swampscott to address the OPEB Liability in a meaningful way.

By making these investments now, and in the years to come, we will position Swampscott for another opportunity to seek a bond rating increase in coming years, ensuring the lowest cost for bonding and capital financing.

RESERVE FUND BALANCE	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023*
FREE CASH	\$4,038,376	\$3,161,170	\$4,430,176	\$4,716,580	\$3,164,503	\$3,630,045	\$2,170,544
GENERAL STABILIZATION FUND	\$3,529,485	\$5,058,310	\$5,905,117	\$6,750,956	\$6,650,956	\$7,185,169	\$6,135,724
CAPITAL STABILIZATION FUND	\$355,290	\$609,980	\$866,286	\$974,122	\$1,276,908	\$1,781,189	\$1,363,292
OPEB TRUST FUND	\$1,517,772	\$1,775,191	\$2,187,015	\$2,396,196	\$2,646,196	\$3,349,789	\$3,389,554

\*FY2023 represents FY2022 ± amounts transferred in/out.

## TAX RATE

This proposed budget provides a preliminary assumption of a 2.0% increase to the local property tax levy, plus an additional \$425,000 representing new growth. The new growth number is a data-point that we will continue to monitor and adjust accordingly as we seek to bring the Town finances in to balance. Last year, the Town brought in new growth-related tax revenues of \$634,977 which is above the estimate. It should be remembered that the five-year average of new growth-related tax revenue is \$19,527. We will continue to monitor building permits issued and develop a deeper analysis that studies the correlation between permit revenue and new growth captured.

	FY2019	FY2020	FY2021	FY2022	FY2023
NEW GROWTH TAX RATE	\$438,564	\$379,936	\$630,471	\$513,685	\$634,977

This year, I will continue to work with the Select board and the Town Finance Team to evaluate strategies to mitigate the impact of this year’s Town budget on Swampscott’s single-family tax bill. As part of these efforts, I anticipate that Town Meeting may be helpful to focus on steps we can continue to take as we seek strategies to mitigate Swampscott’s local property tax burden on Swampscott’s hardworking families. The following table shows the 5-year history of Swampscott’s tax rates and average single family tax bills:

TAX RATE / \$1,000	FY2019	FY2020	FY2021	FY2022	FY2023
RESIDENTIAL	\$15.20	\$14.30	\$13.80	\$12.83	\$11.74
COMMERCIAL	\$27.45	\$25.85	\$24.90	\$23.20	\$21.04

AVG TAX BILL (PER MASS DATABANK)	FY2019	FY2020	FY2021	FY2022	FY2023
SINGLE FAMILY HOME	\$9,022	\$8,999	\$8,999	\$9,128	\$9,677

## FOCUS ON KEY CHALLENGES

While the Town’s financial fundamentals are relatively solid, there are several structural challenges facing the Town that need to be acknowledged so that they can be addressed over the long-term. These challenges have developed over decades and cannot be fully solved in one budget cycle. For several years now, we have significantly slowed the growth of the operating budget and are at a point where we must focus on economic development to help balance the broader demands facing the Town. These include:

- The cost of retiree health insurance is growing at an extraordinary pace as health insurance far out paces the financial guidelines established.
- Collective Bargaining Agreements include language with costly requirements, stipends, incentives, differentials, steps, lanes, and other costly benefits that contribute to the total cost of these contracts. These cost items need to be factored along with annual Cost of Living Allowance (COLA) adjustments that are negotiated. While structural changes were negotiated for most of the Town unions, there is still more work to be done with controlling excessive costs with both the Town and School’s Collective Bargaining Agreements.
- While we negotiated a multi-year Solid Waste contract that has, for the short term, stabilized some dramatic increases we have seen in recent years to the Solid Waste Budget, there are concerns on the horizon. As with last year, we are proposing a budget that creates a solid waste Enterprise Fund to help continue the focus on innovative ideas to the solid waste and recycling challenges facing Swampscott and the Commonwealth. Efforts to improve Swampscott’s performance to reduce, reuse, and recycle are paramount.
- We continue to see a constant eroding of the commercial tax base in Swampscott as many parcels that were previously commercial are giving way to residential development. Ensuring a vibrant local economy is necessary to ensure we preserves a sense of place, but it also a way of sharing the tax burden between residents and the business community. Specifically, the need to see Vinnin Square and the MBTA neighborhood support a revitalized commercial area is critical as we seek to balance the broader financial priorities.

## LOOKING FORWARD

It is hard not to be excited about the possibilities facing Swampscott. As a generation, Swampscott is doing it all and really making key investments in Open Space, Education, Public Safety, and Inclusivity.

The work of Community Building is never easy but when we can help balance the priorities and ensure we address all of the key priorities, Swampscott’s future has never been brighter. A few of the key priorities that we advanced in 2022 that are worth highlighting:

- *Acquisition of the Hawthorne Waterfront Restaurant*
- *Acquisition of 10 Acres of Open Space (Archer Street)*
- *Advancement on design efforts to clean up King’s Beach*
- *Advancement on the Harbor and Waterfront Plan to address sea level rise and resiliency*
- *Advancement of efforts to build a truly inclusive community*

Today, as ever, I remain as excited about creating a future for Swampscott that we can all be proud to work toward. I am proud to also work with so many inspired and dedicated colleagues and elected board and committee members who bring their energy to finding creative ways to invest limited funds wisely, slow the overall growth of key budgets, while exploring other sources of funding to build a brighter future. This fundamental balance is important to strike as we work to make bold investments in Swampscott's infrastructure and enhancements that make our citizens passionate about living in such an extraordinary community.

As we look towards the future, Swampscott is poised to really take advantage of its strong financial position to build a future that really reflects the goals and passions of Swampscott citizens and staff. This means addressing how we enhance our neglected commercial base, improve the efficiency and delivery of our governmental and educational services, maintain, and improve our beaches and environmental resources, all while keeping Swampscott affordable.

I continue to be inspired by the work of Swampscott's Department Heads and employees as they continue their efforts to think anew about the ways we can all improve the delivery of our services. It is an honor and a pleasure to serve this great Town and given the complexities of the pandemic, I am grateful to the dedication and leadership provided by a cadre of dedicated leaders working for Swampscott. Our entire Public Health, Public Safety, and Emergency Management team has done amazing work over these few challenging years leading Swampscott to a more sustainable future.

I am proud that Swampscott will continue to benefit from the dynamic leadership, strong financial position, sustainable infrastructure, and can-do leadership demonstrated by Town Staff and Local Officials. I want to express my thanks and appreciation to Swampscott's Financial Team, including Director of Administration & Finance Amy Sarro, Town Treasurer Patrick Luddy, and our wonderful Administrative Assistants Jody Watts and Dianne Marchese for all their inspiring teamwork as we build a stronger and more sustainable future for Swampscott.

I would also like to especially thank Pete Kane, Assistant Town Administrator/HR Director, Gino Cresta, Assistant Town Administrator/Public Works Director, Fire Chief Graham Archer, Police Chief Ruben Quesada, Superintendent Pamela Angelakis, and School Finance Director Cheryl Herrick-Stella and our entire dedicated team for the continued support and assistance in meeting our shared Town financial and civic goals.

I also want to thank every Town employee, committee volunteer, resident, Town Meeting member, our town's legislative delegation Senator Crighton and congratulate our new State Representative Jenny Armini. We have been fortunate to have their inspired service to the Swampscott and our Commonwealth.

Lastly, I am grateful to Swampscott's Select Board for their support of Town staff and leadership and guidance on Town priorities. I appreciate the Finance Committee's leadership and Capital Improvement Committee's efforts for their civic dedication and commitment for our shared efforts to find strategic balance.

It is clear we have much work to do but we are all eager to continue the work ahead to inspire the best in such remarkable community!



Swampscott Town Administrator



## BACKGROUND

Swampscott, Massachusetts, USA, is a beautiful and tranquil seaside community of over 15,000 residents located 15 miles northeast of Boston along the coastline of the Atlantic Ocean. Our name, Swampscott, is of Native American origin, most probably from M'squompsk meaning red rock. It then became M'squompskut, for the phrase "at Red Rock" because of the red granite outcroppings that were visible to those offshore.

Swampscott offers an age-friendly, welcoming and nurturing family environment, an excellent preschool to grade-12 public educational system, outstanding public safety and support systems, abundant youth sports opportunities, and a town government that is responsive to the needs of its citizens.



Photo Credit: Roxana Purdue

The Select Board serves as the Town's Chief Executive Body. The Board is responsible for the general operations of town government. While most other town boards and offices serve a particular function or purpose, the Select Board's responsibilities are much broader. Select Board members play an active role in the overall management of town affairs. In Swampscott, the Select Board, along with the Town Administrator, promote a team approach toward town management.

### Select Board Members

Neal Duffy, Chair  
David Grishman, Vice Chair  
Mary Ellen Fletcher  
Katie Phelan  
Peter Spellios

## SCHOOL COMMITTEE

The School Committee has general charge and superintendence of the public schools. The School Committee establishes educational goals and policies for the schools consistent with the requirements of the laws of the Commonwealth and standards established by the Commonwealth.

### School Committee Members

Glenn Paster, Chair  
John Giantis, Vice Chair  
Carin Marshall  
Amy O'Connor  
Suzanne Wright

# TOWN ORGANIZATION



## FINANCE COMMITTEE

The primary duties of the Finance Committee are to advise and make recommendations to Town Meeting on the budget and other areas of municipal finance. It has authority to make transfers from the Town's Reserve Funds and may (with the concurrence of the Select Board) authorize some budget transfers at fiscal year-end. In addition to its research and advisory role, the committee plays a vital role in financial planning.

### Finance Committee Members

Eric Hartmann, Chair  
Matthew Kirschner, Vice-Chair  
Naomi Dreeben  
Joan Hilario  
Suraj Krishnamurthi  
Cinder McNerney  
Erik Schneider  
Sunit Shah

## BOARDS AND COMMISSIONS

In addition to being shaped and influenced by the Town's elected officials and appointed staff, Town policy and programs are impacted by the actions of the Town's Boards and Commissions. The size, responsibility, and source of authority of the Town's Boards and Commissions vary. With the exception of those members who derive their appointments as a result of their position in Town government and the Town Charter mandating their membership, the Select Board appoints members. Boards and Commissions are autonomous in their decision-making capabilities and are typically led by a chairperson and staffed by Town personnel.

- Affordable Housing Trust
- Andrew's Chapel Restoration Committee
- Article 6 Committee
- Athletic Field Advisory Committee
- Board of Assessors
- Board of Health
- Board of the Registrar of Voters
- Capital Improvement Committee
- Climate Action Plan Committee
- Commission on Disability
- Conservation Committee
- Constables
- Council on Aging
- Cultural Council
- Earth Removal Advisory Committee
- Finance Committee
- Hadley School Re-Use Advisory Committee
- Harbor & Waterfront Advisory Committee
- Historic District Commission
- Historical Commission

- Housing Authority
- Library Trustees
- Massport Community Advisory Committee
- Moderator
- Open Space & Recreation Committee
- Planning Board
- Rail Trail Design & Construction Advisory Committee
- Recreation Commission
- Renewable Energy Committee
- Retirement Board
- School Committee
- Select Board
- Shellfish Constable
- Solid Waste Advisory Committee
- Town Meeting Study Committee
- Tree Committee
- Veterans Services Department
- War Memorial Scholarship Fund Committee
- Water & Sewer Rate Review Advisory Committee
- Zoning Board of Appeals



# PRINCIPAL TOWN OFFICERS

DEPARTMENT	OFFICIALS	ADDITIONAL AREAS OF AUTHORITY
Executive Administration	Sean R. Fitzgerald, Town Administrator	
Accounting	Amy Sarro, Director of Finance & Admin	
Assessing	Richard Simmons, Interim Director of Assessing	
Building	Stephen Cummings, Building Commissioner	Facilities, wiring plumbing
Clerk	Jared LaLiberte, Town Clerk	
Community & Economic Dev.	Marzie Galazka, Director	
Council on Aging	Heidi Whear, Director	
Facilities	Max Kasper, Director	Joint Town/School
Fire	Graham Archer, Chief	Emergency Management
Health	Jeff Vaughan, Director	
Human Resources	S. Peter Kane, Director & Assistant Town Administrator, Administration	
Library	Jonathan Nichols, Director	
Police	Dr. Ruben Quesada, Chief	
Public Schools	Pamela Angelakis, Superintendent	
Public Works	Gino A. Cresta, Jr., Director & Assistant Town Administrator, Operations	Water, Sewer, Parks, Cemetery, Roads, Engineering
Recreation	Danielle Strauss, Recreation Director	
Treasury/Customer Service	Patrick Luddy, Treasurer/Collector	Capital Planning
Veterans Service	Michael Sweeney, Veteran's Agent	

# TOWN PERSONNEL ANALYSIS



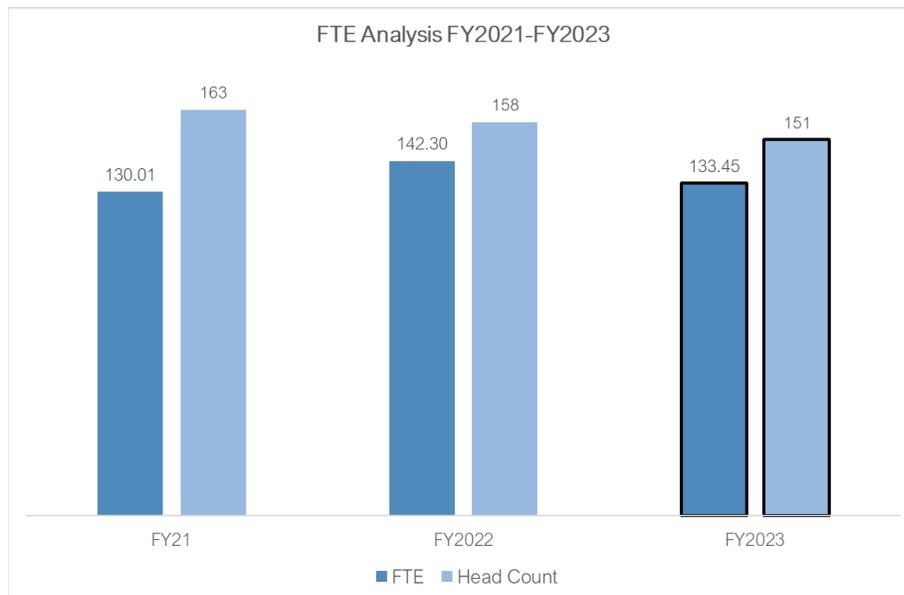
Because personnel costs are the most significant portion of the annual budget, it is critical for the Town to continue to stringently monitor this area. The Town Administrator has sought to review operations and make efficiency improvements, striving to maintain staffing levels and sharing human resources among departments, where possible.

The chart below shows the Town’s non-school headcount for FY23. Grant-funded positions are not considered core positions, they will fluctuate with grant awards and may not be retained after the grants terminate. The table below illustrates the headcount for FY23.

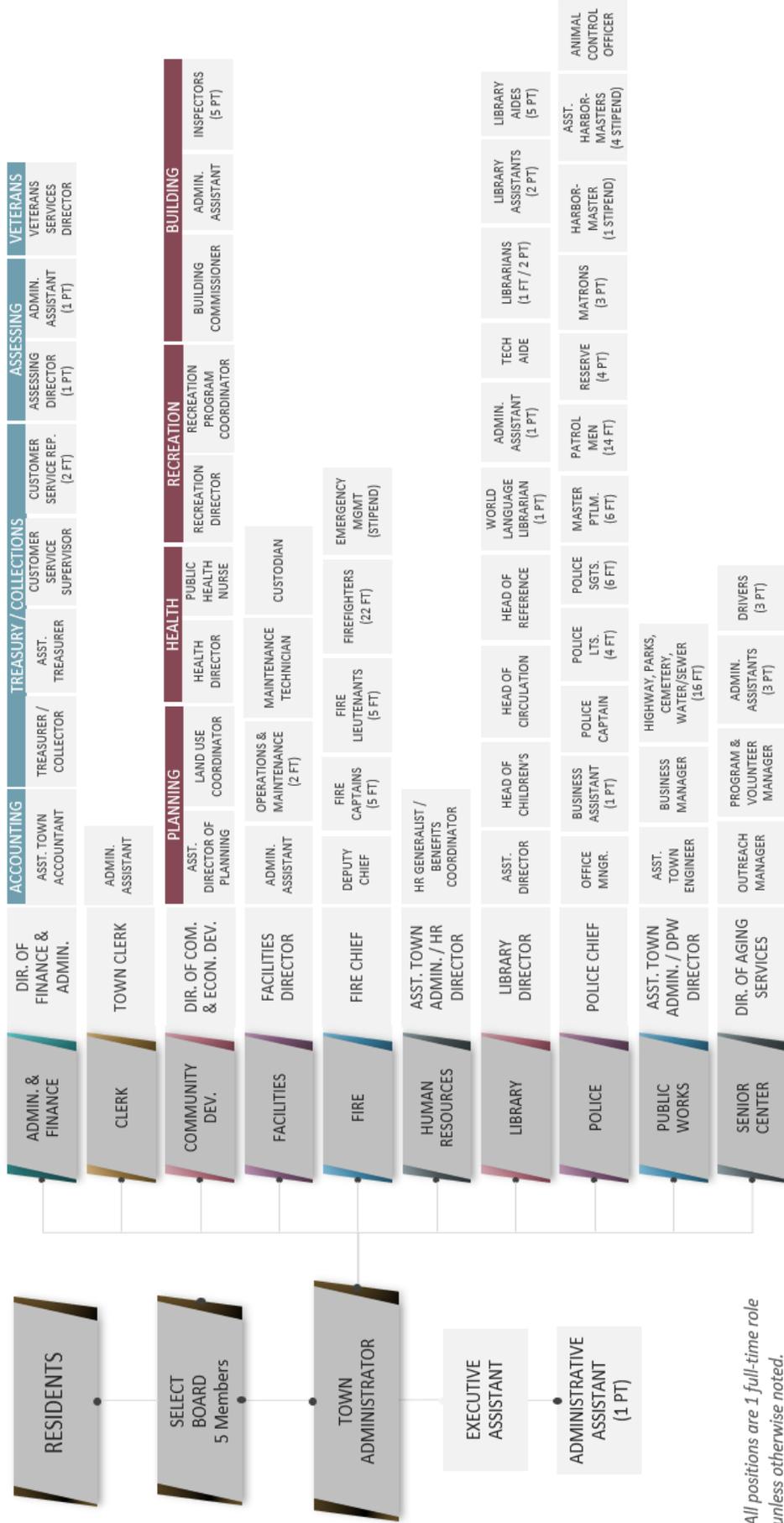
DEPARTMENT	FY 2019		FY 2020		FY 2021		FY 2022		FY 2023		FY2022-23 Differences	
	Head Count	FTE	Head Count	FTE								
TOWN ADMINISTRATOR	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.50	3.00	2.56	-	0.06
ACCOUNTING	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-	-
ASSESSORS	3.00	2.50	1.00	1.00	2.00	1.50	2.00	1.18	2.00	1.03	-	(0.15)
BUILDING	7.00	4.10	7.00	4.10	7.00	4.10	7.00	3.43	7.00	3.47	-	0.04
SENIOR CENTER	9.00	3.80	7.00	3.50	7.00	4.50	8.00	6.50	9.00	4.93	1.00	(1.57)
DPW/WATER/SEWER	22.00	21.00	22.00	21.00	22.00	21.00	21.00	21.00	19.00	19.00	(2.00)	(2.00)
FACILITIES*	1.00	1.00	-	-	1.60	1.60	7.00	6.56	6.00	6.00	(1.00)	(0.56)
FIRE	34.00	34.00	33.00	33.00	33.00	33.00	35.00	35.00	34.00	34.00	(1.00)	(1.00)
HEALTH	3.00	1.50	4.00	2.00	4.00	2.00	2.00	2.00	2.00	2.00	-	-
LIBRARY	18.00	10.08	17.00	10.30	17.00	10.30	19.00	11.29	18.00	10.89	(1.00)	(0.40)
HUMAN RESOURCES	3.00	2.30	3.00	2.30	2.00	2.00	3.00	3.00	2.00	2.00	(1.00)	(1.00)
COMMUNITY DEVELOPMENT	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.71	3.00	2.59	-	(0.12)
POLICE	34.00	33.42	35.00	34.40	35.00	34.40	39.00	38.47	35.00	34.40	(4.00)	(4.07)
RECREATION	2.00	1.10	2.00	1.10	2.00	1.10	1.00	1.00	2.00	1.59	1.00	0.59
TECHNOLOGY	-	-	-	-	-	-	-	-	-	-	-	-
TOWN CLERK	2.50	2.50	3.00	2.14	3.00	2.14	2.00	2.00	2.00	2.00	-	-
TREASURY/CUST SERVICE	3.50	3.50	5.00	4.58	5.00	4.58	4.00	3.66	5.00	5.00	1.00	1.34
<b>TOTAL:</b>	<b>149.00</b>	<b>127.80</b>	<b>146.00</b>	<b>126.42</b>	<b>147.60</b>	<b>129.22</b>	<b>158.00</b>	<b>142.30</b>	<b>151.00</b>	<b>133.45</b>	<b>(7.00)</b>	<b>(8.85)</b>

Facilities represents 4 FTE's who are shared 60% School/40% Town + 1 FTE shared 50/50 School & Town  
 Police & Fire represent the filling of vacancies, not new positions  
 along with adequate staffing to support the Facilities Management Department.

## FTE ANALYSIS FY21-FY23



# TOWN OF SWAMPSCOTT ORGANIZATIONAL CHART



All positions are 1 full-time role unless otherwise noted.



Section 1



# Budget Overview & Policies

Town of Swampscott



# BUDGET POLICY OBJECTIVES & RELATED GOALS



The FY24 spending plan will allow the Town to maintain its commitment to the “Fundamentals,” a set of policy objectives that seek to promote a single, unified agenda. The primary focus of the Fundamentals includes:

## FINANCIAL

Steadily improve the Town’s financial condition through balancing budgets and advancing responsible reserve policies. These policies will strengthen local government’s flexibility to act on pressing needs while protecting against the impacts of economic downturns that could threaten municipal service delivery and the viability of Town government.

## ECONOMIC DEVELOPMENT

Further support the Town through an aggressive agenda that seeks to attract new revenues in a variety of forms: commercial development, property tax, meals tax and building fees.

## NEIGHBORHOOD ENHANCEMENT

Continually produce improvements in each and every neighborhood of the Town by updating infrastructure through a functioning Capital Improvement Program, cleaning streets, enhancing open space, and improving quality of life.

## COMMUNITY DEVELOPMENT

Fully encourage partnerships between Town government and stakeholders. This includes other governmental entities, the business community, non-profit leaders, neighborhood groups, and individual residents, in order to support a broad array of programs and initiatives that are supportive of the Town’s desire to make Swampscott a great place to live, work and play.

## PUBLIC SAFETY

Constantly improve the protection of the public and its property by initiating policy and providing the necessary resources — including training, manning, or equipment — in order to effectively carry-out the missions of the Town’s law enforcement, fire, and emergency management agencies.

## GOVERNMENTAL PHILOSOPHY

Be an open, responsive, and responsible municipal government that not only hears the needs of its people but develops and initiates efforts designed to address those needs in an honest, fair, equitable, accountable, and cost-efficient manner. Develop a responsible plan to allow the Town to maintain and — where necessary and possible — expand services and programs.



# BUDGET OVERVIEW

## BUILDING THE BUDGET

The budget is a blueprint of Town services and facilities for FY24. It identifies policy decisions by the Town Administrator and Board of Selectmen and guides the Town's operations.

## BUDGET FORMAT

The budget summary contains summary totals from all operating segments. The revenue section details revenue sources with expected trends. Each departmental section contains a department narrative, which includes organization, program functions, goals, and financial data relating to the entire department.

## BUDGET PROCEDURE

The preparation of the Annual Budget for the Town is governed by the provisions of the Town Charter. The budget cycle for FY24 was initiated in December 2022, in accordance with the budget timeline.

During March and April, the Finance Committee will conduct a series of budget review sessions. The Finance Committee budget proposal, as amended, shall be placed before Town Meeting for its approval, subject to further amendments on the floor.

## CRUCIAL BUDGET PROCESSES

The Town Administrator has initiated budget processes that provide the policy context for identification of priorities and development of initiatives.

## THE BUDGET PROCESS GOALS INCLUDE:

1. **Program of Services for the Community:** The budget is designed to focus on financial information and missions and goals that have value-added outcomes to the community through Town services. The Town Administrator and the Select Board will use the Town's Fundamental Principles as a basis for allocation choices and policy discussions. It also provides a basis for measuring progress toward goals during the budget period.
2. **Financial Plan of Allocation and Resource Management:** The budget establishes the plan and legal appropriations to allow the Town to operate during the fiscal year. It also provides broad goals related to the Town's overall financial position and identifies business decisions required to keep the Town financially viable and strong.
3. **Communication Tool:** The budget is intended to communicate to a broad range of readers, both locally and around the region, as well as the larger governmental and financial community. The budget expresses priorities and goals, assignments and plans, targets, and hopes. It is a key statement of Town priorities.

# BUDGET OVERVIEW



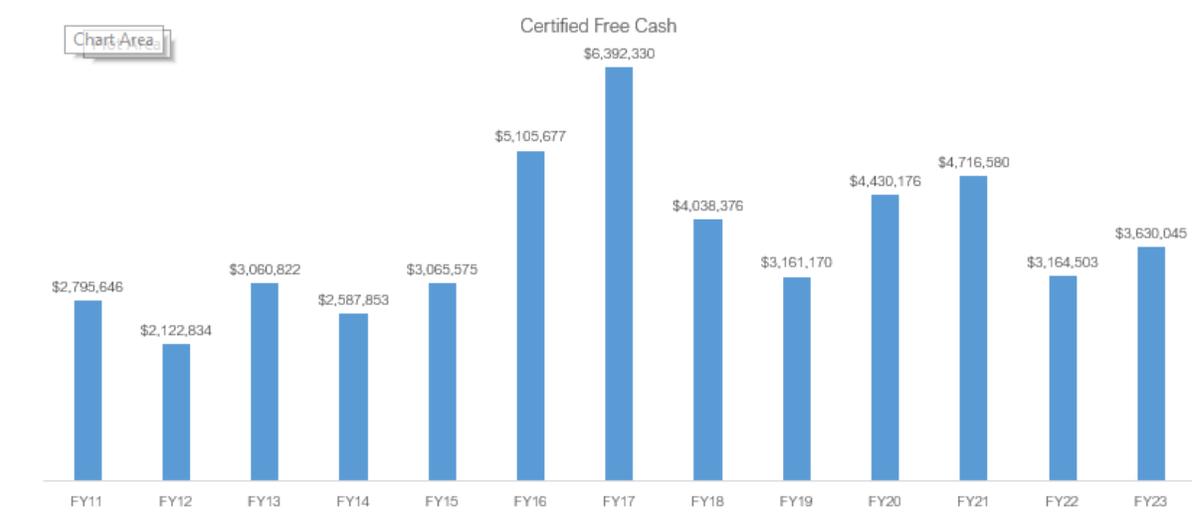
Fund balance and reserve policies should be established to protect the Town from unforeseen increases in expenditures, reductions in revenues, (or a combination of both), or any other extraordinary events. Fund balance and reserve policies also serve to provide an additional source of funding for capital construction and replacement projects. Reserves should normally exceed 15% of the Town’s operating budget.

There are two classes of reserves:

1. Restricted reserves which are to be utilized only for purposes designated.
2. Unrestricted reserves which can be utilized at the discretion of authorized personnel.

Reserve policies cover operating reserves, which provide for unanticipated expenditures or unexpected revenue losses during the year. Capital reserves provide for the normal replacement of existing capital plan and the financing of capital improvements. Cash flow reserves provide sufficient cash flow for daily financial needs. Contingency reserves provide for unanticipated expenditures. The policies presented here are categorized in the following sections:

## CERTIFIED FREE CASH, FY11-FY23



## OPERATING

The maintenance of adequate operating reserves is essential to the financial strength and flexibility of the Town as a whole. Adequate operating reserves are integral parts of the financial structure of the Town and help make it possible for the Town to issue debt, among many other functions.

## UNDESIGNATED FUND BALANCE

Undesignated fund balance shall be maintained at sufficient levels to absorb unpredictable revenue shortfalls and to insure desired cash flow levels. With regard to the General Fund, cash balances available at year-end shall — in combination with new revenues — be sufficient to preclude any requirement for short-term debt to sustain Town operations. Should this fund balance fall below 5% of the “Fund Balance Floor,” defined as revenues less Chapter 70 school aid, a plan for expenditure reductions and/or revenue increases shall be submitted to the Select Board during the next budget cycle.

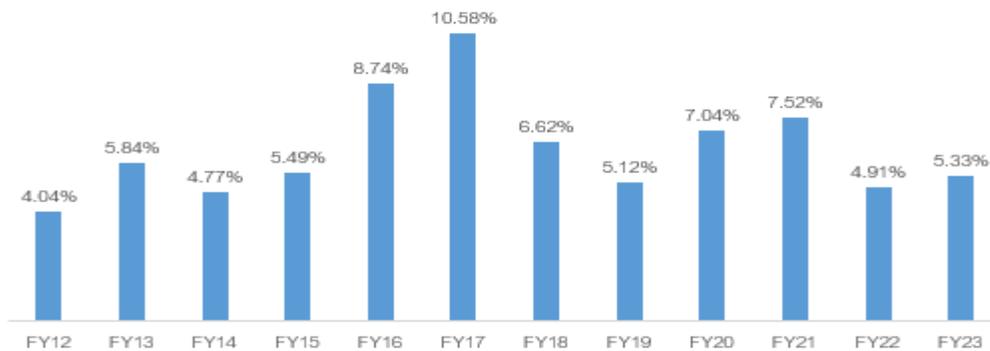


# BUDGET OVERVIEW

## FREE CASH RESERVES

This reserve provides for the temporary financing of unforeseen opportunities or needs of an emergency nature including increases in service delivery costs. This is the portion of undesignated fund balance certified by the Department of Revenue, Division of Local Services, as “Free Cash.” Monies held in this reserve may be appropriated during the current budget year and may also be used as a source of revenues for the ensuing budget year. Of all general fund reserves this is the most flexible.

### CERTIFIED FREE CASH AS A % OF BUDGET FY12-FY23



Free Cash levels escalated in 2016 & 2017 due to over-appropriating for expenses and underestimating for revenues. Free cash has since stabilized as the Town has a goal of maintaining free cash at a level equal to 3-5% of budget.

## RESERVE FUND

The Town shall establish and maintain an operating Contingency Reserve, which will provide for emergency expenditures. This reserve will be based upon a target 0.5% of budgeted expenditures in the General Fund. For reserve purposes, budgeting expenses are calculated upon the funds’ total operating expense budget, excluding ending fund balances, capital purchases, debt service for capital improvements, and the current year’s portion of principal and interest paid on outstanding school debt. The actual reserve level is determined as part of the budget adoption process.

## STABILIZATION FUND

A stabilization fund is a reserve account allowed by state law to set aside monies to be available for future spending purposes. Although M.G.L. c. 40, § 5B allows a community to establish one or more stabilization funds to accumulate funds for specific purposes, Swampscott currently has a general stabilization fund and a capital stabilization fund. The Town will endeavor to maintain a balance of 9 to 10 percent of the current operating budget in the general stabilization fund. Withdrawals from the general stabilization fund should only be used to mitigate emergencies, or for other unanticipated events that cannot be supported by current general fund appropriations. Whenever possible, withdrawals of funds should be limited to the amount available above the 9 percent minimum reserve target level.

# BUDGET OVERVIEW



## CAPITAL STABILIZATION FUND

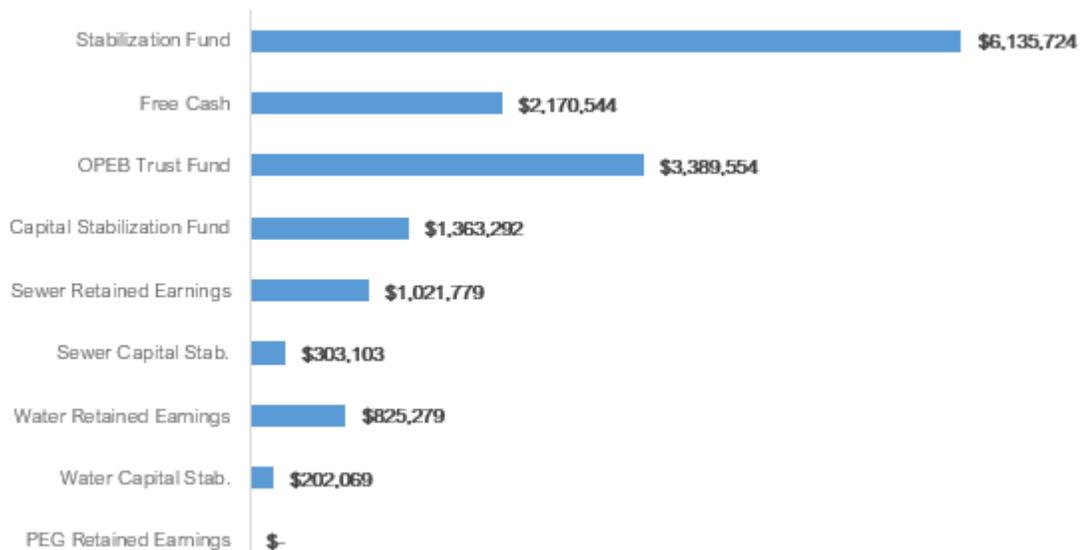
The Town will endeavor to maintain a balance of 2 to 4 percent of the current operating budget in the capital stabilization fund. Withdrawals from the capital stabilization fund should only be used to make emergency repairs or to replace capital assets that are unexpectedly damaged or destroyed when insurance proceeds are insufficient to provide adequate emergency repairs or replacement. Whenever possible, withdrawals of funds should be limited to the amount available above the 2 percent minimum reserve target level.

## OPEB TRUST

The Town has created a Trust Fund to offset the “Other Post-Employment Benefits” Liability, which largely represents the cost of providing health & life insurance benefits to retired employees of the Town. This Trust Fund will be invested to maximize investment income, while mitigating risk. The OPEB Trust currently covers approximately 2% of the present value of this liability. The goal is to increase this contribution once the Town has paid down its Pension Liability. When the Pension Liability is fully funded, which is expected to occur in 2032, this policy can be re-visited to fund the OPEB Trust at a more aggressive pace.

Stabilization fund balances have been increasing over the past four fiscal years as free cash was appropriated to build up reserves, which is a key financial indicator.

## RESERVE BALANCES AS OF 7/1/2022





# DEVELOPMENT OF THE FY24 BUDGET

The budget development process is structured to integrate long-term plans and issues with the specific choices and decisions in the budget. This year the Town Budget process started with the development of a 10-year Financial Forecast. The Forecast helped to inform certain budget policies and decisions that needed to be made with the FY23 budget. Each Department Head sat with the Town Administrator and the budget development team to discuss their budget needs and provide reasoning. They were tasked with developing one budget that featured level-funded expenses, one that reflects a 2% reduction, and a program budget scenario.

## STRATEGIC BUDGET

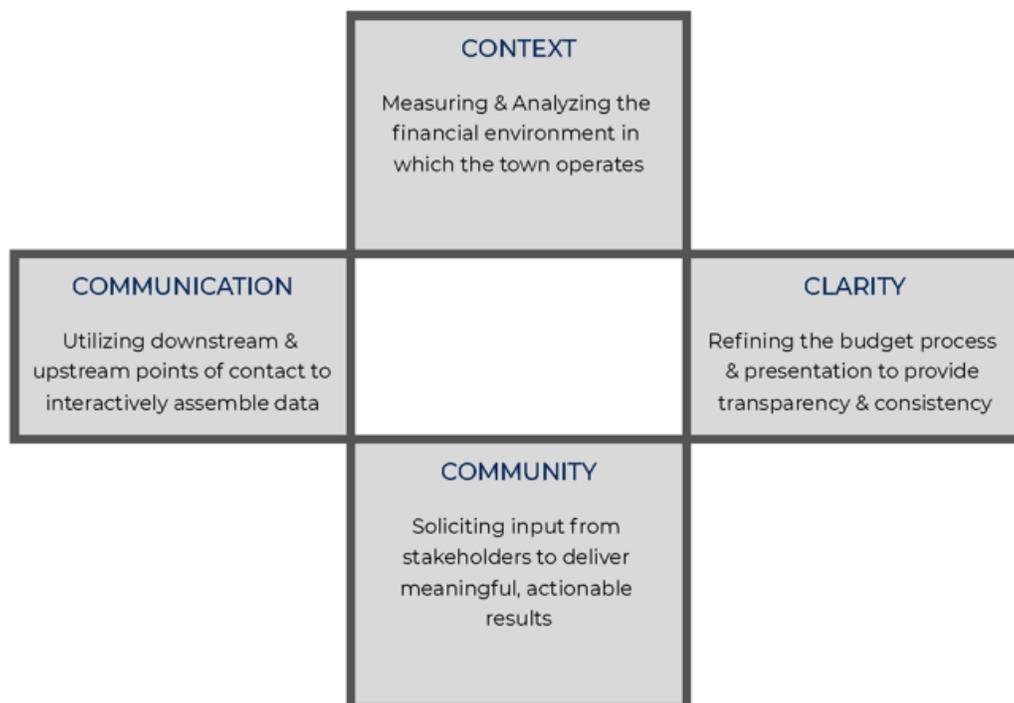
The budget process begins with a review of the adopted long-term plans including the Financial Plan and the Capital Improvement Plan. The linkage to the long-term plans provides the strategic context for the budget and reinforces the budget's role of implementing priorities within these plans.

## FINANCIAL CONTEXT FOR THE BUDGET

The budget process begins with a rigorous gathering of information to identify the financial environment for the budget period. The Town Administrator reviews this data with staff in order to develop the budget guidelines and policies that guide the development of the fiscal year budget.

## TOWARD THE FUTURE

One outcome of the budget process is to identify issues and challenges that the Town will address in the upcoming and future fiscal years. Looking beyond the current fiscal year, the Town will need to continue to address the OPEB liability and focus on areas of future revenue growth.





Section 2



# Revenue Overview

Town of Swampscott



# OVERVIEW OF ESTIMATED REVENUE

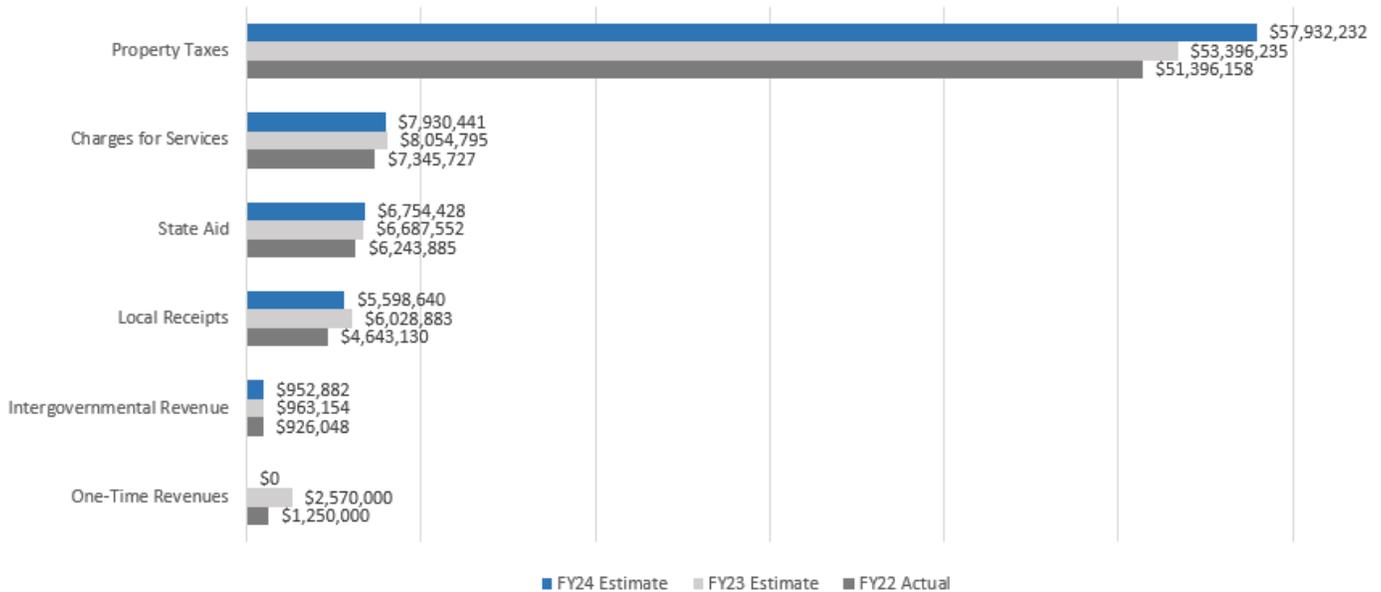


A key component of the budget development process is the identification of revenue assumptions and projections to determine the range of choices that the Town can make in allocating resources. Due to the critical nature of this information, the revenue analysis and the revenue projections are monitored and updated on a monthly basis. If significant changes in revenue streams were to present the potential for shortfalls, this process would allow for action to be taken in time to maintain fiscal stability.

The Town does not have the statutory ability to change rates and formulas for many of its revenue sources. The rates and/or formulas for property tax and certain fines, for example, are set by the State. The Town may set user fees, permits, and licenses. Property tax revenue is subjected to limitations in state law in the amount the Town can raise from year to year.

Town revenues are divided into six basic categories recommended by the National Committee on Governmental Accounting. The categories are Property Taxes, Charges for Services, Licenses and Permits, Fines and Forfeits, Intergovernmental Revenue, and Miscellaneous Revenue. The following is a discussion of the Town’s projections for those categories in FY24.

## Revenue Overview, FY22-FY24





# OVERVIEW OF ESTIMATED REVENUE

## PROPERTY TAXES

### REAL AND PERSONAL PROPERTY TAX

Although the significance as a percentage of all revenues can greatly differ from community to community, a primary source of revenue for municipalities in the Commonwealth is real and personal property taxes. For purposes of taxation, real property includes land, buildings, and improvements erected or affixed to land. Personal property consists of stock, inventory, furniture, fixtures, and machinery. The Town's Board of Assessors determines the value of all taxable land, which is revalued at fair market value every five years and updated every year. The Town of Swampscott revalued all real property in FY23, adjusting property values to within 90% of market value. The Town's Board of Assessors is also responsible for determining the value of personal property through an annual review process.

### MAJOR POINTS

There are several factors that influence the amount of revenue generated by real and personal property taxes:

- **Tax Levy Amount:** For the last 5 years, the Town has successfully mitigated increases to the average single family tax bill, resulting in a net average annual savings of \$97 over this period to the average homeowner. In FY24 the tax levy is expected to increase by 2.0%, plus new growth in order to fund the Town's basic operations, plus an amount equal to the debt service for the new elementary school project (debt exclusion).
- **Excess Capacity:** The Town has been assessing and collecting taxes significantly below state-imposed tax limitations under Propositions 2½. This excess taxing capacity allows the Town to have budgetary flexibility in years to come to fund unexpected operating budget increases, major capital projects or absorb the impacts if the economy were to take a sudden downturn.
- **Collection Rate:** It is important to note that the collection rate for property taxes in the Town is in excess of 98% per year. This high collection rate ensures the Town has sufficient cash flow to finance basic town operations.

The Town's Board of Assessors is also responsible for determining the value of personal property through an annual review process.

### PROPOSITION 2 ½

This legislative initiative was enacted in 1980 to limit the increases of property taxes in Massachusetts. Proposition 2 ½ has performed its tax limiting function since then in the following manner:

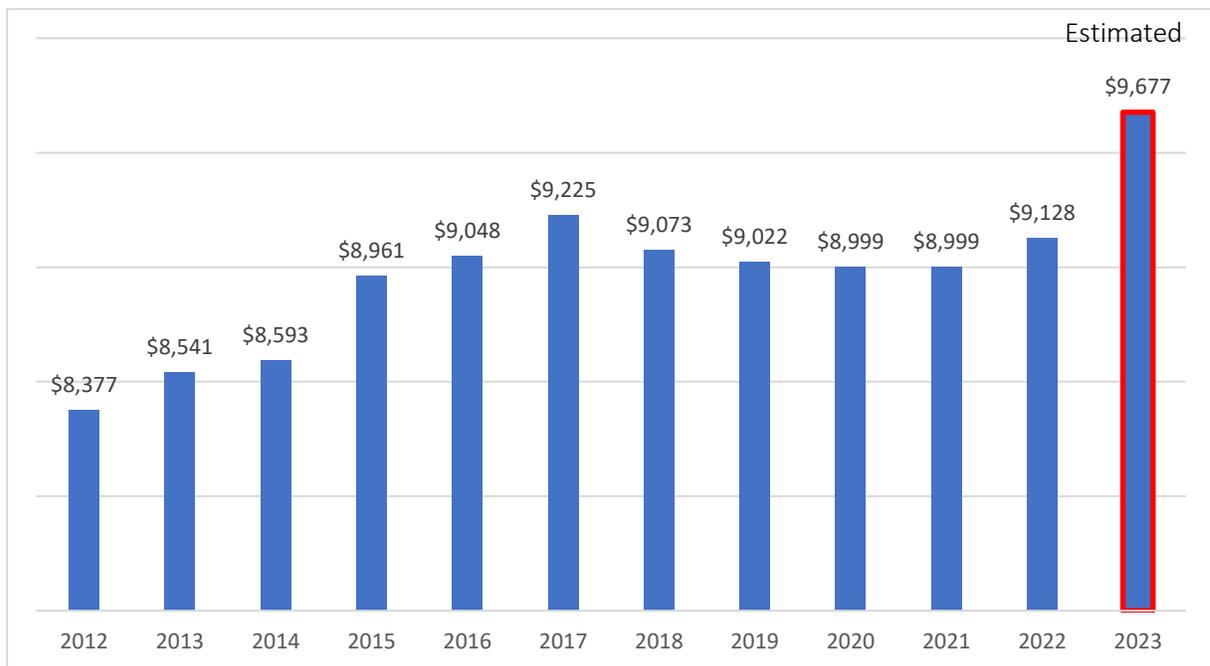
A community's levy limit cannot increase more than 2 ½ % of last year's levy limit, plus new growth or override or debt exclusion amounts. A community therefore must live within the increases prescribed by 2 ½ or a community can opt to pass an override or debt exclusion by successful voting at the polls. This gives voters control over how much additional property tax they are willing to pay.

# OVERVIEW OF ESTIMATED REVENUE



## AVERAGE SINGLE-FAMILY TAX BILL 2014-2023

Fiscal Year	Single Family Values	Single Family Parcels	Average Single Family Value	Single Family Tax Bill
2014	1,576,155,500	3,430	459,521	8,593
2015	1,799,074,500	3,443	522,531	8,961
2016	1,797,620,900	3,443	522,109	9,048
2017	1,822,855,500	3,448	528,670	9,225
2018	1,958,006,900	3,453	567,045	9,073
2019	2,052,999,200	3,459	593,524	9,022
2020	2,178,519,500	3,462	629,266	8,999
2021	2,260,808,700	3,467	652,094	8,999
2022	2,465,274,700	3,465	711,479	9,128
2023	2,857,657,400	3,467	824,245	9,677





# OVERVIEW OF ESTIMATED REVENUE

The high percentage of property tax as a total of the general fund is an indication of the Town's continued dependency on this revenue source. Reductions in state aid or other General Fund revenues that are more volatile contribute to this trend. The high reliance on property taxes to fund operations can have a considerable impact on the Town's tax rate and taxing capacity if property values were to significantly decline. This trend can also have a significant impact on the Town's cash flow if tax delinquencies grow. However, this funding source is more dependable, resulting in a higher level of budget stability.

Swampscott has a heavy reliance on taxes to support the budget. For FY15-FY20, property tax as a % of revenues fell below the historic 80% threshold. For FY21 - FY24, the metric has increased above the 80% threshold, which is mainly attributable to a change in the accounting method used for receipts from the Town of Nahant related to education and does not reflect a significant change in tax policy for these years.

### Property Tax as % of General Fund Revenue (FY12-FY24)



# OVERVIEW OF ESTIMATED REVENUE



## LOCAL RECEIPTS

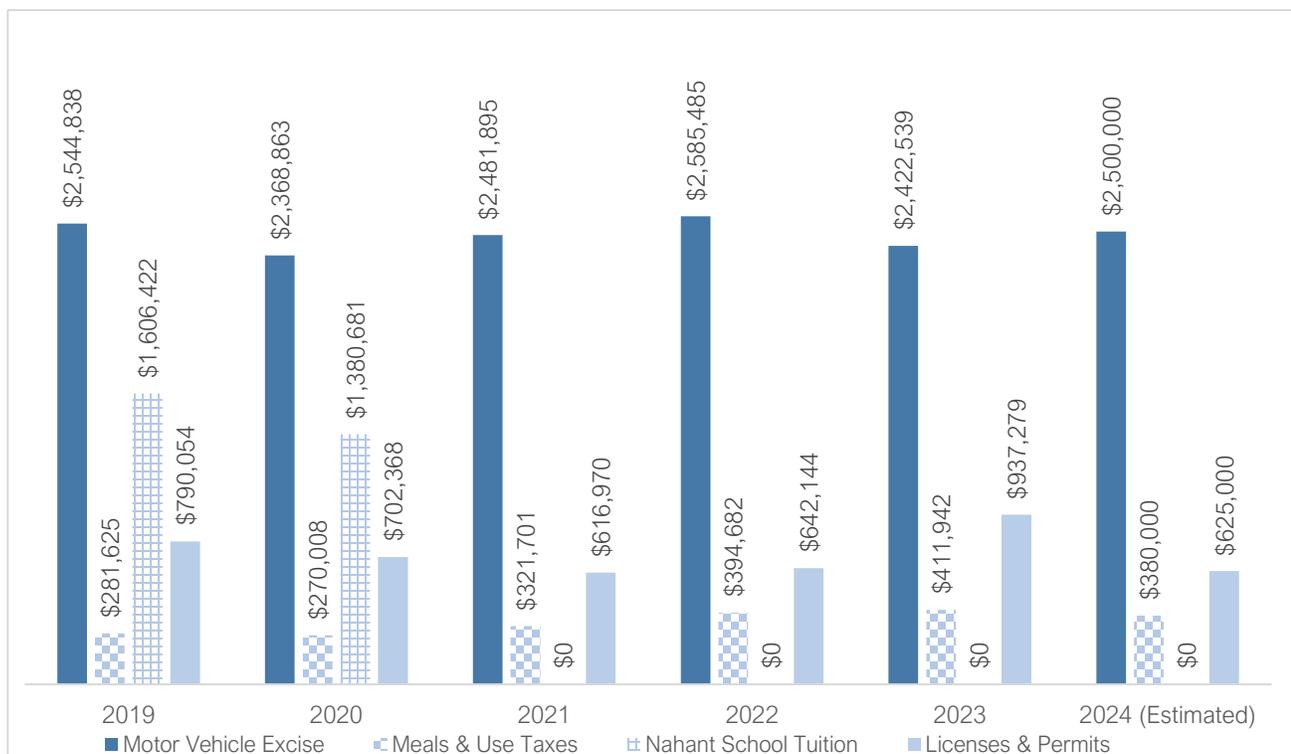
While property taxes make up a significant portion of the Town’s revenue sources, another important series of categories of revenue that make up a substantial part of the Town’s financial picture is revenue obtained through local services, and are related directly to the local economy.

### MAJOR POINTS:

There are several categories of Local Receipts that are discussed below:

- **Motor Vehicle Excise:** These tax receipts are directly related to the economy because they are directly impacted by sales of motor vehicles, which is a cyclical market that rises and falls based on the local economy.
- **Meals Tax:** These receipts from local restaurants can be impacted by economic development activities in town since they are directly proportional to the success of local restaurants.
- **Nahant School Tuition:** At the special Fall 2019 Town Meeting, the Town adopted a Non-resident Tuition Revolving Fund. These receipts will now be deposited into that fund and will no longer be part of the general fund revenue stream.
- **Licenses & Permits:** The Town’s ability to attract development not only affects local property taxes, but is also reflected in the amount of fee revenue the Town is able to retain when developers file for building permits. The sustaining strength of this revenue item is an indicator that the Town’s local real estate market remains strong.

### LOCAL RECEIPTS, FY19-FY24





# OVERVIEW OF ESTIMATED REVENUE

Local receipts are comprised of permits, licenses, charges for services, fees, fines, investment income, and other miscellaneous revenues. Any increase or decrease in this area is an indication of the local economy and investment market. The small fluctuations in receipts year to year can be attributed to such items as building permits, bond premiums, and investment income.

## STATE AID

In addition to local revenue sources, such as property taxes and local receipts, the Town also received support from the Commonwealth of Massachusetts to help offset costs locally. The major categories of State Aid are as follows:

In addition to local revenue sources, such as property taxes and local receipts, the Town also receives support from the Commonwealth of Massachusetts to help offset costs locally. The State's largest local aid programs are tailored to help the municipalities that have relatively low revenue-generating abilities. Municipalities with higher local aid per capita tend to be those with lower property values. Compared to the peer group, Swampscott has higher average property assessments which account for the lower state aid.

**Chapter 70:** This major line item of State Aid is the Commonwealth's method of supporting local public school in a way that is intended to ensure that there is parity amongst school districts throughout the Commonwealth.

**Unrestricted Local Aid:** This important source of funding is more designed to ensure funding parity amongst cities and towns for general operations.

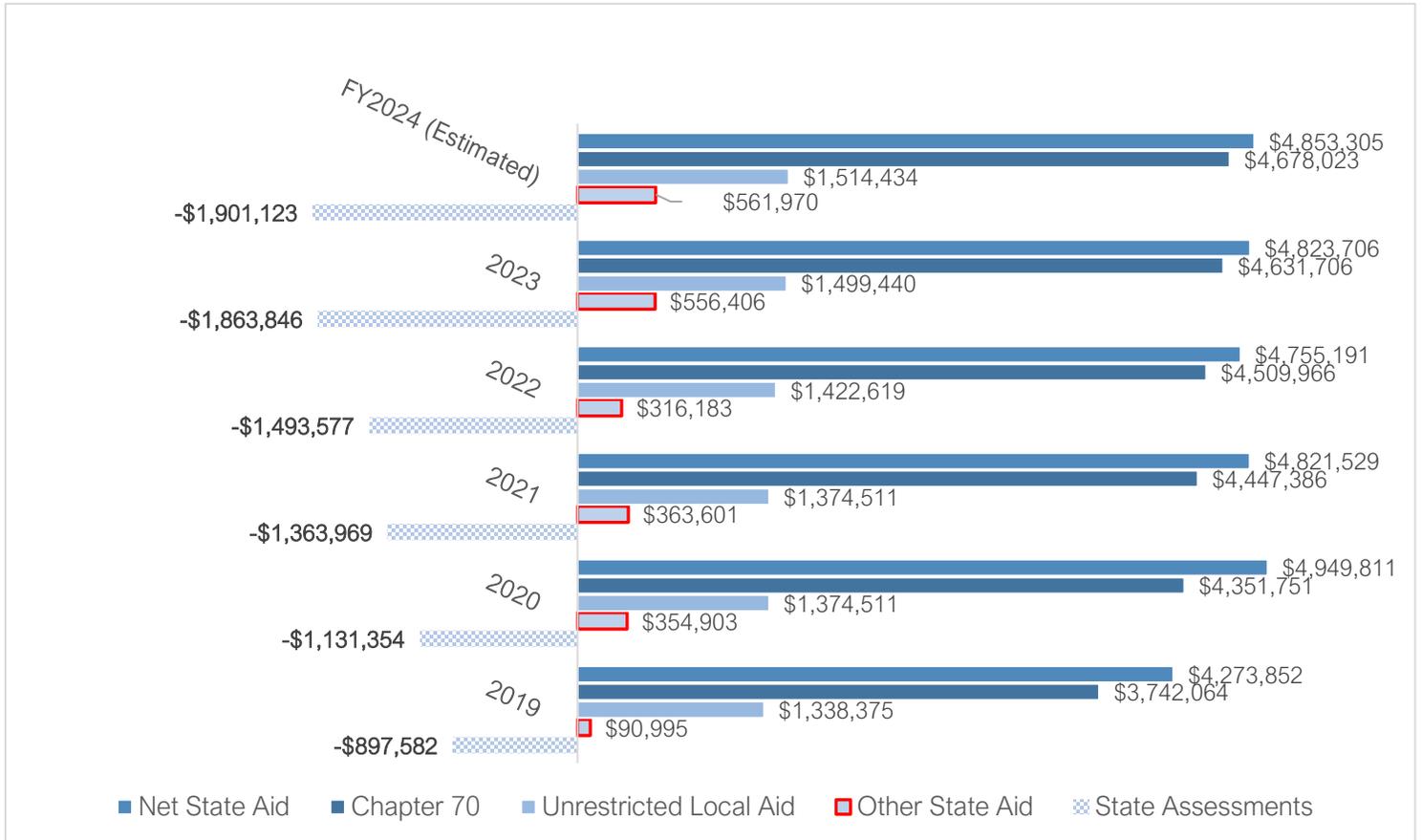
**Other Categories:** There are some other categories that are intended to fund specific local issues that are important statewide.

**State Assessments:** In addition to providing support, the Town is also charged for several services that are paid for state-wide, but the Town benefits from these services, so the Town is charged a proportional share of the cost of these services.

# OVERVIEW OF ESTIMATED REVENUE



## STATE AID AND ASSESSMENTS, FY19-FY24





Section 3



# Budget Summary

Town of Swampscott





**Town of Swampscott  
Summary of Estimated Receipts  
For Fiscal Year 2024**

Source/Description	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Original Estimate FY 2022	Final Estimate FY 2022	Actual FY 2022	Original Estimate FY 2023	STM Adjusted Estimate FY 2023	Year-to-Date 02.16.2022	Estimate FY 2024
<b>TAX LEVY LIMIT CALCULATION</b>											
TAX LEVY LIMIT BASE (prior fiscal year limit)	\$46,604,909	\$48,386,445	\$50,034,671	\$51,665,474	\$53,382,111	\$53,587,582	\$53,587,582	\$55,488,682	\$55,488,682	\$55,488,682	\$57,514,087
PRIOR YEAR AMENDED NEW GROWTH									\$128,434	\$128,434	
ANNUAL INCREASE TO LEVY LIMIT (2.5%)	\$1,165,123	\$1,209,661	\$1,250,867	\$1,291,637	\$1,334,553	\$1,340,854	\$1,340,854	\$1,387,217	\$1,390,428	\$1,390,428	\$1,437,852
NEW GROWTH	\$616,414	\$438,564	\$379,936	\$630,471	\$425,000	\$560,246	\$560,246	\$425,000	\$634,977	\$634,977	\$425,000
<b>NEW TAX LEVY LIMIT</b>	<b>\$48,386,445</b>	<b>\$50,034,671</b>	<b>\$51,665,474</b>	<b>\$53,587,582</b>	<b>\$55,141,664</b>	<b>\$55,488,682</b>	<b>\$55,488,682</b>	<b>\$57,300,899</b>	<b>\$57,514,087</b>	<b>\$57,514,087</b>	<b>\$59,376,939</b>
PLUS: DEBT EXCLUSION	\$1,794,646	\$1,766,111	\$1,744,994	\$1,723,603	\$1,698,817	\$1,698,817	\$1,698,817	\$4,691,134	\$4,691,134	\$4,691,134	\$4,715,599
<b>MAXIMUM ALLOWABLE TAX LEVY</b>	<b>\$50,181,091</b>	<b>\$51,800,782</b>	<b>\$53,410,468</b>	<b>\$55,311,185</b>	<b>\$56,840,481</b>	<b>\$57,187,499</b>	<b>\$57,187,499</b>	<b>\$61,992,033</b>	<b>\$62,205,221</b>	<b>\$62,205,221</b>	<b>\$64,092,538</b>
<b>CALCULATION OF TAX LEVY</b>											
TOTAL APPROPRIATIONS + CHARGES	\$65,123,421	\$67,011,863	\$69,096,280	\$69,872,210	\$69,368,417	\$69,872,210	\$71,283,627	\$77,145,957	\$76,758,954	\$76,758,954	\$79,763,876
LESS: ENTERPRISE FUND OFFSETS	(\$813,115)	(\$822,406)	(\$895,388)	(\$913,296)	(\$913,296)	(\$913,296)	(\$913,296)	(\$963,154)	(\$963,154)	(\$963,154)	(\$971,744)
LESS: BUDGETED STATE AID	(\$4,894,569)	(\$5,205,151)	(\$5,915,314)	(\$6,185,498)	(\$5,571,153)	(\$6,185,498)	(\$6,248,753)	(\$6,431,531)	(\$6,687,552)	(\$6,687,552)	(\$6,754,428)
LESS: BUDGETED LOCAL RECEIPTS	(\$4,600,500)	(\$5,592,500)	(\$5,642,990)	(\$4,080,294)	(\$4,571,985)	(\$4,571,985)	(\$4,685,029)	(\$4,466,065)	(\$6,028,883)	(\$6,028,883)	(\$5,598,640)
LESS: BUDGETED ENTERPRISE FUND RECEIPTS	(\$6,021,632)	(\$5,998,507)	(\$6,834,083)	(\$7,146,899)	(\$7,146,899)	(\$7,146,899)	(\$6,952,553)	(\$5,382,039)	(\$7,325,201)	(\$7,325,201)	(\$7,930,441)
LESS: TRANSFERS FROM FREE CASH	(\$1,003,324)	(\$1,000,000)	(\$1,000,000)	(\$1,550,000)	\$0	(\$1,250,000)	(\$1,250,000)	\$0	(\$1,250,000)	(\$1,250,000)	(\$1,250,000)
LESS: OTHER AVAILABLE FUNDS	(\$82,260)	\$0	\$0	(\$400,000)	(\$600,000)	(\$400,000)	\$0	\$0	(\$1,320,000)	(\$1,320,000)	\$0
PLUS: OVERLAY	\$323,734	\$26,804	\$4,691	\$134,929	\$10,000	\$134,929	\$162,162	\$200,000	\$212,071	\$212,071	\$200,000
<b>SUBTOTAL (NET TAX LEVY)</b>	<b>\$48,031,755</b>	<b>\$48,420,103</b>	<b>\$48,813,196</b>	<b>\$49,731,152</b>	<b>\$50,575,084</b>	<b>\$49,539,461</b>	<b>\$51,396,158</b>	<b>\$60,103,168</b>	<b>\$53,396,235</b>	<b>\$53,396,235</b>	<b>\$58,708,624</b>
<b>NET TAX LEVY PER POLICY</b>	<b>**</b>	<b>**</b>	<b>\$50,833,505</b>	<b>\$52,275,175</b>	<b>\$53,745,678</b>	<b>\$53,745,678</b>	<b>\$55,734,678</b>	<b>\$58,549,372</b>	<b>\$58,549,372</b>	<b>\$58,549,372</b>	<b>\$62,766,759</b>
<b>EXCESS LEVY CAPACITY</b>	<b>\$2,149,336</b>	<b>\$3,380,680</b>	<b>\$4,597,272</b>	<b>\$5,580,033</b>	<b>\$6,265,397</b>	<b>\$7,648,038</b>	<b>\$5,791,341</b>	<b>\$1,888,865</b>	<b>\$8,808,986</b>	<b>\$8,808,986</b>	<b>\$5,383,914</b>
<b>ACTUAL TAX COLLECTIONS</b>	<b>\$48,131,962</b>	<b>\$47,958,754</b>	<b>\$48,297,152</b>	<b>\$49,828,434</b>			<b>\$37,390,668</b>			<b>\$38,814,618</b>	
TAX COLLECTION RATE	100.21%	99.05%	98.94%	100.20%			72.75%			72.69%	
<b>STATE AID</b>											
CHAPTER 70 AID	\$3,496,131	\$3,742,064	\$4,351,751	\$4,447,386	\$4,509,966	\$4,509,966	\$4,509,966	\$4,570,836	\$4,631,706	\$2,701,825	\$4,678,023
UNRESTR. LOCAL AID	\$1,293,116	\$1,338,375	\$1,374,511	\$1,374,511	\$1,422,619	\$1,422,619	\$1,422,619	\$1,461,030	\$1,499,440	\$873,216	\$1,514,434
CHARTER SCHOOL REIMB	\$107,457	\$28,147	\$296,645	\$207,092	\$280,984	\$280,984	\$221,093	\$316,943	\$467,657	\$235,611	\$472,334
VETERANS/ELDERLY EXEMPTIONS/VETERANS BENEFITS	\$66,377	\$37,923	\$32,216	\$36,928	\$62,113	\$62,113	\$57,245	\$51,623	\$51,623	\$16,304	\$52,139
STATE OWNED LAND	\$1,266	\$1,374	\$1,563	\$1,550	\$1,756	\$1,756	\$1,862	\$1,859	\$2,390	\$1,372	\$2,414
PUBLIC LIBRARY OFFSET	\$22,304	\$23,551	\$24,479	\$30,061	\$31,100	\$31,100	\$31,100	\$29,240	\$34,736	\$31,072	\$35,083
<b>STATE AID</b>	<b>\$4,986,651</b>	<b>\$5,171,434</b>	<b>\$6,081,165</b>	<b>\$6,097,528</b>	<b>\$6,308,538</b>	<b>\$6,308,538</b>	<b>\$6,243,885</b>	<b>\$6,431,531</b>	<b>\$6,687,552</b>	<b>\$3,859,400</b>	<b>\$6,754,428</b>
<b>LOCAL RECEIPTS</b>											
MOTOR VEHICLE EXCISE	\$2,475,024	\$2,544,835	\$2,368,863	\$2,481,895	\$2,585,485	\$2,585,485	\$2,416,860	\$2,500,000	\$2,422,539	\$322,842	\$2,500,000
MEALS/ROOMS TAX	\$250,990	\$281,625	\$270,008	\$321,701	\$285,000	\$285,000	\$394,682	\$310,000	\$411,942	\$230,100	\$380,000
COMMUNITY IMPACT FEES							\$0	\$100,000	\$15,332	\$10,625	\$145,000

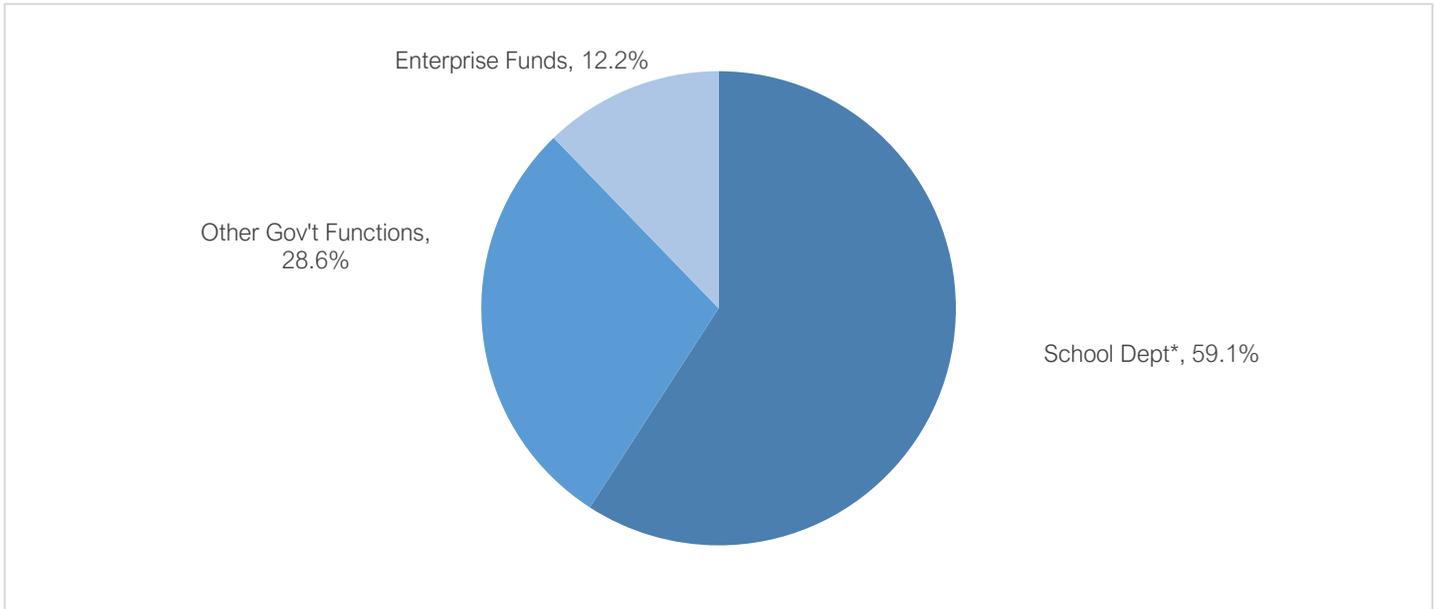
BOAT EXCISE	\$5,085	\$3,803	\$3,873	\$2,435	\$4,000	\$4,000	\$1,035	\$2,500	\$1,035	\$4,763	\$5,000
CANNABIS EXCISE				\$0	\$90,000	\$90,000	\$80,909	\$90,000	\$80,909	\$59,377	\$110,000
PENALTIES/INTEREST ON OVERDUE TAXES	\$171,992	\$187,088	\$197,319	\$220,784	\$275,000	\$275,000	\$301,939	\$200,000	\$240,014	\$106,489	\$220,000
FEES	\$299,701	\$291,985	\$243,158	\$256,784	\$475,000	\$475,000	\$0	\$223,000	\$265,342	\$314,040	\$272,100
SOLID WASTE BAG FEES							\$158,236	\$0	\$0	\$140	\$0
RENTALS	\$153,502	\$211,821	\$220,950	\$225,714	\$250,000	\$250,000	\$228,447	\$165,025	\$220,068	\$132,227	\$240,000
PAYMENTS IN LIEU OF TAXES							\$12,000	\$18,540	\$18,000	\$13,725	\$18,540
DEPT REVENUE - LIBRARY	\$1,777	\$1,391	\$715	\$0	\$1,500	\$1,500	\$892	\$1,000	\$0	\$103	\$1,000
DEPT REVENUE - CEMETERY	\$47,785	\$43,320	\$57,395	\$45,795	\$45,000	\$45,000	\$54,230	\$47,000	\$55,173	\$37,330	\$55,000
DEPT REVENUE - RECREATION	\$37,319	\$41,075	\$41,617	\$50,278	\$40,000	\$40,000	\$44,758	\$42,000	\$43,010	\$5,410	\$50,000
DEPT REVENUE - OTHER	\$4,280	\$7,859	\$3,456	\$1,879	\$4,000	\$4,000	\$0	\$2,000	\$0	\$1,070	\$2,000
LICENSES & PERMITS	\$496,062	\$790,054	\$702,368	\$616,970	\$400,000	\$400,000	\$642,144	\$600,000	\$937,279	\$740,490	\$625,000
FINES/FORFEITS	\$79,558	\$78,646	\$81,195	\$51,043	\$77,000	\$77,000	\$29,377	\$75,000	\$29,377	\$13,579	\$75,000
INVESTMENT INCOME	\$181,936	\$224,922	\$168,414	\$22,239	\$40,000	\$40,000	\$200,210	\$90,000	\$1,200,000	\$1,344,410	\$900,000
MISC RECURRING**	\$10,221	\$7,564	\$3,771	\$2,204	\$0	\$0	\$8,591	\$0	\$4,481	\$4,440	\$0
MISC NON-RECURRING**	\$116,933	\$76,323	\$930,513	\$52,307	\$0	\$0	\$47,376	\$0	\$84,382	\$222,447	\$0
<b>SUBTOTAL CONTINUING LOCAL RECEIPTS</b>	<b>\$4,332,166</b>	<b>\$4,792,311</b>	<b>\$5,293,615</b>	<b>\$4,352,029</b>	<b>\$4,571,985</b>	<b>\$4,571,985</b>	<b>\$4,643,130</b>	<b>\$4,466,065</b>	<b>\$6,028,883</b>	<b>\$3,563,467</b>	<b>\$5,598,640</b>
DEPT REVENUE - SCHOOL (NAHANT TUITION)	\$1,559,821	\$1,606,422	\$1,633,580	\$31,102	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SPED MEDICAID REIMB	\$171,156	\$165,528	\$9,797	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL WITHDRAWN LOCAL RECEIPTS</b>	<b>\$1,730,977</b>	<b>\$1,771,950</b>	<b>\$1,643,377</b>	<b>\$31,102</b>	<b>\$0</b>						
<b>SUBTOTAL ALL LOCAL RECEIPTS</b>	<b>\$6,063,143</b>	<b>\$6,564,261</b>	<b>\$6,936,992</b>	<b>\$4,383,130</b>	<b>\$4,571,985</b>	<b>\$4,571,985</b>	<b>\$4,643,130</b>	<b>\$4,466,065</b>	<b>\$6,028,883</b>	<b>\$3,563,467</b>	<b>\$5,598,640</b>
<b>INTER-FUND ADJUSTMENTS</b>											
ENTERPRISE FUND REIMB/INDIRECT COSTS	\$813,115	\$822,407	\$895,388	\$913,296	\$913,296	\$913,296	\$926,048	\$963,154	\$963,154	\$481,577	\$971,744
<b>SUBTOTAL INTER-FUND REVENUE</b>	<b>\$813,115</b>	<b>\$822,407</b>	<b>\$895,388</b>	<b>\$913,296</b>	<b>\$913,296</b>	<b>\$913,296</b>	<b>\$926,048</b>	<b>\$963,154</b>	<b>\$963,154</b>	<b>\$481,577</b>	<b>\$971,744</b>
<b>ONE TIME REVENUE TO SUPPORT BUDGET</b>											
FREE CASH USED TO REDUCE TAX RATE	\$1,000,000	\$1,000,000	\$1,000,000	\$1,550,000	\$0	\$1,250,000	\$1,250,000	\$0	\$1,250,000	\$1,250,000	\$0
OTHER AVAILABLE FUNDS	\$82,260	\$0	\$0	\$400,000	\$600,000	\$0	\$0	\$0	\$1,320,000	\$1,320,000	\$0
<b>SUBTOTAL FROM ONE TIME REVENUE</b>	<b>\$1,082,260</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,950,000</b>	<b>\$600,000</b>	<b>\$1,250,000</b>	<b>\$1,250,000</b>	<b>\$0</b>	<b>\$2,570,000</b>	<b>\$2,570,000</b>	<b>\$0</b>
NET OUT OVERLAY (NET OUT OF BUDGET ONLY)	(\$323,734)	(\$26,804)	(\$4,691)	(\$134,929)	(\$10,000)	(\$134,929)	(\$162,162)	(\$200,000)	(\$212,071)	(\$212,071)	(\$200,000)
NET OUT SUBSIDY TO SOLID WASTE ENTERPRISE								(\$1,350,000)	(\$1,350,000)	(\$675,000)	(\$1,400,046)
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$60,753,397</b>	<b>\$61,490,052</b>	<b>\$63,206,006</b>	<b>\$63,037,459</b>	<b>\$62,958,903</b>	<b>\$62,448,351</b>	<b>\$64,297,059</b>	<b>\$70,413,918</b>	<b>\$68,083,753</b>	<b>\$48,401,991</b>	<b>\$70,433,389</b>
<b>ENTERPRISE FUNDS</b>											
SEWER RECEIPTS	\$2,252,802	\$2,278,585	\$2,391,502	\$2,208,762	\$2,759,166	\$2,759,166	\$2,998,614	\$2,873,851	\$3,088,949	\$1,528,991	\$3,034,185
WATER RECEIPTS	\$3,587,878	\$3,747,195	\$3,725,814	\$3,464,038	\$4,132,072	\$4,132,072	\$4,162,994	\$4,332,943	\$4,470,849	\$2,283,778	\$4,522,368
PEG RECEIPTS (Ent. Fund '20-forward)	\$208,436	\$196,853	\$196,359	\$138,579	\$255,661	\$255,661	\$184,119	\$104,279	\$170,487	\$140,408	\$184,997
PEG-TRANSFER FROM RETAINED EARNINGS								\$150,560	\$150,560	\$150,560	\$0
SOLID WASTE RECEIPTS	\$208,436	\$0	\$0	\$0	\$255,661	\$0	\$0	\$173,950	\$173,950	\$106,773	\$188,890
<b>SUBTOTAL FROM ENTERPRISE FUNDS</b>	<b>\$6,049,116</b>	<b>\$6,222,633</b>	<b>\$6,313,675</b>	<b>\$5,811,379</b>	<b>\$7,146,899</b>	<b>\$7,146,899</b>	<b>\$7,345,727</b>	<b>\$6,111,633</b>	<b>\$8,054,795</b>	<b>\$4,210,511</b>	<b>\$7,930,441</b>
<b>TOTAL REVENUE (GENERAL &amp; ENTERPRISE)</b>	<b>\$66,802,513</b>	<b>\$67,712,685</b>	<b>\$69,519,681</b>	<b>\$68,848,838</b>	<b>\$70,105,802</b>	<b>\$69,595,250</b>	<b>\$71,642,786</b>	<b>\$77,875,551</b>	<b>\$77,488,548</b>	<b>\$52,612,502</b>	<b>\$79,763,876</b>



# OVERALL SUMMARY

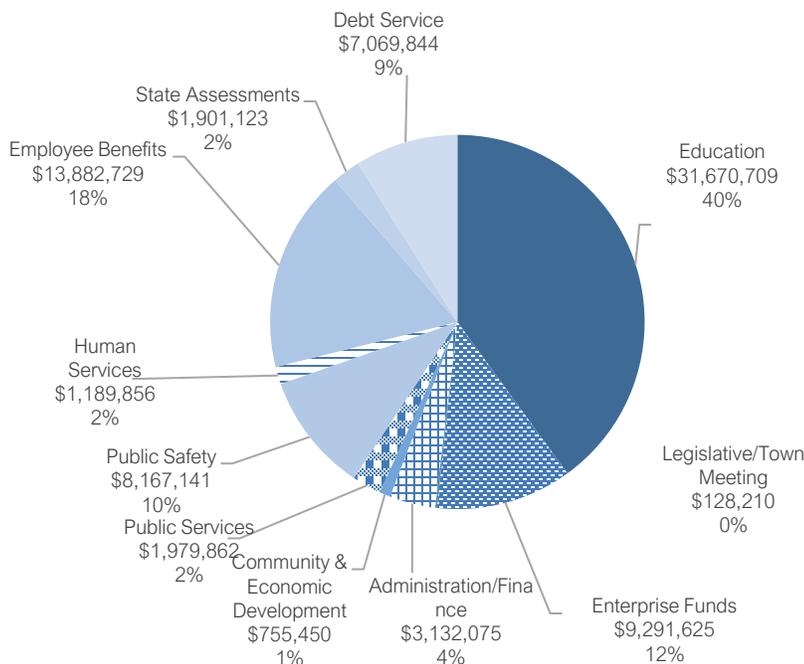
## FY24 Recommended Expense Budget

**\$79,168,623**



\* Adjusted to recognize indirect cost of school department, approximately \$13M

## FY24 RECOMMENDED EXPENSE BUDGET HIGHLIGHTS



### HIGHLIGHTS

- Administration and Finance decrease by 1.5%
- Public Services decrease by 4.4%
- Public Safety increase by 4.3%
- Human Services increase by 1.4%
- Debt Service increase by 3.1%
- Employee Benefits increase by 4%
- State Assessments increase by 2%



Section 4



# Department Budgets

Town of Swampscott

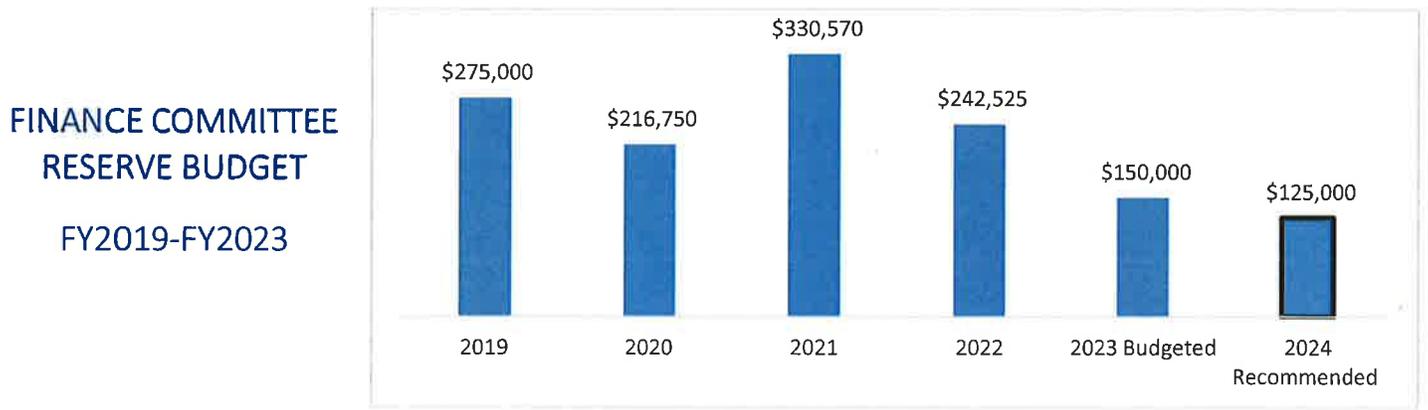
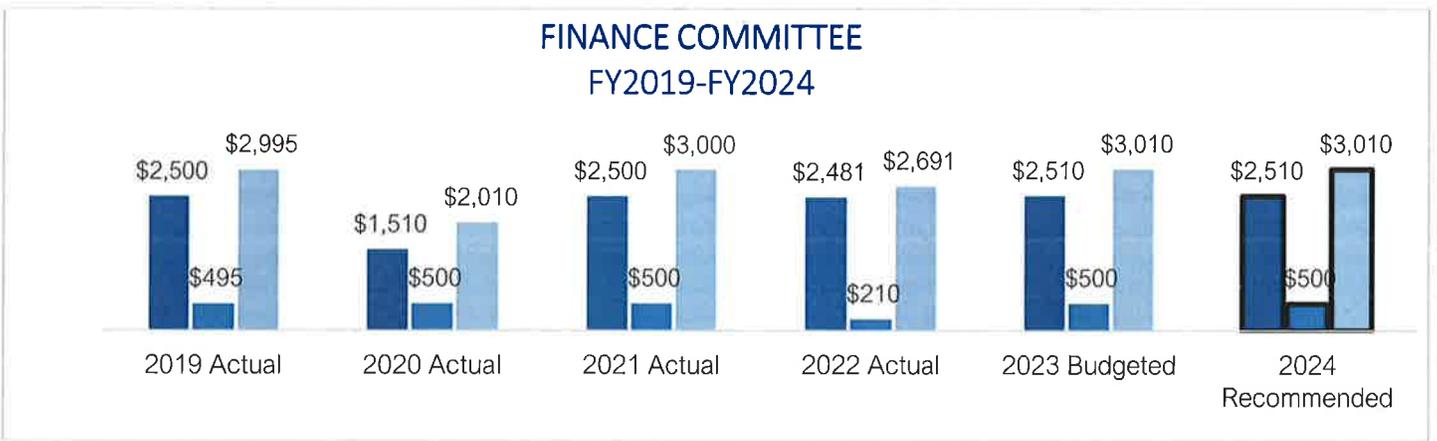
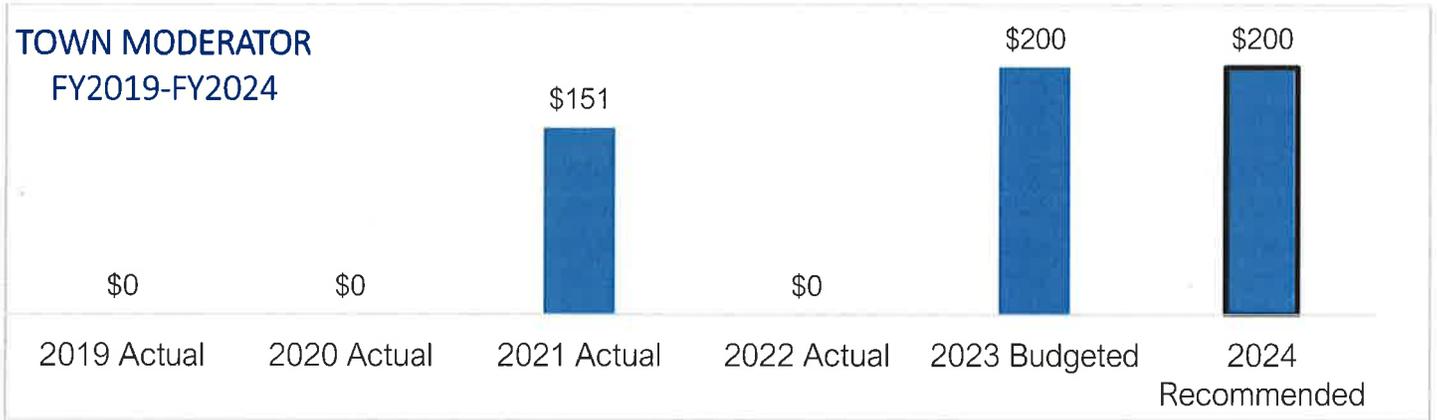


# TOWN MEETING/TOWN MODERATOR/ FINANCE COMMITTEE



## MISSION STATEMENT

The legislative functions of town government rest primarily with the Town's Representative Town Meeting. The Town's 324 Town Meeting members are elected throughout the town by precinct and sit as the legislative body of town government. The Presiding Officer of Town Meeting is the Town Moderator, who is elected annually. The Town Moderator also serves as the appointing authority for several important committees, including the Finance Committee and Capital Improvement Committee. The following budget provides for nominal expense reimbursements for the Town Moderator and members of the committees that are appointed by the Town Moderator.



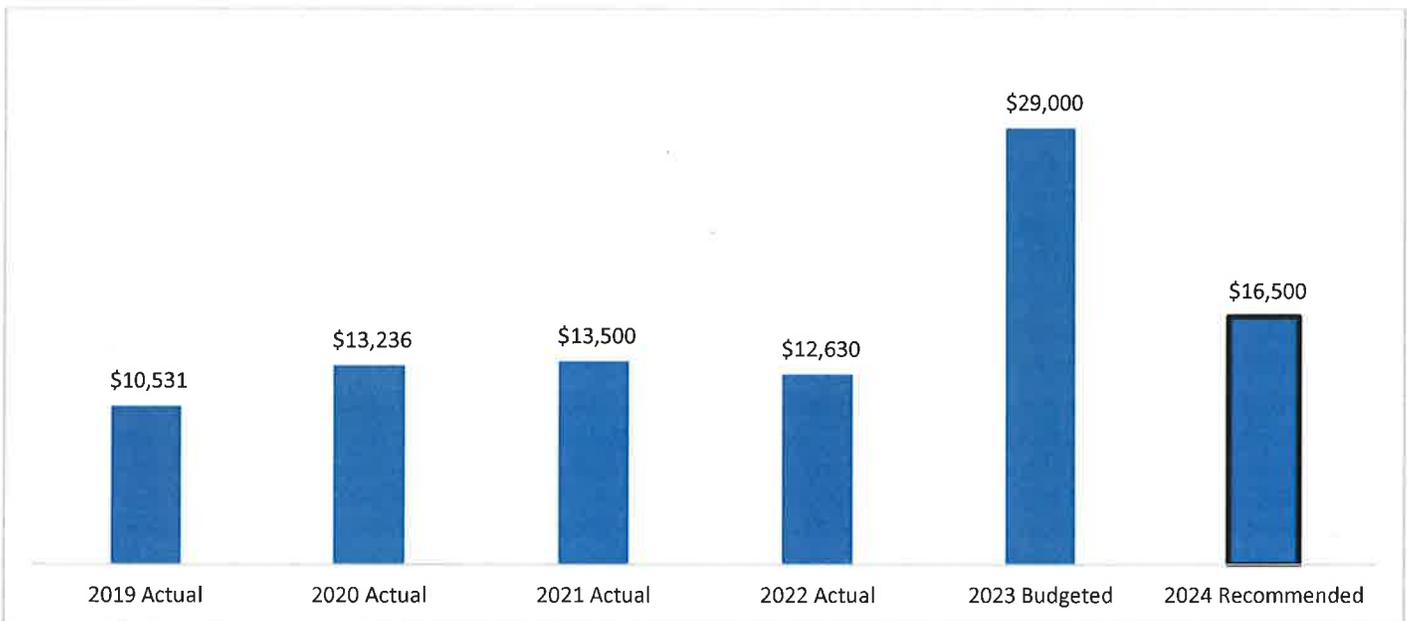


## MISSION STATEMENT

In accordance with the Town Charter and local by-laws, the Select Board is a legislative body of five members, elected town-wide on staggered terms. The Board's primary responsibilities include serving as a policy-making authority, appointing authority, and licensing board.

Some notable responsibilities include approving articles to be placed on Town Meeting Warrants, adopting the annual Town Administrator's submitted budget, hiring the Town Administrator, approving liquor and victualler licenses, confirming employee appointments, and appointing members to Town Boards and Commissions. The Board also serves ex-officio as the town's Water and Sewer Commissioners and is responsible for setting water and sewer rates.

### SELECT BOARD FY2019-FY2024



# OFFICE OF THE TOWN ADMINISTRATOR



## MISSION STATEMENT

The Town Administrator is responsible for the daily administration of the operational and business affairs of the Town. The Town Administrator is the Chief Administrative, Financial and Procurement Officer of the Town and is the primary officer responsible for the implementation of Select Board policy and Town By-Laws. The Town Administrator sets the strategy of the Town in accordance with Select Board directives, sets overall operating goals for the Town, which determines the departmental goals, and oversees the efficient and effective administration of Town government to achieve those goals. The Town Administrator is responsible for ensuring the continued economic, social, and financial viability and sustainability of the Town, and for ensuring the delivery of high-quality services to the residents and taxpayers of the Town.



Sean R. Fitzgerald  
Town Administrator

## SIGNIFICANT CHANGES

- As the pandemic waned last year, it was exciting to see the resurgence and addition of many activities, events, and programs. An intentional effort was made to expand and improve the traditional holiday and Town programming to enhance Swampscott's inclusivity and celebrate our diversity. Juneteenth and Pride Day celebrations as well as townwide porch fests, yard sales, concerts and family-friendly beer festivals are all now part of the annual town calendar for residents and visitors to enjoy. I am extraordinarily proud of these events and efforts to build community.
- In the first year out of Civil Service, Swampscott has made great strides with advancing efforts to build a more inclusive, comprehensive hiring process for the Swampscott Police and Fire Departments. (This past year, we have hired the two Black Fire Fighters, two women Fire Fighters, and three Hispanic Police Officers.)

## PREVIOUS YEAR ACCOMPLISHMENTS

- The Town has successfully negotiated all five (5) of the collective bargaining contracts for Town Unions. At this time, all Union contracts are settled.
- I am grateful for the approval of a townwide consolidated elementary school that will serve all of the students in Swampscott. This new school will be a hallmark of this generation's support for education, and I want to thank all of those who advanced the efforts for this needed investment.
- This past year we also received the authorizations to acquire the Hawthorne Restaurant property and two other undeveloped land parcels behind Archer Street, the most significant land and open space acquisitions in Swampscott in the last 50 years.
- Advocated against the implementation of the Block 2 Procedure Recommendations for Boston Logan Airport Community Noise Reduction which would redirect flights over coastal communities and environmental resources.
- Successfully advanced advocacy for \$2.5 Million in additional funding for King's Beach clean-up. The town is taking a leadership role in bringing local, state and federal partners together to address this critical need and this past year we have completed a feasibility study to address the contamination of the beach.
- The Town continues to advance the broader goals of the Harbor and Waterfront Plan. This year, the Town continued efforts funded through an \$80K grant and \$50K from the State Budget to advance the design concepts for a resilient pier and waterfront.

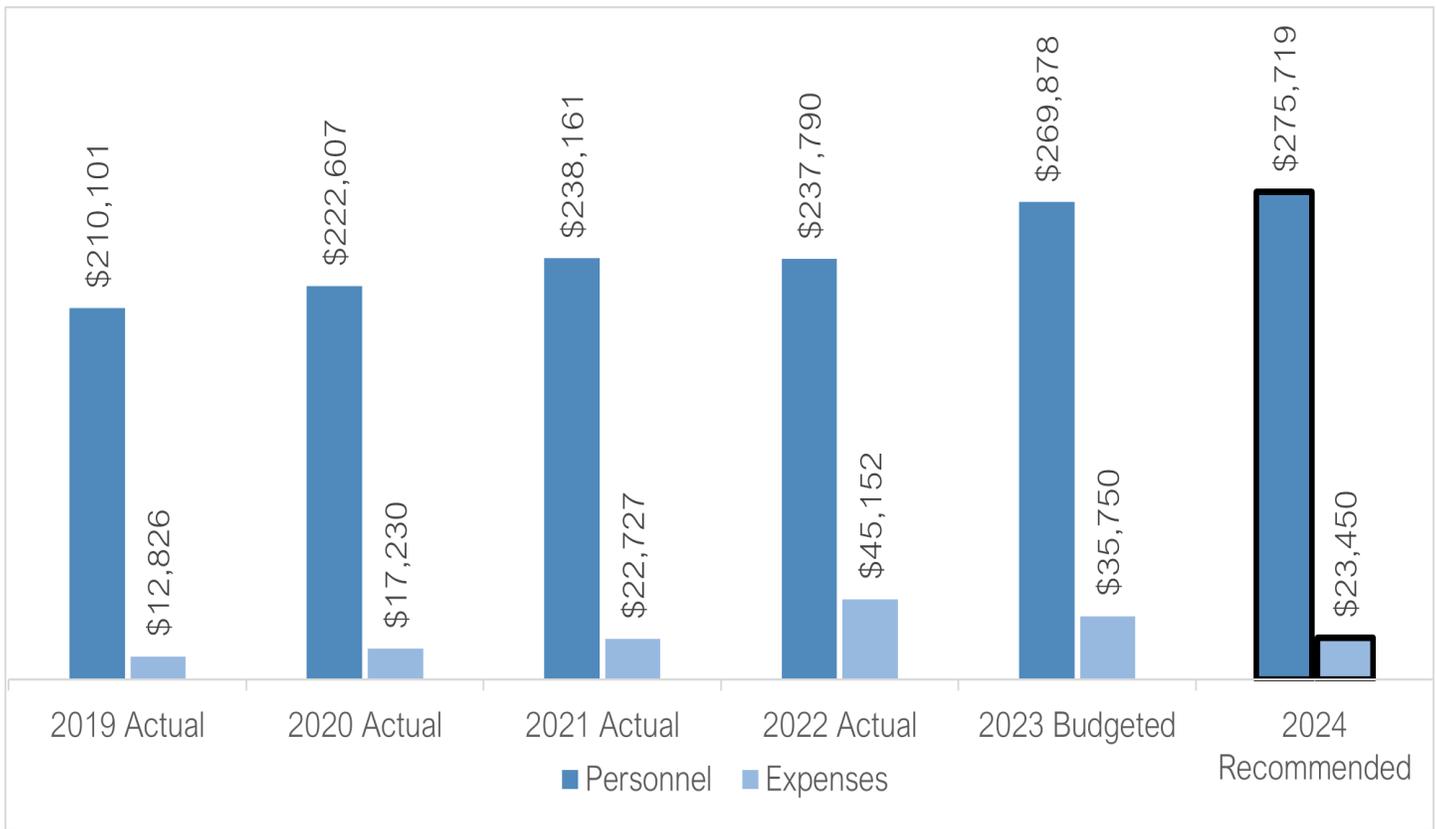


# OFFICE OF THE TOWN ADMINISTRATOR

## FY24 GOALS

- Improve transparency and community outreach on Town projects and initiatives.
- Continue to advance the construction of the New Elementary School.
- Advance efforts to redevelop the Hadley School.
- Seek state and federal funds to advance the development of Antony’s Hawthorne.
- Continue to advance strategies to fund and clean up King’s Beach.
- Support and promote affordable housing development in Swampscott.
- Enforce strong financial policies and internal controls to improve transparency and to continue Swampscott’s work towards a secure and stable financial path.
- Continue to prioritize Diversity, Equity, and Inclusion in the Workplace and Community.
- Work to support the efforts of the Climate Action Plan Committee and their goals.
- Develop a Master Plan and development strategies for Vinnin Square to maximize new growth and enhanced quality of life.

### TOWN ADMINISTRATOR FY2019 - FY2024





## MISSION STATEMENT

The Town Accountant provides the controllership and audit functions for the Town and its departments and agencies. The Accounting Department protects the fiduciary interests of the Town by ensuring that the financial records are accurately maintained and preserved; supervising and monitoring the expenditure of Town funds; utilizing sound accounting practices; and performing all other auditing and accounting functions pursuant to the Town Charter, Town By-Laws, and laws of the Commonwealth of Massachusetts. The Town Accountant's office consists of two full time employees, the Town Accountant and the Assistant Town Accountant. The Accounting department handles the processing of all vendor payments for the Town and School, has control over the chart of accounts, and determines appropriate and sufficient funding sources for expenses.



Amy Sarro  
Director of Finance &  
Administration

The Accounting office is responsible for and maintains, supports, and analyzes a general ledger that consists of more than 8,200 accounts. The role of the Accounting office is to ensure timely certification of "Free Cash" as well as a timely completion of the Town Audit. The Town Accountant plays a vital role to the Town Administrator providing analysis and reporting to strategically look at the Town Finances and make expenditures consistent with MGL.

## PREVIOUS YEAR ACCOMPLISHMENTS

- Received the Governmental Finance Officer's Association Certificate of Achievement for Excellence in Financial Reporting for the FY2020 and FY2021 Annual Comprehensive Financial Reports
- Submitted the Town's year-end Balance Sheet for Free Cash certification September 22<sup>nd</sup>
- Schedule A was approved on January 10<sup>th</sup> - the earliest it has ever been approved
- Worked to ensure the fiscally responsible attainment of open space

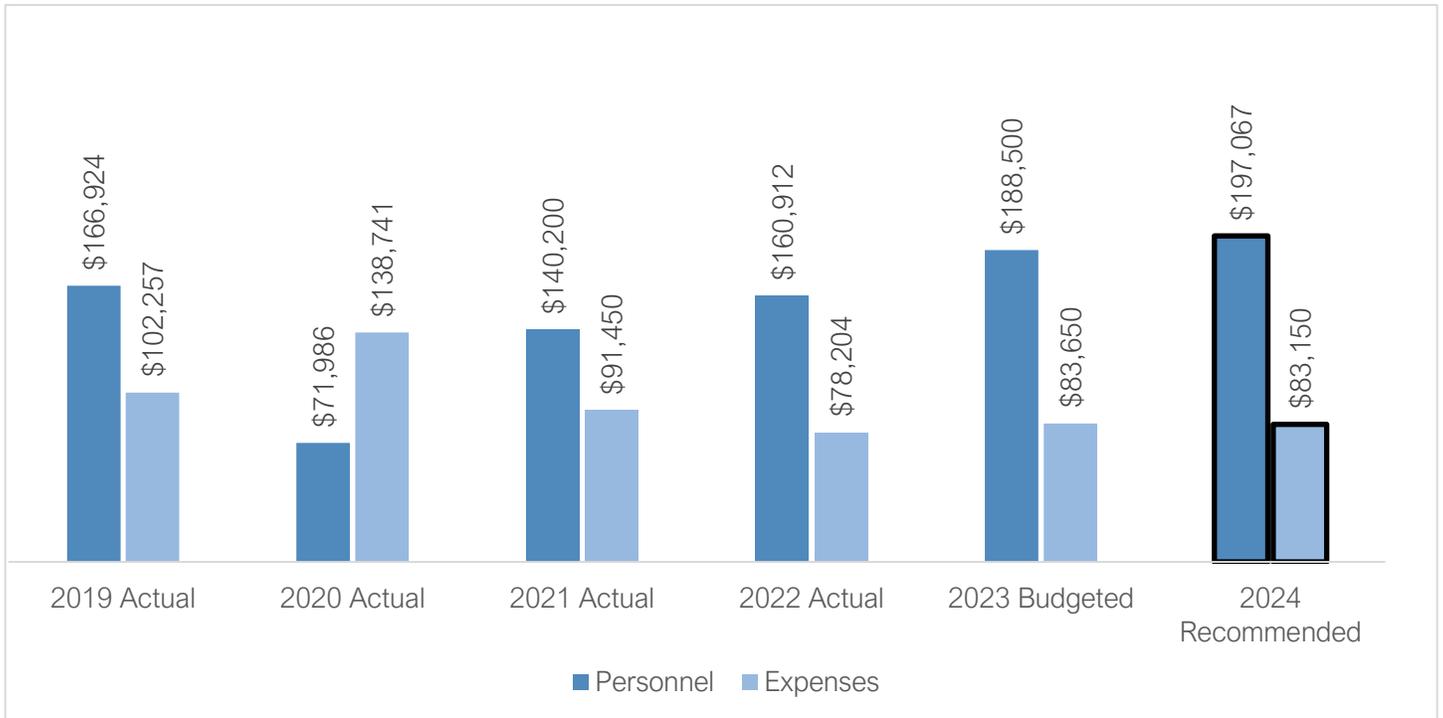
## FY24 GOALS

- Continue best practice goals of having free cash certified by October 31, Schedule A submitted by November 30, and audited financials completed and finalized by December 31
- Submit this year's budget book for the GFOA's Distinguished Budget Presentation Award
- Develop budget methodology for FY25 budget to better allocate the shared costs between the Town and School

# TOWN ACCOUNTANT



## TOWN ACCOUNTANT FY2019 - FY2024



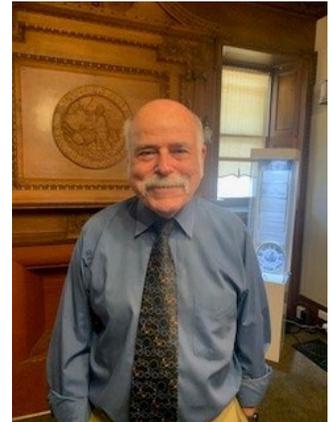


## MISSION STATEMENT

The Assessing Department provides the Town with fiscal stability by ensuring the Town's personal and real property is promptly, fairly, and equitably valued and classified. The Department determines fair market value of all property for the purposes of taxation, administers motor vehicle and boat excise taxes in a fair and efficient manner, administers the statutory exemption program for eligible taxpayers, and in conjunction with the Town Accountant, prepares the annual recap for the purpose of setting the annual tax rate.

## SIGNIFICANT CHANGES

In June 2022, Benjamin Straight retired from his position as Director of Assessing. Richard D. Simmons, Jr. joined the office as Interim Director of Assessing in September 2022 to provide the support and oversight needed for the Department, and to work with the Board of Assessors and the Select Board in setting the tax rate for FY2023. Lisa Taylor joined the office in March of 2022 as Administrative Assistant.



Richard Simmons  
Interim Assessing Director

In 2023 we are prepared for the interim valuation of all real estate and personal property.

## PREVIOUS YEAR ACCOMPLISHMENTS

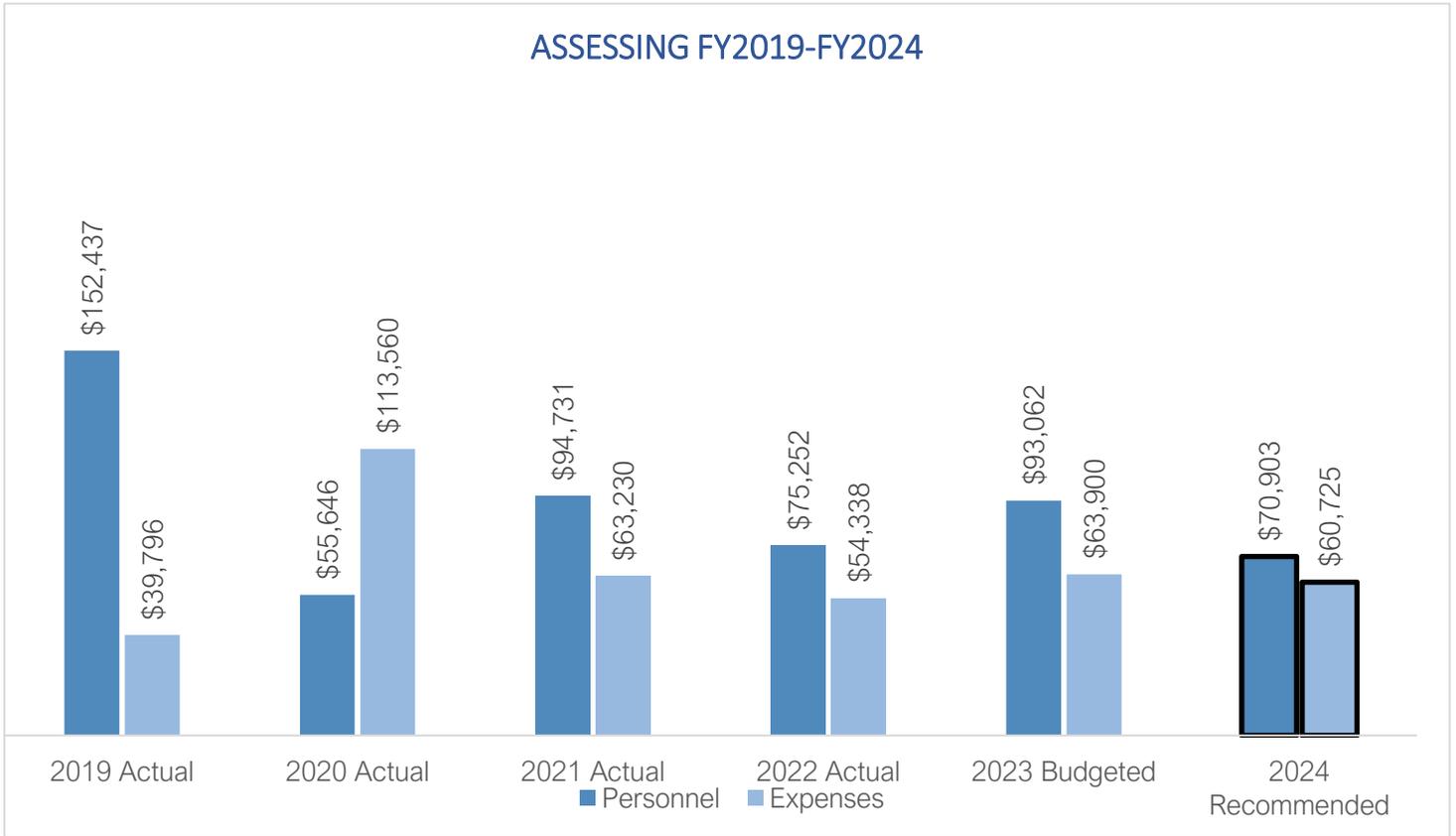
- Completed state mandated FY2023 recertification of all real estate and personal property on time which included an in-depth review of value calculations and methodologies used to determine fair market value of real estate and personal property.
- Completed Classification hearing and recap, received DOR certification of values and tax rate.
- Began review of valuation methods, including land values and neighborhood delineations.

## FY24 GOALS

- Utilize vendor and technology to capture all new growth including any which was previously unrecorded, complete and submit new growth to the DOR.
- Complete a review of the Department website and make corresponding updates and improvements, implement proactive communication to improve public understanding of the assessing process, and exemptions options.
- Continue streamlining all assessing processes and increase online options for customers.
- Complete comprehensive review of land classifications, land values, neighborhood delineations, and all residential and commercial values, meet and exceed all DOR requirements for revaluation.
- Complete Tax Recap and hold Classification Hearing by the end of November.
- Appointment of new permanent Director of Assessing.



## ASSESSING FY2019-FY2024



# TREASURER/COLLECTOR



## MISSION STATEMENT

The Treasurer's Office is charged with preserving, protecting and managing the financial resources and assets of the Town. The Treasurer is responsible for overseeing the receipt and disbursement of all town funds, as well as depositing and investing Town funds in compliance with Massachusetts General Laws, Local Laws and policies, and best practice. Additionally, the Treasurer's Office facilitates the issuance and payment of municipal debts.

The Collector's Office is responsible for the billing and collection of all taxes, fees and charges committed and due the town. To meet this responsibility, the Collector's Office issues bills for real and personal property taxes, motor vehicle excise taxes, boat excise taxes, water and sewer charges, and miscellaneous departmental receivables. The Collector uses collection methods prescribed by Massachusetts General Law to ensure amounts committed are collected timely and in full, and that the town's revenue requirements are met each fiscal year to fund appropriations authorized by town meeting.



Patrick Luddy  
Treasurer / Collector

## SIGNIFICANT CHANGES

The Collector's Office received a Clerical FTE from the Department of Public Works, Water & Sewer Division. This has allowed the office to respond more efficiently to inquiries regarding the town's roadways, parks, beaches, cemetery, and public utilities in addition to general inquiries.

Changes in economic conditions are being monitored closely by the Treasurer's office as we continue to seek opportunities for efficient investment of town funds whilst mitigating risk and preserving principal.

## PREVIOUS YEAR ACCOMPLISHMENTS

- Issued approximately \$13.3 million short-term bond anticipation notes, financing approved capital projects including the acquisition of significant open space.
- Consolidated Public Works-related customer service tasks into the Collector's Office
- Expanded payment options available to residents and businesses via the web.

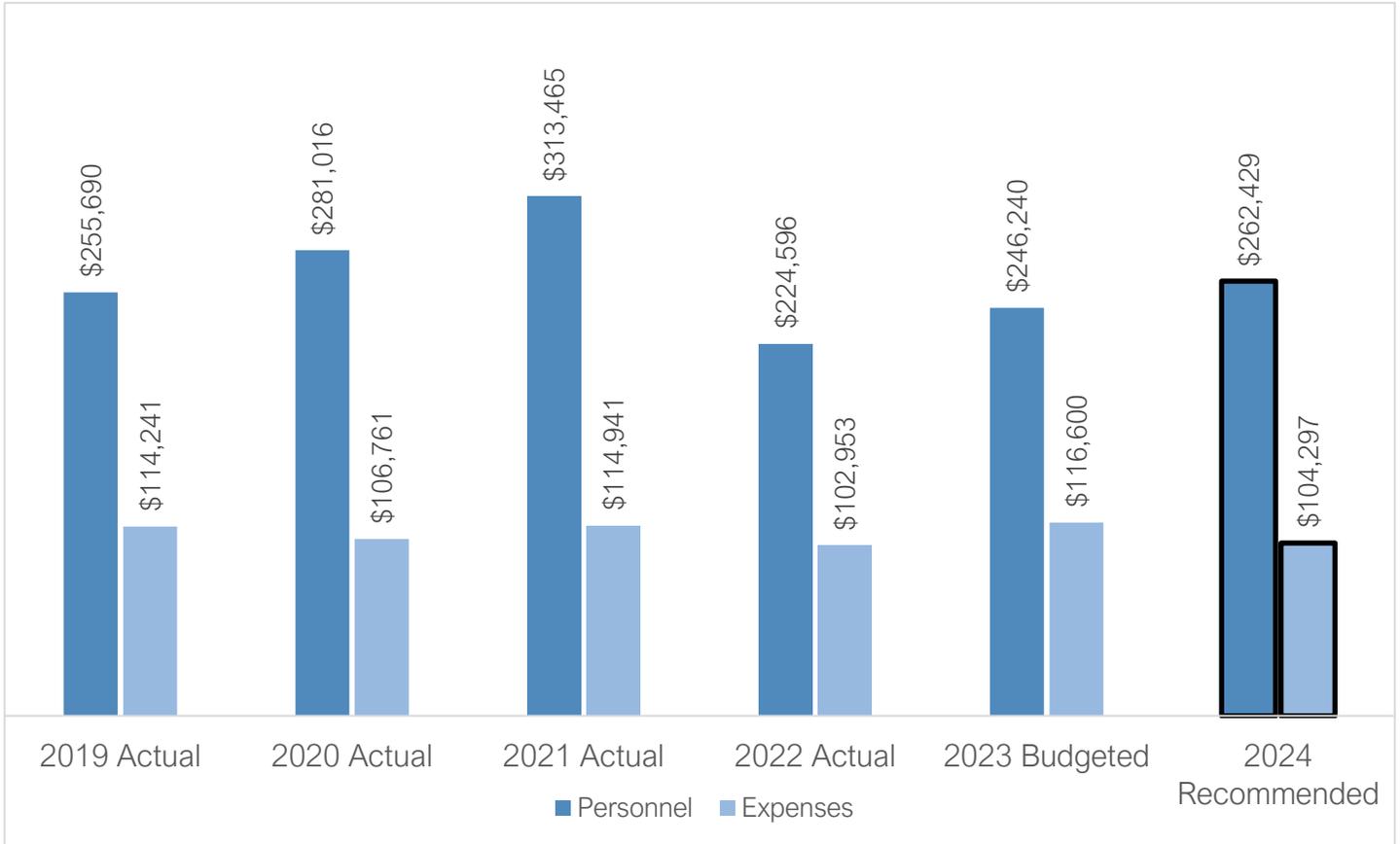
## FY24 GOALS

- Develop a comprehensive capital plan that includes forecasting of debt and capital needs substantially beyond five years.
- Expand the offerings of the Collector's office through training and development of staff and collaboration with other departments.
- Standardize written internal policies and procedures for operation of the Offices of Treasurer and Collector



# TREASURER/COLLECTOR

## TREASURER/COLLECTOR FY2019 - FY2024



# TECHNOLOGY



## MISSION STATEMENT

The Technology department maintains all aspects of the Town’s systems including phones, PCs, software, and Swampscott’s state-of-the-art fiber optic network that connects Town Hall, the Police and Fire Departments, Senior Center, Library, and High School. As the efficient use of the Town’s infrastructure and exchange of data between departments continues to grow, so too will the quality of service provided to the citizens of Swampscott.

## SIGNIFICANT CHANGES

In previous years we began the transition of staff away from traditional desktop computers to mobile devices, such as laptops and tablets. These changes were started prior to the onset of the COVID emergency and were done with the thought that Town operations need to be adaptable in the event of a disaster. While we were thinking a weather-related disaster would be the challenge we would face, as fate would have it we faced a global pandemic. Once non-essential operations were shut down and staff required to telecommute from home, we found ourselves ahead of the curve since many staff members were able to simply take their laptop or tablet home with them and continue with their duties from a kitchen table, or in some cases a bedroom closet. The CARES Act provided us with funding to fill in the gaps that existed from our prior disaster planning and at this time most key staff members can perform their duties remotely where it is practical to do so.

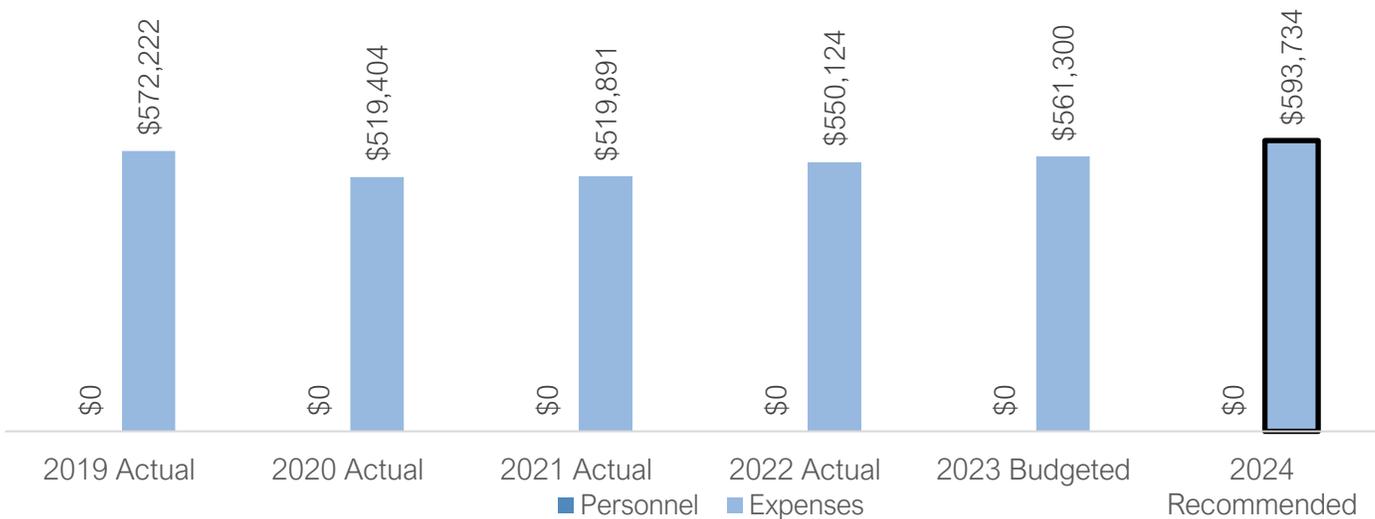
## PREVIOUS YEAR ACCOMPLISHMENTS

- Continued to replace servers with virtualized servers to promote cloud-based technology infrastructure
- Upgraded Security Camera technology throughout town and in town buildings to enhance security
- Upgraded town telephone technology as the town migrates to a new telephone contract

## FY24 GOALS

- Upgrade town antivirus software and focus on cyber security initiatives.
- Continue to work on technology replacement plan for town equipment.

TECHNOLOGY - 2019-FY2024





## MISSION STATEMENT

The Human Resources Department establishes and maintains an equitable personnel system that promotes the efficiency and economy of government and the morale and well-being of all Town employees. The Department creates and monitors personnel policies and procedures, ensures fair and consistent hiring practices, oversees the coordination of collective bargaining, manages employee benefits, acts as a liaison to managers, mediates employee relation issues, and provides staff training and development opportunities. The Department is responsible for the recruiting, selecting, and developing employees on the basis of their abilities, knowledge, and skills. This also includes ensuring the work environment and the procedural guidelines of the Department are free from any instances of discrimination of any kind.



S. Peter Kane  
Director of Human Resources  
& Assistant Town Administrator

## SIGNIFICANT CHANGES

In May 2022, Pete Kane was hired as the Assistant Town Administrator / Human Resources Director bringing the Department to full staffing.

## PREVIOUS YEAR ACCOMPLISHMENTS

FY2022 saw significant hiring within the Town government. This included 18 full-time and 8 part-time staff members:

- Town Administrator's Office – a full-time Executive Assistant
- Accounting Office – a full-time Assistant Accountant
- Assessor's Office – a part-time Administrative Assistant
- Building Department – a full-time Building Commissioner
- Fire Department – 3 full-time firefighters/EMTs and 1 full-time firefighter
- Human Resources Department – a full-time Human Resources Director and full-time HR Generalist / Benefits Coordinator
- Police Department – a full-time Police Chief and full-time Animal Control Officer
- Public Library – a full-time Library Dept Head, a part-time Library Assistant, and two part-time Library Aides
- Public Works – a full-time Assistant Engineer, two full-time Mechanical Equipment Operators, and one part-time intern
- Recreation Department – a part-time Recreation Program Coordinator
- Senior Center (Council on Aging) – a full-time Program Volunteer Manager, a full-time Outreach Worker, a part-time Office Assistant, and a part-time Van Driver
- Town Clerk's Office – a full-time Town Clerk

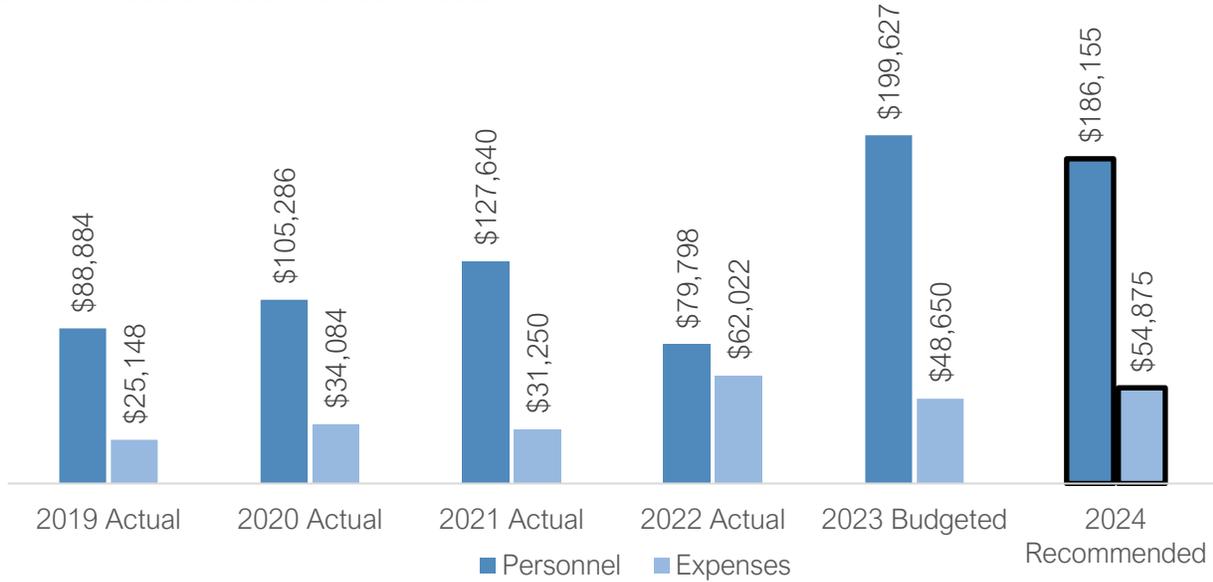
## FY24 GOALS

- Publish a fully revised and encompassing Personnel Policy for staff
- Implement an ongoing training program for staff ("Swampscott yoU")
- Launch the employee financial assistance program
- Incorporate staffing support for Diversity-Equity-Inclusion (DEI)

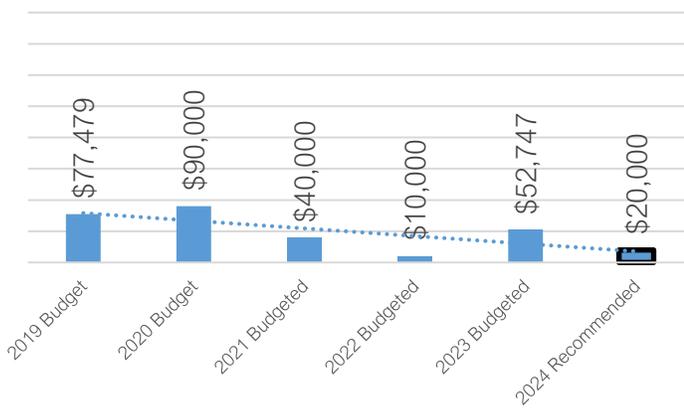
# HUMAN RESOURCES



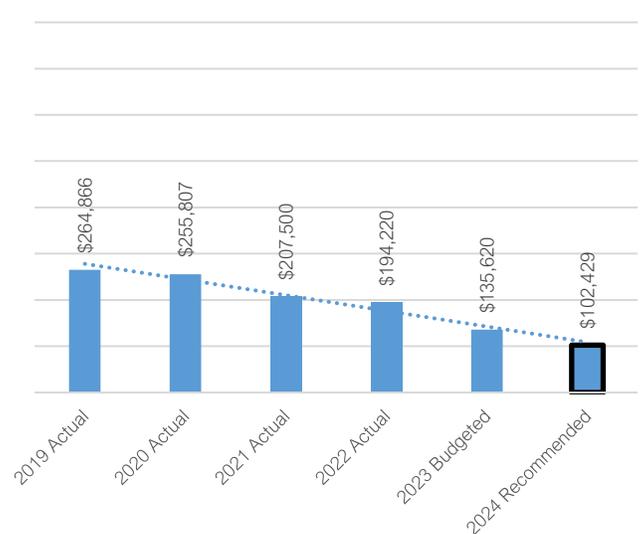
## HUMAN RESOURCES FY2019-FY2024



## SALARY RESERVE BUDGET FY2019-FY2024 FY24 RECOMMENDED: \$20,000



## END OF EMPLOYMENT COSTS FY2019-FY2024 FY24 RECOMMENDED: \$102,429





## MISSION STATEMENT

The Town Clerk is the primary agent responsible for serving the public through the issuance vital statistics (births, deaths, marriages), public records, elections, and wide range of information. It is the official filing agent for the Town and as such accepts, processes, records and maintains all municipal records.

The Town Clerk is the Public Records Access Officer who ensures that all public records are safely preserved and readily accessible for inspection and retrieval. This office provides a safe environment for voting, accurate tabulation and reporting of vote counts; maintains voter registrations and monthly compliance through the State's Voter Registration Information System; and in conjunction with Campaign and Political Finance laws assures financial reports are up to date on a yearly basis from any Local Official or Ballot Question Committee through the terms of their office. The office is responsible for overseeing the Annual Street Listing thru the yearly census. The Town Clerk ensures that the Town of Swampscott is compliant with all state federal and town laws.



Jared LaLiberte  
Town Clerk

## SIGNIFICANT CHANGES

There were significant changes to the Election Law this year with the passage of major legislation on Beacon Hill codifying the changes in the election law, and making additional changes to the Election Law in the Commonwealth

Sue Duplin left in early 2022, Interim Town Clerk Mike Sullivan took over for a few months, before the hiring of Jared LaLiberte, the new permanent Town Clerk was hired.

## PREVIOUS YEAR ACCOMPLISHMENTS

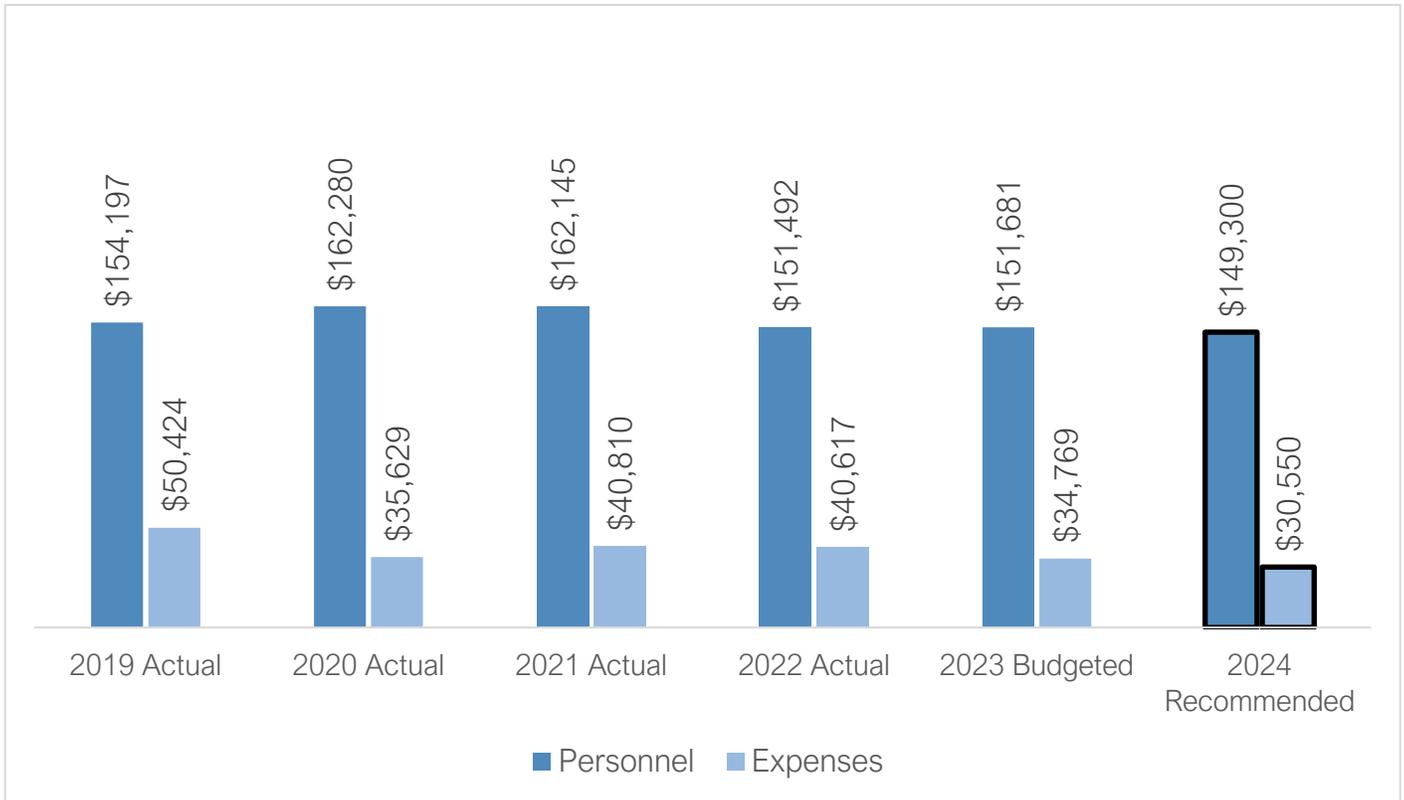
- Created new public records tracking system and procedures within the office
  - Oversaw the completion over 180 public records requests for various Town Departments
- Elections
  - April 26<sup>th</sup>, 2022 Town Election- 16% voted
  - September 6<sup>th</sup>, 2022 State Primary -33% voted
  - November 8<sup>th</sup>, 2022 State Election – 59% voted
- 2022 Town Meetings:
  - May 2022 Annual Town Meeting, June Special Town Meeting, December 2022 Special Town Meeting
- In conjunction with the Commonwealth of Massachusetts implemented new online ethics training module for Town Employees

## FY24 GOALS

- Restart codification project for Town Bylaws
- Complete all Town Reports for previous years
- Look into getting public records system to help streamline the process for both the Citizens and Town employees
- Upgrade and Replacement Voting Equipment



## TOWN CLERK FY2019 - FY2024





# COMMUNITY & ECONOMIC DEVELOPMENT

## MISSION STATEMENT

The Office of Community and Economic Development shapes the future of Swampscott by: developing a vision for the community through planning documents; fostering key development design and land use through bylaws and regulations; improving our built and natural surroundings through environmental protections and leadership; preserving our unique heritage and culture; encouraging a broad range of housing and business opportunities; and connecting our neighborhoods and points of interest with efficient and various transportation options. The staff provides technical and administrative support for residential, commercial, and industrial development, subdivision control, and Wetlands Protection Act review. Support is also provided to develop new or revise existing bylaws and rules and regulations to remain compliant and appropriate with the evolving community.



Marzie Galazka  
Director of Community &  
Economic Development

## SIGNIFICANT CHANGES

Senior Planner vacancy

## PREVIOUS YEAR ACCOMPLISHMENTS

- Secured \$735,716 in grant funding.
  - \$500,000 – MassTrail Program for rail trail design
  - \$100,000 – Executive Office of Energy and Environmental Affairs- Abbott Park improvements
  - \$ 60,000 – Community First Partnership Program - weatherization and energy audit
  - \$ 50,000 – Executive Office of Energy and Environmental Affairs -Development of a Climate Action Plan
  - \$ 15,000 – Community Planning Grant – pedestrian and bicycle safety
  - \$ 10,716 – Department of Conservation and Recreation Urban and Community Forestry Challenge Grant- tree care and planting
- Continued grant administration of the following:
  - \$250,000 – Housing Choice. Completed design for crosswalks and sidewalks near the MBTA Commuter Rail Station. Construction to commence in spring of 2023.
  - \$200,000 – Shared Streets and Spaces Grant- Rail Trail. Installed bike repair station at the middle school filed parking lot and installed rapid flashing beacons crosswalk infrastructure.
- Completed the following:
  - Completed rehabilitation of Walker Road
  - Completed rehabilitation of Windsor Playground

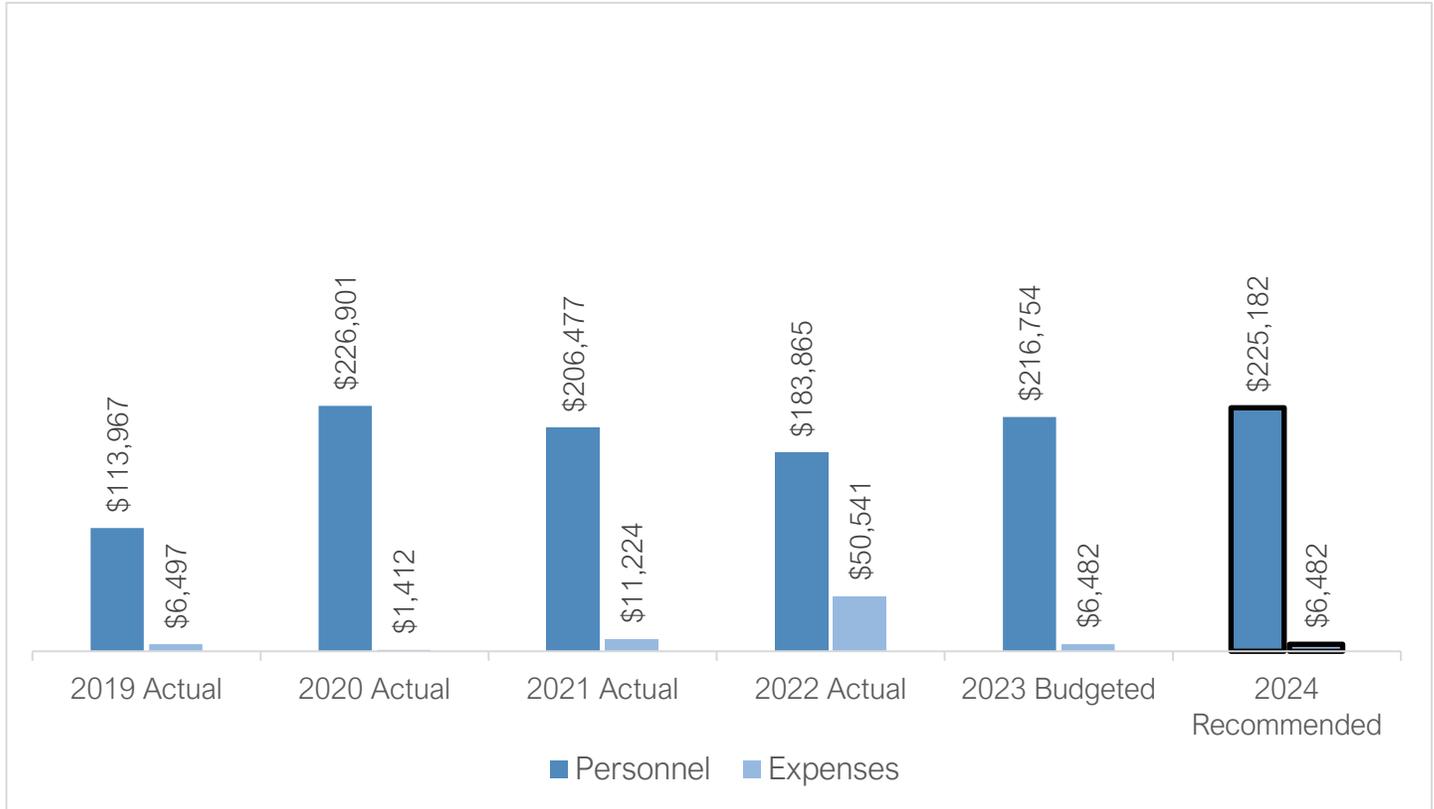
## FY24 GOALS

- Assist Planning Board with Master Plan implementation and plan for updates to the Master Plan (2025)
- Adopt Housing Production Plan and Climate Action Plan
- Propose zoning amendments regarding the following:
  - Accessory Dwelling Units
  - Compliance with Multi-Family Zoning Requirements for MBTA Communities
- Continue to staff and collaborate on projects with all land use boards and committees
- Support current and on-going community development and economic plans
- Continuing to recognize and celebrate local businesses



# COMMUNITY & ECONOMIC DEVELOPMENT

## COMMUNITY & ECONOMIC DEVELOPMENT FY2019 - FY2024





# BUILDING DEPARTMENT

## MISSION STATEMENT

The Building Department enforces local Zoning Bylaw and State Building Codes relating to building construction and zoning enforcement for the purpose of public health and safety. The Building Department, in addition to enforcement of the State Building codes and Town By-Laws is responsible for performing inspections, issuing various permits, as well as certificates of inspection and occupancy permits.



Steve Cummings  
Building Commissioner

## SIGNIFICANT CHANGES

The Building Department has filled the open position of Building Commissioner with the acquisition of Stephen Cummings after the departure of Richard Baldacci. The department has also seen the departure of its Electrical Inspector, James Samms, replacing him with a new part-time Electrical Inspector, Michael Hull. The Building Department has also received the resignation of its long-time Plumbing Inspector, Peter McCarriston, and is currently seeking a replacement for this position which will become vacant in early March.

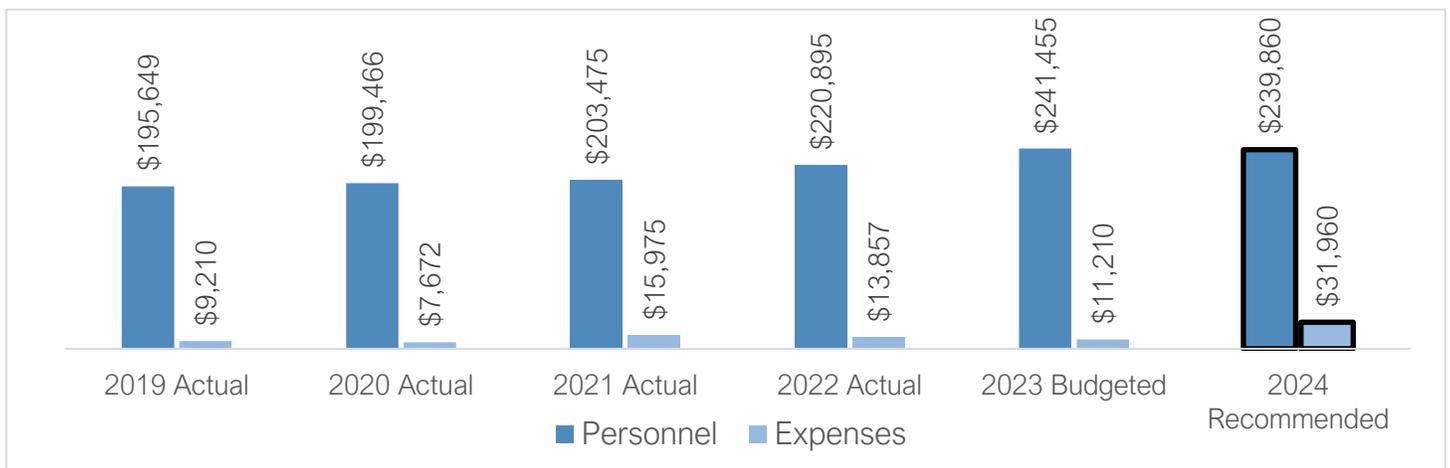
## PREVIOUS YEAR ACCOMPLISHMENTS

The Building Department issued: 659 residential building permits, 48 commercial building permits, 186 gas fitter permits, 315 plumbing permits, 436 Electrical permits, 9 sign permits and 33 mechanical permits totaling \$940,158.00 in permit fees year to date.

## FY24 GOALS

The Building Department is actively involved in the oversight of many large-scale construction projects, including a new school facility, and two large scale apartment projects with affordable housing options, while also regularly performing inspections of smaller residential projects. The department strives to work closely with the Community & Economic Development, Fire Prevention, Facilities, and Health Departments to provide a smooth and functioning process, while maintaining its interdepartmental relationships. The Building Department continues to maintain and update its website to include Frequently Asked Questions with a user-friendly Q & A resource for its residents and local contractors.

### BUILDING DEPARTMENT FY2019 - FY2024





# HEALTH DEPARTMENT

## MISSION STATEMENT

The Health Department is dedicated to serving all Swampscott residents, and promoting healthy people, families, community, and surroundings through compassionate care, education, and prevention. By working with other Town departments and communities, we are committed to providing a safe and healthy environment.

## SIGNIFICANT CHANGES

During 2022 the Health Department moved from 1<sup>st</sup> and 2<sup>nd</sup> dose COVID immunizations to booster doses with numerous regional clinics. Work began on updating the Board of Health Body Art Regulation. Sunscreen dispensers were installed at New Ocean/Eisman’s Beach and Phillips Beach.



Jeff Vaughan, Health Director

## PREVIOUS YEAR ACCOMPLISHMENTS

- Guided the Health Department from COVID pandemic work activities to COVID endemic work activities.
- Begin pilot program to utilize flags, in addition to the required signage, indicating when town beaches have known elevated bacteria levels during weekly water sampling.
- Increased regional Public Health capacity through a Public Health Excellence grant adding a coordinator, epidemiologist, and inspector for the North Shore region.
- Health Director had to address numerous rodent complaints throughout the town
- Received \$11,000 from DEP for activities related to recycling initiatives.

## FY24 GOALS

- Plan, organize, and then implement Naloxone distribution program in the community.
- Complete ninety food inspections throughout the year.
- Research new and innovative Public Health programs, initiatives, and grants in order to increase local public health capacity. Requested use of ARPA funds in order to hire additional staff to assist with the implementation of these programs and initiatives.
- Work with the Board of Health to finish updating, reviewing, and adopting the board’s current Body Art Regulation.
- Add three or more sunscreen dispensers at town beaches / parks.





# RECREATION DEPARTMENT

## MISSION STATEMENT

The Recreation Department provides the community of all ages with leisure-time activities including programs, events, and access to our natural resources. Programs include sailing lessons, tennis, playground activities, and water sports. In the summer, Phillips, Eisman's and Fishermen's Beach are all active and staffed by lifeguards. We also offer community events throughout the year for all to enjoy. In the winter months we offer enrichment programs for both adults and children.

## SIGNIFICANT CHANGES

With the addition of a new Program Director, we were able to add many new programs and events as well as create a bigger social media presence.



Danielle Strauss  
Recreations Director

## EVENTS

- Harbor Festival at Fisherman's Beach
- Annual Strawberry Festival and 4<sup>th</sup> of July Parade and concert
- By-weekly concerts and movies during the summer.
- Weekly Farmers Markets June -October
- Pride and Juneteenth celebration
- Family Night at Fisherman's Beach
- Swamptoberfest
- Car Show
- Holiday Festival with the Police Parade and activities at Town Hall
- History Festival & 170<sup>th</sup> Celebration
- Fireworks Festival
- Annual Egg Hunt on Town Hall lawn
- Town Wide Yard Sales

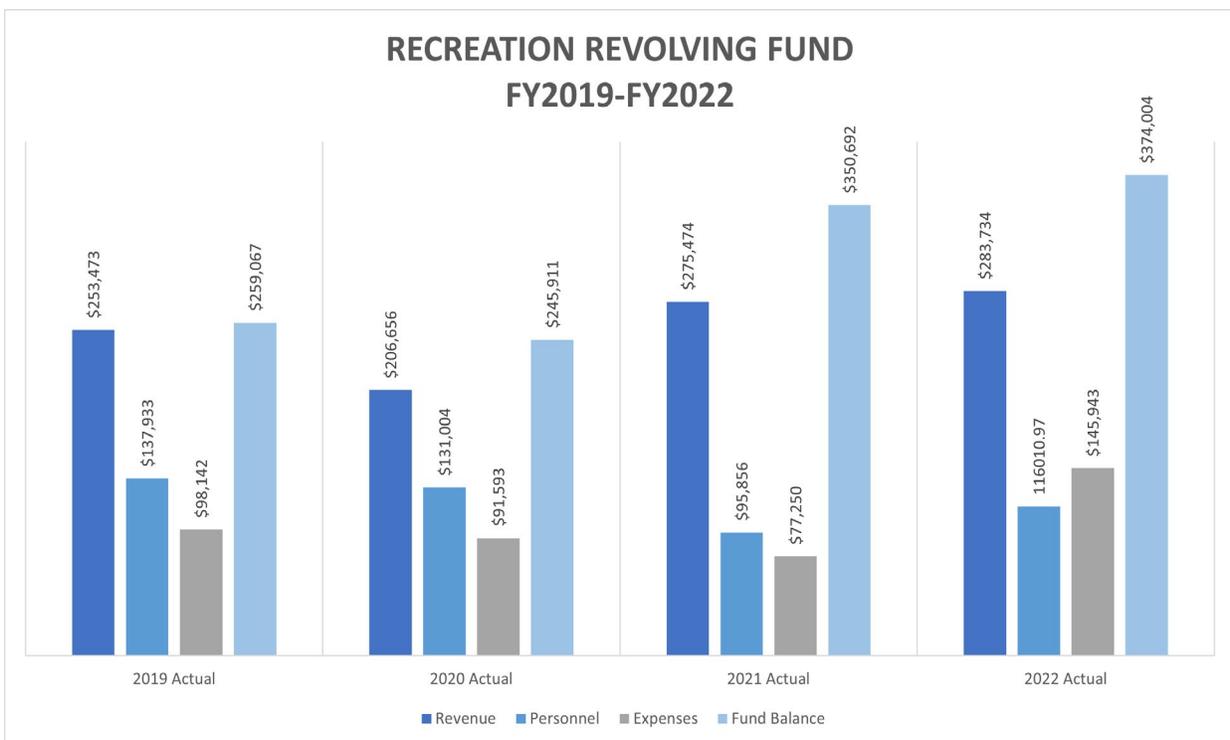
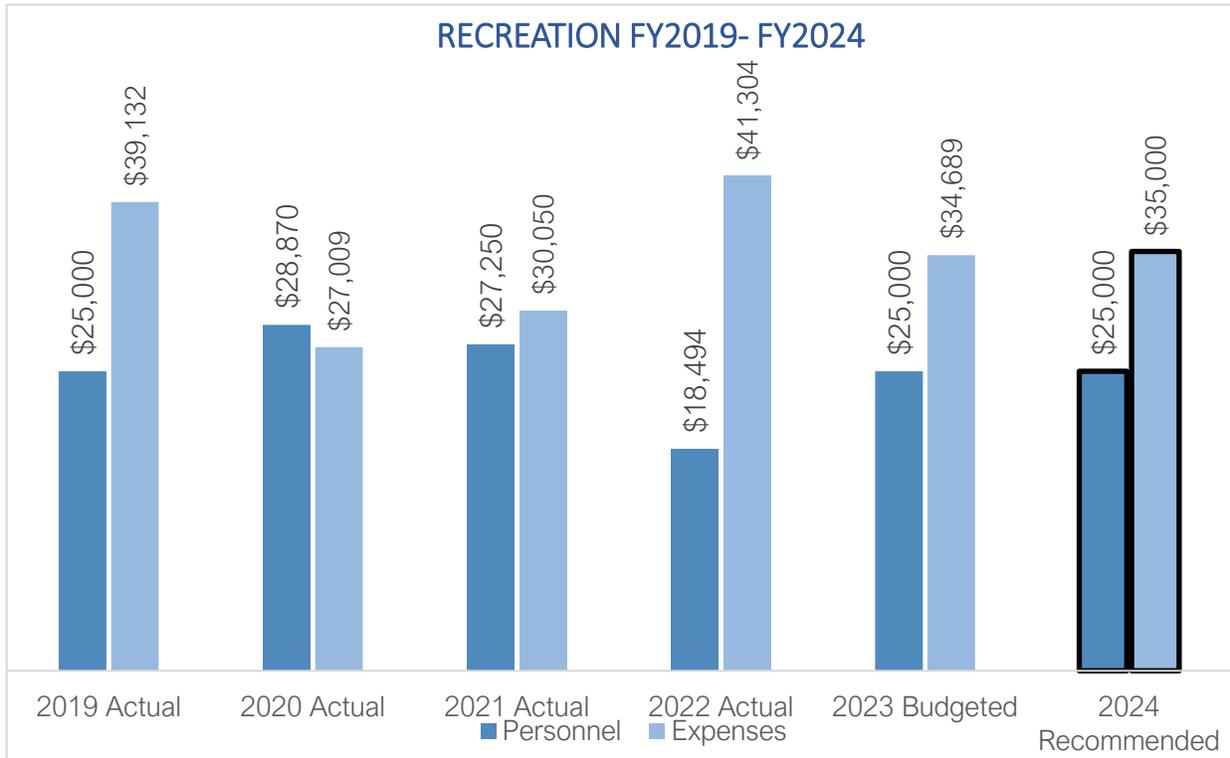
## PREVIOUS YEAR ACCOMPLISHMENTS

- Created a new in Town Paddleboard program
- Ran successful events including Pride, Juneteenth, and Indigenous Peoples Day
- Ran successful History Festival to celebrate the 170<sup>th</sup> birthday of the town
- Created a new event partnering with Veterans Crossing to include music, fireworks, beer, wine, food on the 3<sup>rd</sup> of July

## FY24 GOALS

- Create new extended day for Park League starting June 2023
- Reintroduce Adult Sailing classes for summer of 2023
- Hold 1-2 new community events in 2023

# RECREATION DEPARTMENT





## MISSION STATEMENT

The Town of Swampscott Facilities Department maintains and operates all general government and school buildings within the town. The Facilities Department strives to provide a safe and efficient environment in all of our buildings. We continue to evolve our department with a growing focus on maintenance and capital investment. The Facilities Department is committed to sustainability and to always improving our Town spaces.



Max Kasper  
Facilities Director

## SIGNIFICANT CHANGES

- The new Facilities Administrative Assistant position has been filled
- The Facilities Office is moving to a new office location in the Middle School

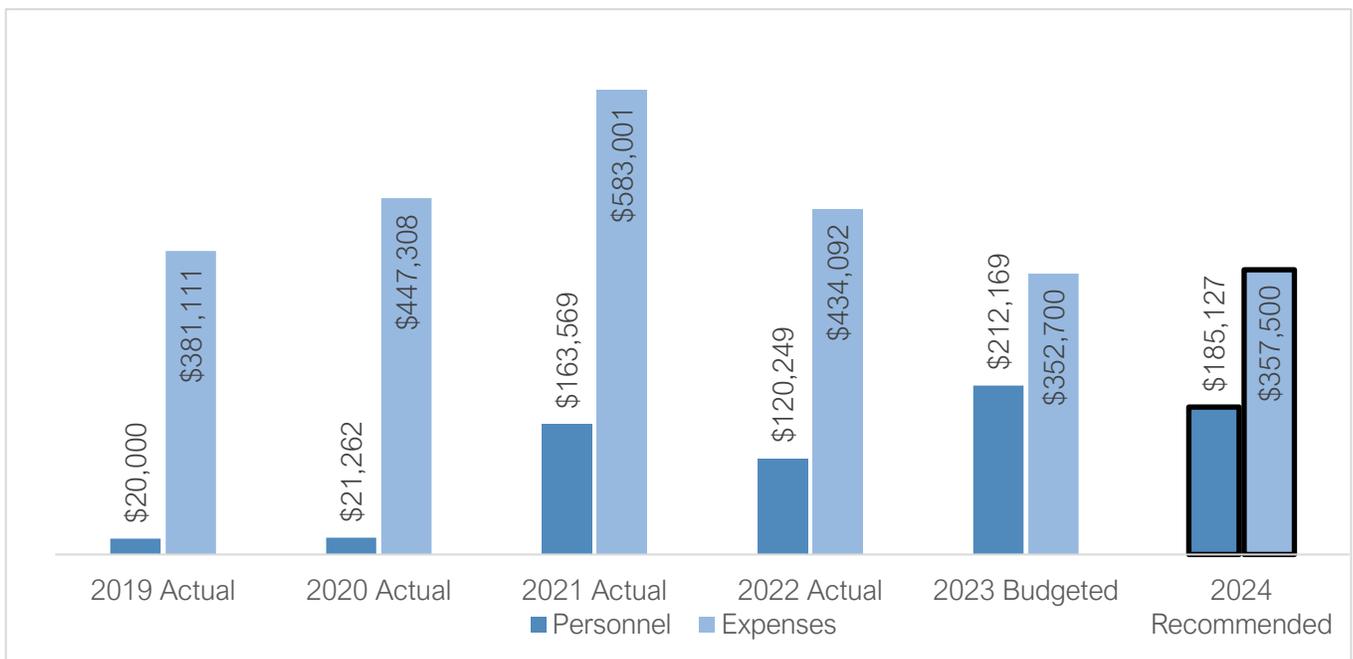
## PREVIOUS YEAR ACCOMPLISHMENTS

- Demolition of the Stanley School and opening of the Blaney Swing Space
- Started Construction of the New Elementary School
- Completed Phase 2 of the Middle School Roof Replacement Project

## FY24 GOALS

- Gain traction for future projects for Clarke School, Middle School, and DPW Buildings
- Complete implementation of a comprehensive asset management software program
- Gain stability with our custodial staffing and cleaning contractors

### 2019-2024





# DEPARTMENT OF PUBLIC WORKS

## MISSION STATEMENT

The Department of Public Works (DPW) provides professional quality maintenance, repair, and construction services, while maintaining 50 miles of streets, six parks and playgrounds, and the Swampscott Cemetery. The DPW is also responsible for the ongoing maintenance of 48 miles of water mains, 47 miles of sewer mains, seven sewer lift stations, the sewer pumping station, and over 75 vehicles and pieces of equipment. Additionally, the DPW is responsible for rapid response to all snow, ice, and other inclement weather emergencies and conditions. The DPW enforces water, sewer, and drainage by-laws, grants petitions of location for utilities, and maintains engineering records and Town maps. Lastly, the DPW plays a significant role in the daily operation of other Town departments in responding to requests for service. The Department budget is divided into four divisions: Public Works (General), Cemetery, Water, and Sewer.



Gino Cresta  
Assistant Town Administrator /  
DPW Director

## SIGNIFICANT CHANGES

The Public Works Department endured several significant losses to the Department over the past year. John Gillette, a Mechanical Equipment Operator Special, moved on after twelve and a half years of service. Mark Gambale, the Cemetery Working Foreman, retired following thirty-four years of service. Scot Willis, a Mechanical Equipment Operator Special, retired following nineteen years of service. Michael Chakoutis, a Mechanical Equipment Operator Heavy, moved over to the Lynn PD following close to seven years of service. Steven Alex, the Water Working Foreman, retired following six years of service. We wish all five the best with their future endeavors. On a positive note, Aleena Alsaraby was hired to replace Kelly Stevens as the Assistant Town Engineer, and Justin Mitchell, Derek Pitman, Brian Martin, Ryan Squires and Kevin MacDonald were all hired to fill the five vacancies within the Department. All come to the Department with varying levels of expertise and are expected to provide significant contributions for many years to come.

## ADMINISTRATION

The departmental administration provides centralized administration and management support. Activities include policy development, program planning and procedural guidance, procurement and contract administration, position and budgetary management, and community relations. The department administrators are responsible for fiscal administration, budgeting, and most importantly, responding to the needs of the citizens of Swampscott for all matters relating to the services and infrastructure, including water, sewer, public facilities, and roadways. Engineering functions performed for the Department under the direction of the Director include the full range of administrative functions associated with the construction of public works projects, from initial design through closeout. Additionally, technical support is provided to other Town departments and agencies, including routine and special services in support of Town projects. Other engineering responsibilities include the maintenance of drawings and maps.

## PUBLIC WORKS - GENERAL

This is the most visible division of the Department, having the largest portion of the workforce and engaging in everyday activities that directly impact the citizens of the Town. The Director is responsible for the supervision of employees in this division. Some activities vary seasonally, such as street sweeping and tree trimming in the spring, summer, and fall, and snow and ice control in the winter. Other activities continue on a year-round basis, such as litter removal, roadway repairs, and sign replacements and installations. Personnel in this group also performs many labor-intensive activities such as emptying trash barrels, filling sand barrels, and removing street debris.



## PREVIOUS YEAR ACCOMPLISHMENTS

- Worked closely with the newly appointed Tree Committee
- Planted 78 new trees throughout the Town
- Removed 62 dead, near dead, or otherwise at risk trees
- Pruned over 200 trees
- Tree City USA recipient for the 31st consecutive year
- Placed over 650 tons of asphalt while repairing damaged asphalt sidewalks and damaged sections of roadway using in-house labor
- Using Chapter 90 funding plus an additional Town Meeting appropriation of \$210,000, paved the following roadways: Shelton Road, Beverly Road, Priscilla Road, Deer Cove Road, Puritan Park, Atlantic Road, Brown Road, Charles Road, Stearns Street, Linden Ave, Virginia Circle, Nason Road, Ocean View Road, Banks Terrace, Erie Street, Huron Street, Essex Street (Burrill Street to Essex Ave), MacArthur Circle and Danvers Road
- Utilizing funds secured from a grant acquired by the Community Development Office, made safety improvements to the Walker Road/ Banks Road intersection while also installing new sidewalks and pavement on Walker Road, Brewster Terrace, and Outlook Road
- Utilizing funds provided by B'nai Brith as part of the redevelopment of the Machon School, installed new sidewalks, curbing and pavement on Burpee Road
- Chapter 90 funds were also utilized in purchasing sixteen Rectangular Rapid Flashing Beacons (RRFB) that were installed by Public Works staff at eight crosswalks throughout the Town.
- Managed the \$2.2M rehabilitation of the Kings Beach Seawall that was completed by Xtreme Shotcrete
- Engineering supervised the resiliency improvements to the entrances to Phillips Beach and the northern end of Fisherman's Beach (aka Cassidy Park).
- Oversaw the installation of a new ADA compliant bus stop across from 60 Humphrey Street which was funded by the Massachusetts Bay Transit Authority (MBTA) and constructed by SPS New England
- Managed snow removal operations (56.5 inches of snow) including spreading over 1365 tons of road salt and 1800 gallons of calcium chlorite
- Utilized new street sweeper to clean the Town's 50+ miles of roadways in the spring and fall
- Utilized Beach Rake to manicure Town beaches three times a week during the summer months (June 1 thru September 30)
- Plant 40-50 new trees at various locations around Town
- Continue to utilize Chapter 90 funding to support the paving of Town roadways
- Apply for capital improvement funding to supplement the Town's Chapter 90 allocation
- Continue to replace damaged asphalt and concrete sidewalks using in-house resources
- Finalize repairs to the Kings Beach Seawall
- Continue working with the Community Development Department on the Rail Trail construction
- Work with the Traffic Study Advisory Committee to make improvements to dangerous intersections
- Replace the floats at Fisherman's Beach

## BUILDINGS & GROUNDS

The Buildings and Grounds Division has primary responsibility for the operation and maintenance of the Swampscott Cemetery and parks, including the grounds adjacent to the schools. The Division interacts with other departments to address mutual needs and goals for internal and external municipal services.

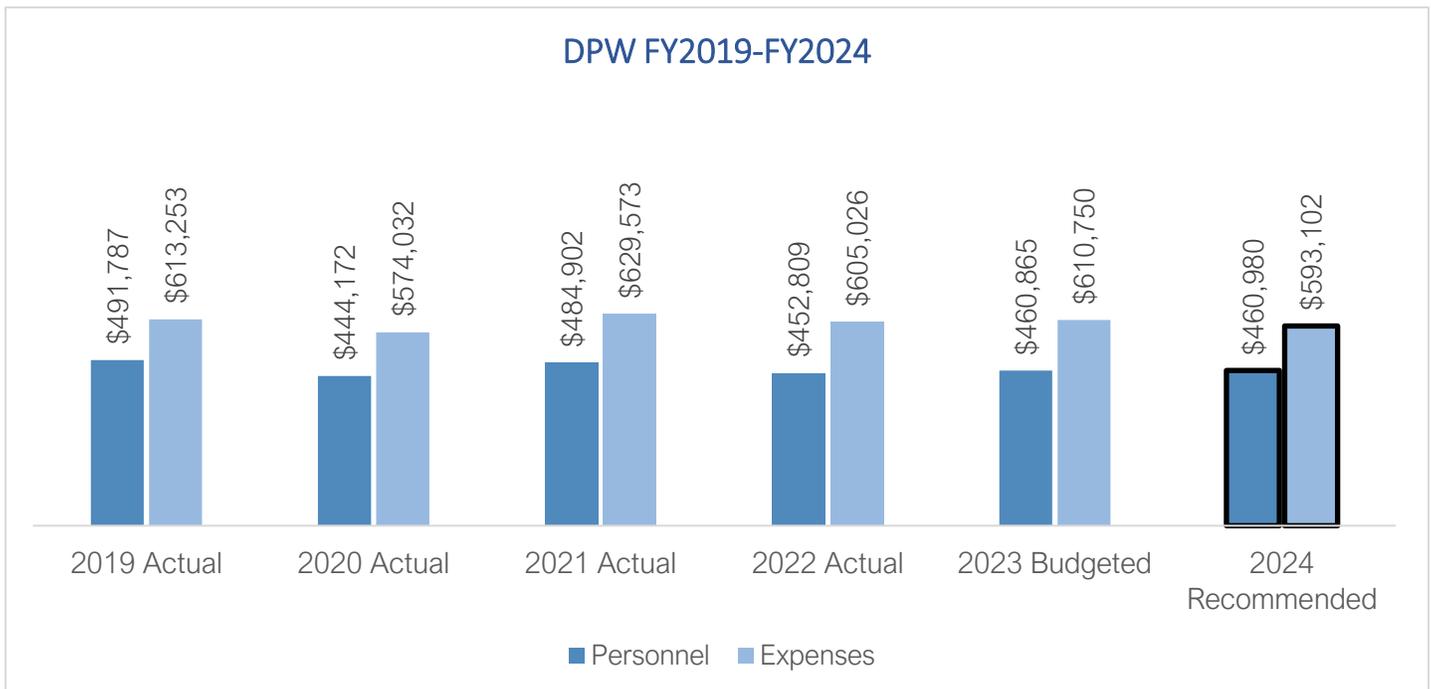


## PREVIOUS YEAR ACCOMPLISHMENTS

- Displayed 50 flowerpots on decorative streetlights and worked with the local resident, John McLaughlin, on plantings on the Monument and surrounding areas
- Planted twelve new serviceberry trees on Humphrey Street along Fisherman’s Beach
- Planted 1700 geraniums at the Swampscott Cemetery
- Responsible for 80 interments at the Swampscott Cemetery
- Assisted with the transformation of Jared Raymond Square
- Annual float repair at Fisherman’s Beach
- Installed new irrigation system to the Essex/ Cherry Street landscape island

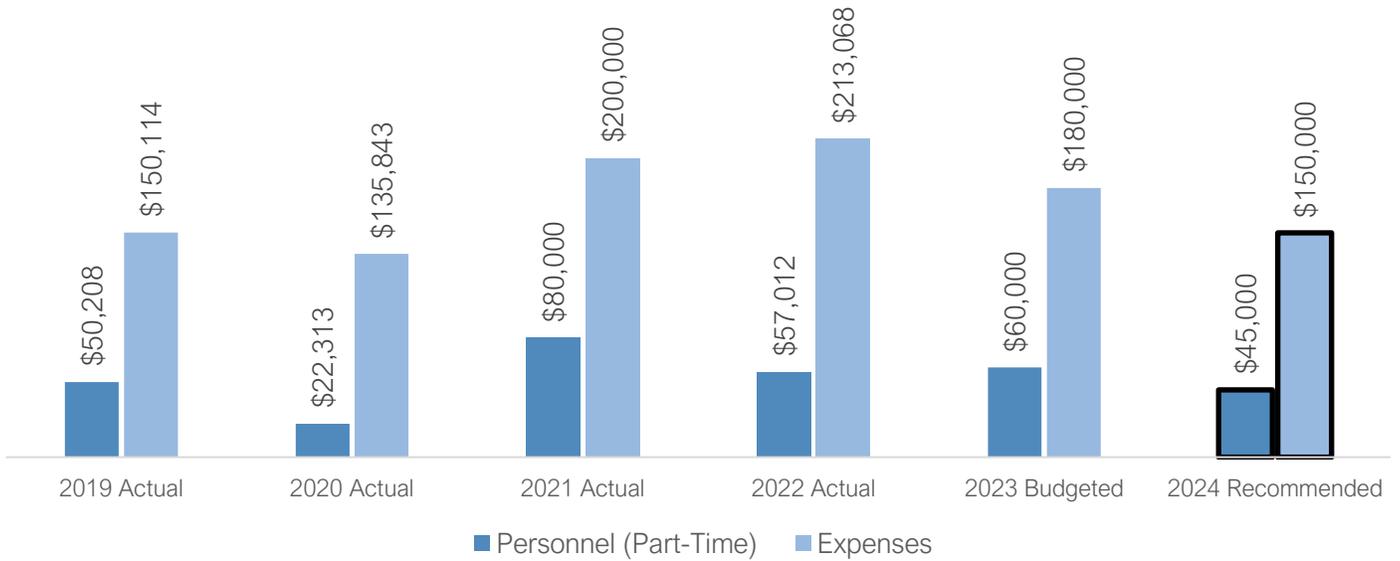
## FY24 GOALS

- Continue to work with consultant on updating cemetery bylaws
- Pave roadways at the Swampscott Cemetery
- Continue to improve the “Adopt an Island” program
- Install security cameras at areas prone to illegal dumping
- Refurbish the Essex/ Cherry Street landscape island
- Make improvements to the soccer field at the rear of Phillips Park
- Work with engineers and contractors on the construction of the new elementary school

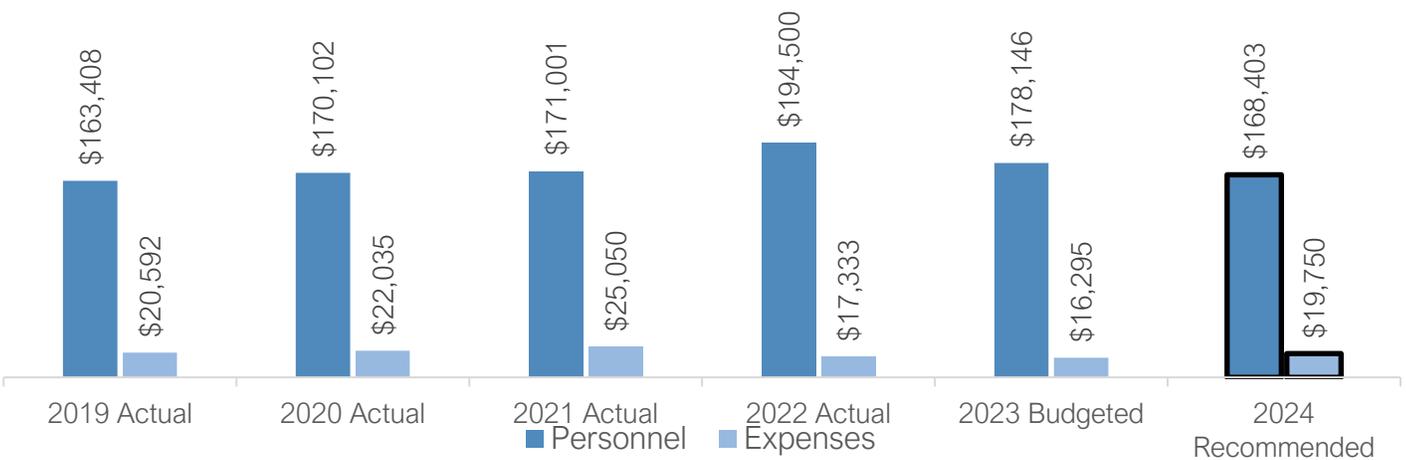




## SNOW AND ICE FY2019-FY2024



## CEMETERY 2019-2024





# POLICE DEPARTMENT

## MISSION STATEMENT

The Swampscott Police Department is a community-oriented police department, committed to providing professional service to all, with fairness, compassion, and respect, regardless of religion, age, race, color, creed, nationality, or lifestyle. Working in concert with the community we endeavor to prevent crime, protect life and property, and preserve the peace, order, and safety in Swampscott. We nurture public trust by holding ourselves to the highest standards of performance and ethics.

The Police Department is staffed with 1 Chief, 1 Captain, 4 Lieutenants, 6 Sergeants, 20 Patrolmen and 1.5 professional staff.

## SIGNIFICANT CHANGES

- The first Police Chief, in the history of the Department, to be hired out of Civil Service.
- Increased Mental Health outreach by utilizing an integrated public health and public safety collaboration to include an on-site mental health clinician ten hours per week.
- Implementation of new staffing measures to increase efficiencies amongst the department.
- Implementation of Axon Body Worn Cameras (BWCs) to enhance public safety, ensure transparency, protect individual's rights, and improve public safety.
- Transitioned from the Taser X26P CEW to the newer Taser 7 platform which allows the most sophisticated less lethal de-escalation technology when faced with a dangerous situation.
  - Tasers and BWCs have integrated software, allowing the BWC to activate when a Taser is deployed.
- Traffic Safety Officer assigned to address school recirculation pattern, speeding, and traffic congestions.
- Two Sergeants and One Patrol Officer retired after many years of dedicated service.
- Conducted a Sergeant's Promotional Process and promoted two acting Sergeant's after a competitive process.
- Engaged in outreach to an intentionally diverse audience about employment opportunities in the Swampscott Police Department created by our departure from Civil Service.
- Worked to assist the Town Administrator in appointing two Patrol Officers out of Civil Service.
- Completed departmentwide training to focus on active shooter response.
- Increased community engagement measures by creating policy and procedures to quantify positive-community contacts and outreach.
- Collaborated with Swampscott Public Schools to implement a therapy dog, Sora, under the supervision of the Student Resource Officer.
- Awarded a \$29,250.00 grant from the Office of Grants and Research (OGR) to support the Municipal Road Safety (MRS) Program to increase traffic and public safety in the Town.
- Through an earmark provided by the Executive Office of Public Safety and Security (EOPPS), \$30,000 awarded to the Police Department for the purchase of a utility vehicle (UTV) for use to patrol beaches, parks, and other town-wide community events.



Ruben Quesada  
Police Chief



## PREVIOUS YEAR ACCOMPLISHMENTS

- Appointed an interim Chief for oversight of the Police Department.
- Animal Control oversight transferred from the Health Department to the Police Department.
- Successfully exited Civil Service, launching the effort to adopt a more inclusive, comprehensive hiring process for the Swampscott Police Department.
- In 2022 there were 19,864 calls for service, with 69 arrests and 219 summonses issued for criminal offences. There were 1,748 Police reports written, and 699 motor vehicle citations issued over the course of 1,829 Traffic Stops.
- Completed an extensive review of calls for service and police productivity measures.
- Awarded a \$27,360.00 grant from the Office of Grants and Research (OGR) to support the Municipal Road Safety (MRS) Program to increase traffic and public safety in the Town.
- Completed first ever Youth Police Leadership Academy.
- Addiction Policy Forum with Essex County District Attorney's Office.
- Continued the Police Home Visit Program to support individuals following an opioid overdose.
- Trained a Sergeant and two Patrol Officers to formalize our recruit field training.
- Absorbed all Animal Control operations. Oversight of the ACO position within the Police Department communication flow increased efficiency and service to the community.
- Officers took part in on-site in-service training classes. Training included CPR and First Responder first aid refresher, one full day of legal update, and current topics including Police Survival, Animal Cruelty and Neglect Investigations and Defensive Tactics.
- Purchased one new hybrid police cruisers.

## GOALS FOR FY24

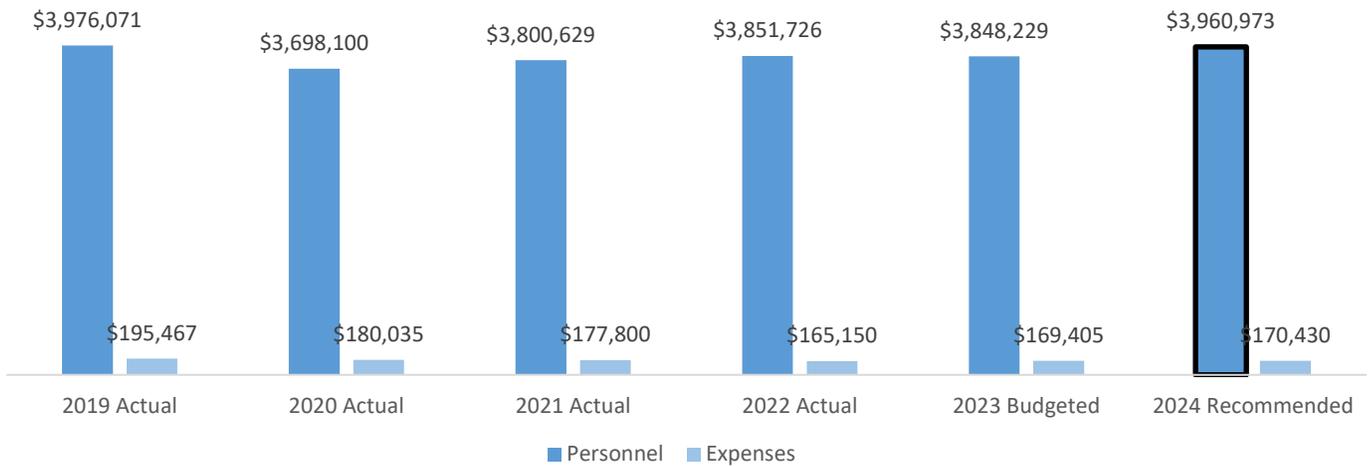
- The goal remains that Swampscott Police will strive to be responsive to resident's concerns yet engage resourcefulness to off-set the need for additional police officers to deal with any increases in calls for service.
- Increase Community Engagement, Community Safety, and Communication between the police department and our residents.
- Train additional officers to use the Department Records Management System more effectively to include Detective Case Management.
- Continue mental health, implicit bias, racial diversity, leadership, and de-escalation training in collaboration with the community.
- Continue to successfully achieve re- accreditation through the Massachusetts Police Accreditation Commission
- Continue to collaborate with the Union membership to create and update a fair, inclusive, and efficient hiring and promotion process to take the place of the former Civil Service process.
- Purchase one new hybrid police cruiser.
- Partner with the Traffic Study Advisory Committee to further pedestrian and traffic safety and implement a comprehensive pedestrian safety initiative. Purchase incident mapping software, and additional electronic speed signs throughout Town.
- Enhance activities of the OPIOID Working Group to include participating in student and parent education meetings to promote prevention of drug abuse.
- Complete the final stages of the department camera system update.
- Continue to embrace and integrate technology throughout the organization.



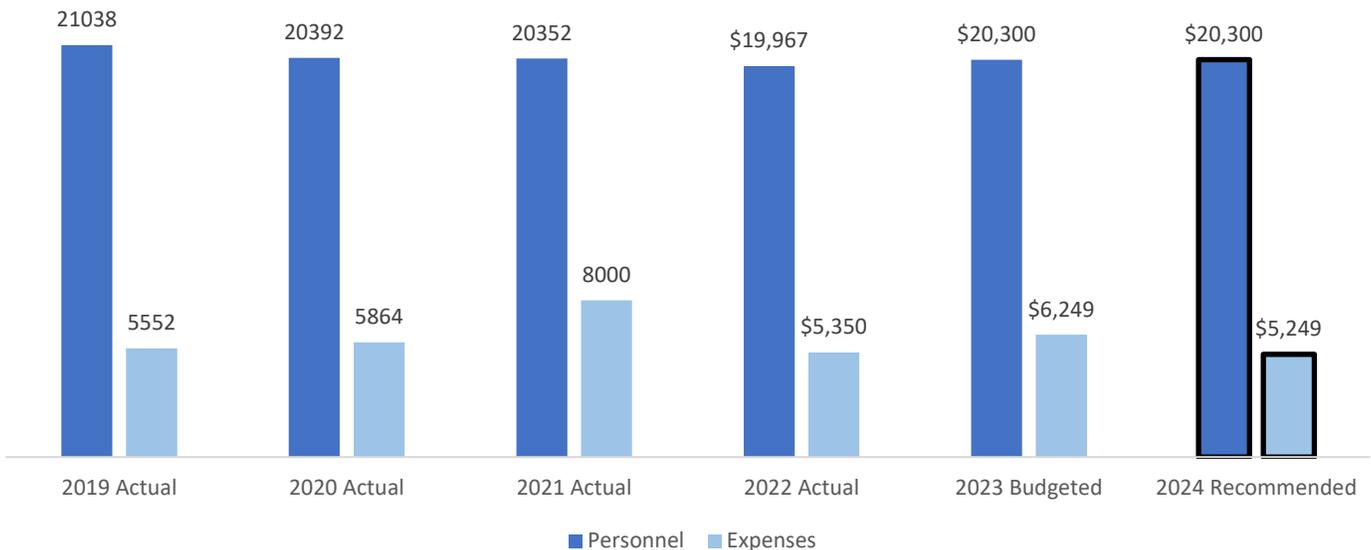
# POLICE DEPARTMENT

- Continue to partner with faith-based, academic, and business partners to fight racism, discrimination and harmful incidents that affect the Town.
- Continue to seek grant and public funding opportunities for public safety.
- Seek state, federal, and non-profit foundations for resources to assist in a mental health, wellness, peer support, and resiliency program for officers. Create policies and procedures outlining resources available and in-house programs.

## POLICE DEPARTMENT FY2019 - FY2024



## HARBORMASTER 2019-2024



# FIRE DEPARTMENT



## MISSION STATEMENT

It is the mission of the Swampscott Fire Department to provide for the safety and welfare of the public through preservation of life, health, property and the environment. Our objective is always to prevent loss of life and property through a proactive approach of public education and fire prevention.

## SIGNIFICANT CHANGES

- Moved forward with our first recruitment and vetting of candidates for hire as new firefighters after exiting the Commonwealth's Civil Service system. In FY 2022, we hired four outstanding new firefighters.



Dennis Berry



Brittany  
Coppinger



London  
Spain



Gino De Giorgio



Graham Archer  
Fire Chief

- Began the replacement of our service vehicles with the placing into service of our new Squad 21 F250 service truck and the ordering of a new Car 23 transport vehicle.

## PREVIOUS YEAR ACCOMPLISHMENTS

- Responded to 2366 incidents including 15 building fires and one motor vehicle fire.
- Received 1,305 calls for medical assistance and 92 motor vehicle accidents. The Department also provided mutual aid to neighboring communities 44 times.
- Performed routine inspections on businesses and residential buildings with 3 or more units and carried out annual inspections of each of the 5 school buildings as well as 24 liquor license establishments.
- FY 2022, Fire Prevention performed 286 smoke certificate inspections, over 160 other inspections, and issued over 200 permits including permits for blasting, tank removals, open burning, and beach cooking permits.
- Offered a virtual format of the SAFE program - instructors brought the message of Fire Safety to our school population. Standardized and improved our training through an integrated on-line/hands-on training platform.
- Improved record keeping of training and equipment maintenance.
- Continued the complete overhaul and updating of policies and procedures as well as standard operating guidelines.

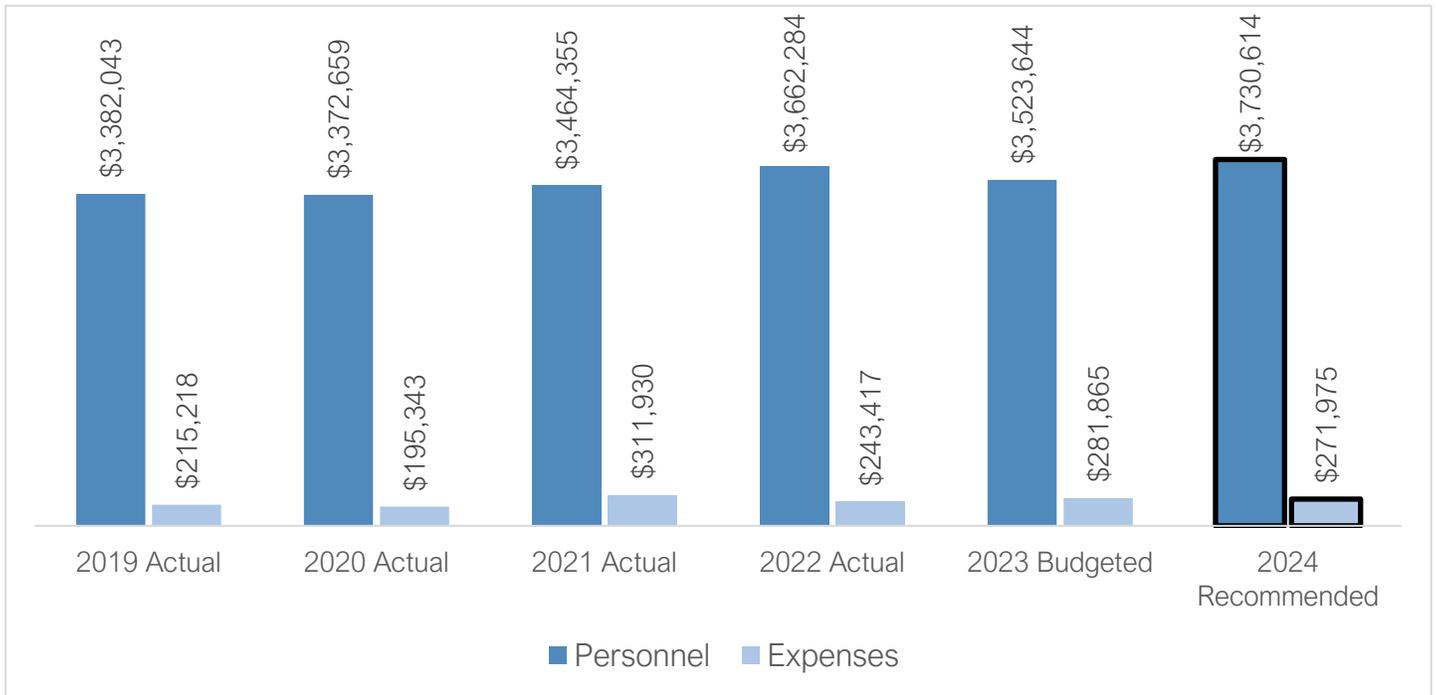
## FY24 GOALS

- Continue to recruit highly qualified candidates who represent a diversity of experiences, ideas, and perspectives to help us engage ever more deeply with the community.
- Broaden our community outreach to improve our visibility and let the public know who we are and what we do.
- Continue to examine the facility and adapt as necessary to accommodate a changing workforce.



# FIRE DEPARTMENT

FY2019-FY2024



# EMERGENCY MANAGEMENT



## MISSION STATEMENT

The Emergency Management Agency and the Director (position held by Fire Chief Archer) is responsible for obtaining, coordinating, and managing resources in the event the Town has an incident – natural or man-made – that exceeds the resources and/or capabilities of the Town in order to minimize property loss and preserve life. The Director reports directly to Region 1 of the Massachusetts Emergency Management Agency at the State level and the Town Administrator and Select Board at the local level.

The Agency is mandated by Federal Law and the Town is required to maintain a current and up-to-date Comprehensive Emergency Management Plan that addresses “all hazards” and includes annexes for hazardous materials and terrorism. The Director is the “White Team” representative for the Statewide Anti-terrorism Unified response Network (SATURN). The Agency is also active in the Local Emergency Planning Committee (LEPC) and the Community Emergency Response Team (CERT).

The Agency represents the Town in applying for grants or directing a grant to an appropriate department in the area of weapons of mass destruction (WMD) – many of which the Town receives nothing for – but still must participate in order to maintain eligibility for further grant considerations. The Agency is responsible for mitigation and financial recovery from natural disasters as well as hazardous accidents that may occur.

## PREVIOUS YEAR ACCOMPLISHMENTS

- The Emergency Management Director played a crucial role in the Town’s response to COVID-19, overseeing the Town’s Emergency Management Team consisting of employees and representatives from the Health Department, Town Administrator Office, Human Resources Department, Department of Public Works, School Department, Select Board, Board of Health, Senior Center, Community & Economic Development Department, Fire Department, and Police Department. This team meets several times a week virtually to review and propel the Town’s response to COVID-19.
- Continued to work to strengthen the communications systems and enhance interoperability.

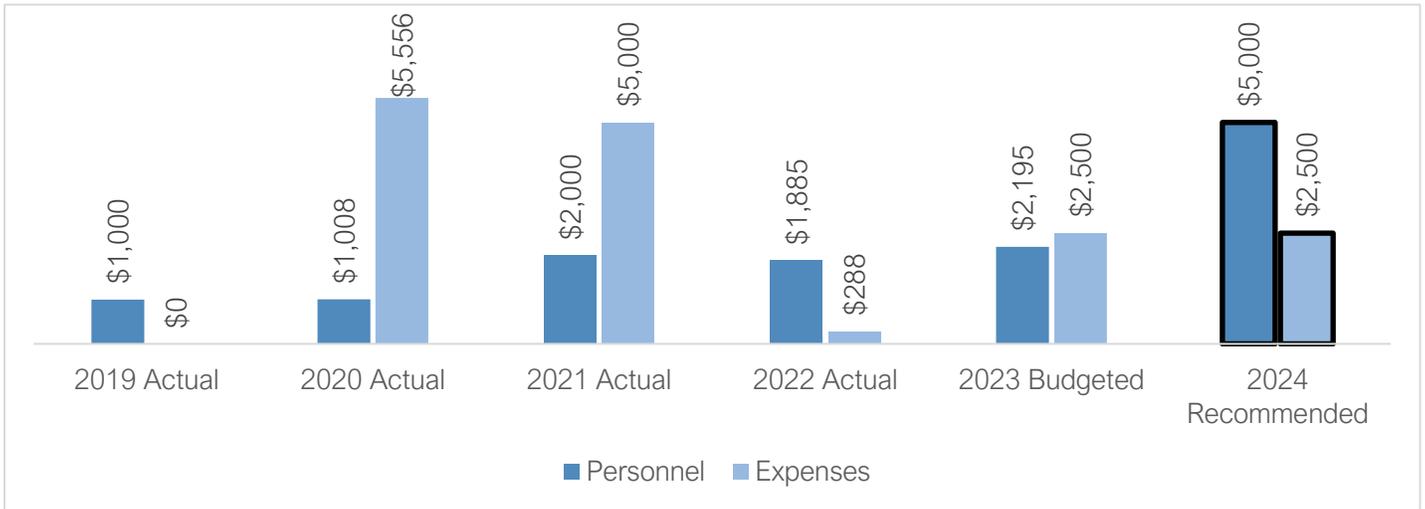
## FY24 GOALS

- Continue to address the impact of COVID-19 on the community and adapt to the ever-changing protocols on the state level.
- Hopefully, begin to transition out of a crisis response to the pandemic and readjust our stance to a long-term strategy for dealing with this and future pandemics.
- Improve and enhance coordination between all Town departments in preparation for any emergency.
- Designate individuals and teams for predetermined roles to react to various scenarios.
- Recruit, train and equip a Community Emergency Response Team (CERT) of volunteers with various skills and experiences to be community leaders in the event of an emergency.

# EMERGENCY MANAGEMENT



## FY2019-FY2024





## MISSION STATEMENT

We at the Swampscott Council on Aging are committed to serving all with dignity and positive regard. We aim to identify and respond to the needs of all as we age and to advocate accordingly. Additionally, we strive to promote awareness in the community of issues regarding older adults.

## SIGNIFICANT CHANGES

- Launched of new website: [www.activeagingswampscott.com](http://www.activeagingswampscott.com).
- Created of Swampscott's Active Aging Resource Guide that was mailed to all households.
- Expanded community outreach and membership.



Heidi Whear  
Director of Elder Services

## PREVIOUS YEAR ACCOMPLISHMENTS

- **Lunch program:** continued to evolve throughout this year. Dedicated and talented volunteers shop and prepare the meals three days per week. We collaborated with the school cafeteria program and food was brought here and then served by a school staff person.
- **Fitness classes:** Zumba, Cardio, Chair Yoga, Tai Chi, Osteo, Tap dancing, Walking group, Balance, Beginners Yoga.
- **Ongoing and new activities:** Bridge, Mah Jongg, Cribbage, Bingo, Poker, and Gin Rummy, Monthly Men's Club, Bi-Weekly Friday Morning Movies with Bagels, Tech Ninjas – students coming here to assist with technology, monthly trips to Encore, Bocce, Golf, Knitting group and creative writing, Library Pop-ups every Tuesday, Summer Tech Camp, collaboration with ElderAct, haircuts and quilt sewing group.
- **Holiday celebrations and parties** occur monthly throughout the year. These efforts are widely supported by the Friends of the Senior Center.
- **Monthly Memory Cafes** – for caregivers and their loved ones living with dementia.
- **Walking Challenge** engaged a multigenerational group of nearly 100 participants throughout the summer.
- **Educational and cultural programs:** health related classes, Craft classes, wreath making, Wingmasters, Scams, Medicare Fraud, and how to take pictures with your phone. Trips to museums, restaurants, shows, and fairs became the most sought-after event.
- **Outreach efforts:** Outreach has been steadily increasing. Creative ideas have increased the substantive programming, attracted a diverse audience and met the varied needs of our residents.
  - We received a MCOA grant to develop, print and mail a resource guide that was mailed to 1914 homes in Swampscott with a resident 40 years or older. The remaining 3,886 were distributed to organizations and businesses throughout Swampscott.
  - Free Tax preparation started this year through a collaboration with AARP.
- **Intergenerational Programming:**
  - Collaborations with the High School include Black History Month Making of a Quilt. Walking Challenge, and Intergenerational Current Events. Middle school students have created thoughtful cards and decorated bags to be delivered with sweets through the Meals on Wheels program.
  - "Talk About Town" Series taped live presentations that are aired through Cable TV to inform residents who don't have access to computers. This has been a valuable collaboration with the High School Media Team. Some of the topics included: Accessory Dwelling Units, Seaglass Village, Affordable Housing, and LGBTQ Understanding.
  - Doubled the Snow Angel's program connecting High School students with residents needing help with shoveling.



- **Volunteer Force:** Enrolled 6 volunteers who assist staff at the front desk weekly. Four Kitchen volunteers have assisted with shopping, preparing and serving meals.
- **Transportation:** This year we increased transportation by adding rides for medical appointments on Tuesday, Wednesday, and Thursdays. Regular shopping to Vinnin Square, Highland Ave, Farmers Market, Library and Walmart. Resumed rides to and from the Senior Center.
- **Caregivers Conference:** A grant through Mass Council on Aging will support a conference to help people identify as caregivers and learn about resources available to them. The conference will be held in May 2023.

## FY 24 GOALS

- Upgrade the kitchen with a commercial stove and ventilation.
- Lay groundwork for expanded Active Living Center.
- Serve meals 5 day/week.
- Expand transportation program.
- Train 75% of Swampscott Town staff in Dementia as per our Dementia Friendly Initiative.
- Initiate Social Day program.

## SWAMPSCOTT FOR ALL AGES

### MISSION STATEMENT

The Swampscott for All Ages Committee is dedicated to making Swampscott a more livable community for all residents to grow up and grow older together.

### SIGNIFICANT CHANGES

Reestablished Swampscott for All Ages (SfAA) Committee by reducing the appointed members and formalizing the committee structure.

Established a Memorandum of Understanding between the Town of Swampscott and the not-for-profit Seaglass Village to promote understanding and collaboration for Swampscott's aging adults to address housing, transportation, and social participation.

### PREVIOUS YEAR ACCOMPLISHMENTS

#### Outdoor Spaces and Buildings

- Increased effective use of current Senior Center by moving furniture numerous times a day that allows the dining room and classrooms to be converted into an exercise space.
- Continuing discussions and investigations into locations and funding for a new state-of-the-art Active Living Community center.
- Initiated outdoor pickleball courts in collaboration with Swampscott Recreation Department for two hours/week. Collaborated with Seaglass Village to provide equipment and lessons. Advertised free program over Facebook, Seaglass Village, Senior Center and Town Newsletter. Highly successful turnout of over 20 people during 2022's summer months.
- Relocated new metal bench near town hall, placed it in the shade facing the ocean. Created four "Happy to Chat" Bench signs and fixed them to the benches in Summer of 2022.



## Transportation

- Expanded options for medical transportation with the launch of Seaglass Village in December 2021. Trained and CORIed volunteers and supplemented insurance to assist in medical and other transportation rides. Provided over 100 rides.
- Submitted request for ARPA funds to increase van transportation to full time.

## Housing

- “Talk about Town” program informed residents of opportunities to reduce property taxes for those struggling to pay property taxes.
- Expanded number of residents in tax work-off program.
- Promoted home repair and funding for home modification for people to remain in their homes though CEDAC.
- Expanded collaboration and cross promotion with Seaglass Village the help residents age in place.
- Focused energy toward opportunities to create additional affordable housing in Swampscott through participation in Hadley Reuse Committee. Continue to promote this opportunity to committees in Swampscott.
- Hosted a Talk About Town program on ADUs to inform residents about ADUs which is now recorded and available on Cable TV. Promoted favorable zoning for ADUs while working with Swampscott’s Planning Committee to present panel discussion.

## Social Participation

- Increased number and variety of active adult events:
- Expanded impact of Swampscott Senior Center and Seaglass Village through a Memorandum of Understanding to increase programming that compliments each other. Seaglass Village is now hosting day and evening activities.
- Collaborations between senior center, Seaglass Village, housing communities, places of worship, high school, Swampscott Park and Recreation, and library.

## Communication and information

- Featured on Massachusetts AARP Age and Friendly Look Back Video that highlights their statewide accomplishments over the past five years.
- Maintained Facebook Page with over 660 members.
- Created an Active Aging Swampscott website that was developed in the summer/fall for 2022 combining efforts of the Swampscott Senior Center, COA and SfAA.
- Created, printed and mailed the Swampscott’s Active Aging Resource Guide to all homes in Swampscott with a resident over age 40 to connect residents with resources in each of the domains.
- Created a new, state of the art technology in Senior Center Dining Room with close collaboration with the High School to record presentations and show them on Cable TV.
- “Talk About Town” Series are recorded in the dining room before a live audience and then aired on Cable TV as well as available on YouTube.

## Community and Health Services

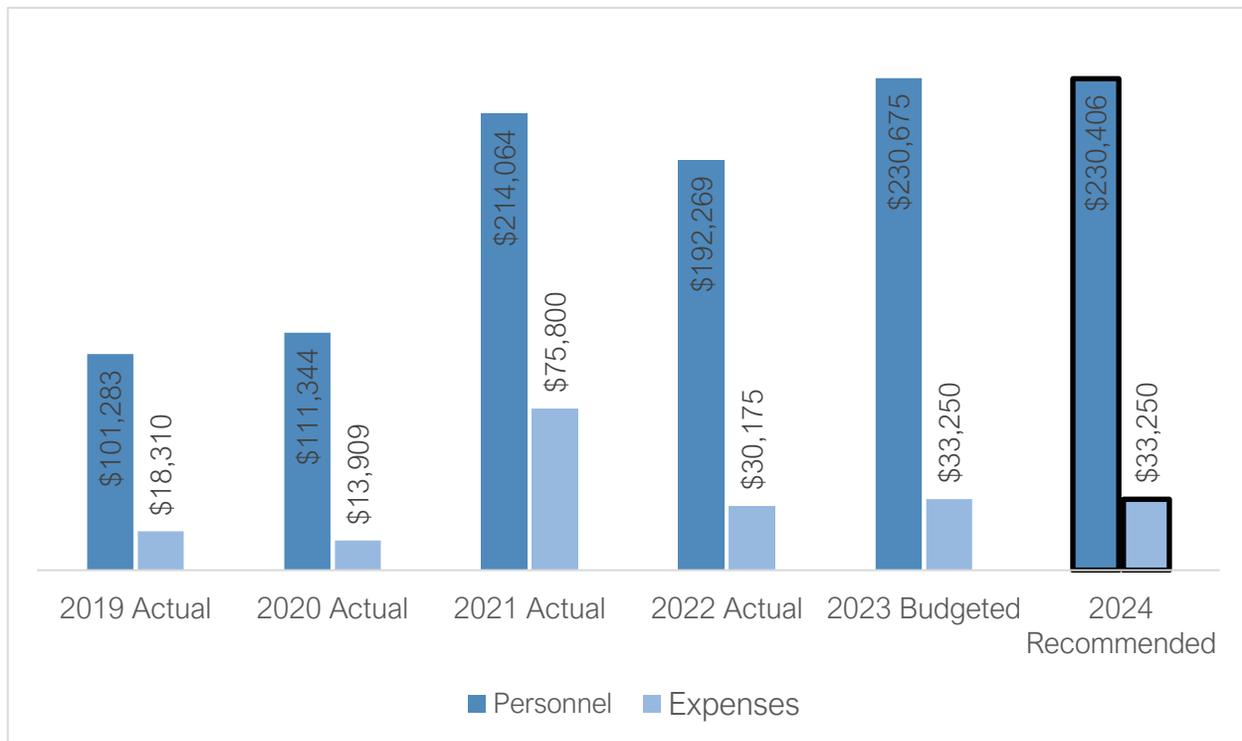
- Continued to provide “Talk About Town” series on various health and community topics. COVID vaccination and safety, Protection from Scams, Dementia Friendly training, Health hearing.
- Initiated Dementia Friendly training for all Town Employees.

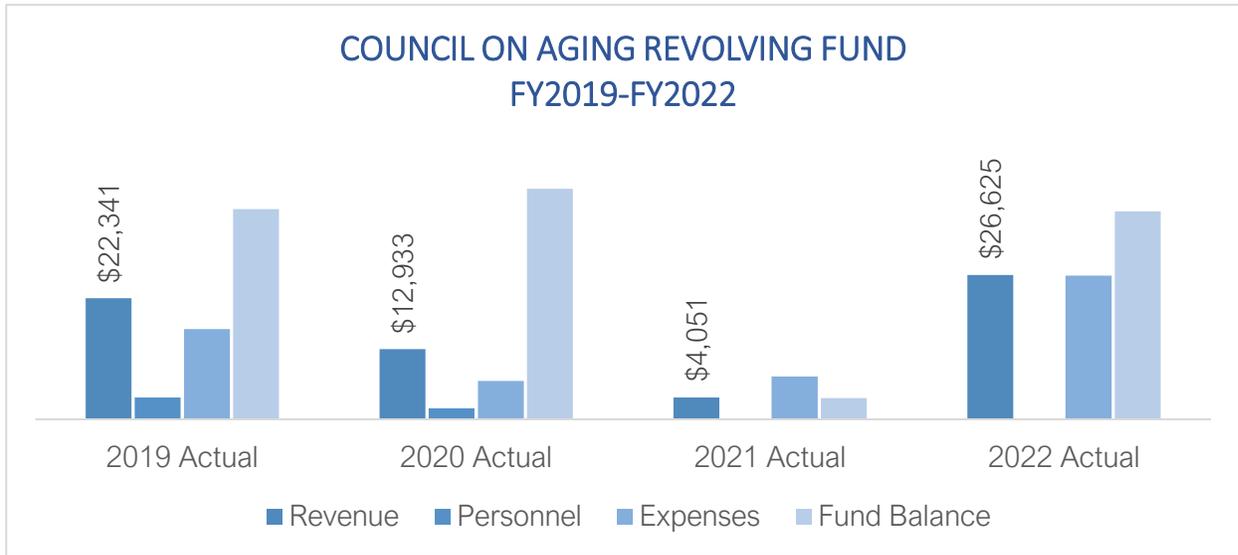


## SFAA 2024 GOALS

- Increase the number of public restrooms. Determine areas of need.
- Create plant pollinator garden in the Swampscott high school quad.
- Pursue funding to support Salem Skipper type program, Lyft, and/or Go-Go Grandparent, a ride-sharing service for older adults.
- Promote understanding of ADUs, benefits of ADUs, particularly for aging population with goal of passing revised zoning by-laws in favor of ADUs.
- Continue to promote the development of affordable housing for seniors through the Hadley Reuse Committee findings for affordable housing.
- Partner with Swampscott Recreation department, local non-profits including Seaglass Village to expand opportunities for social participation.
- Promote Purple Table program to restaurants. Train staff. Promote program in Swampscott.
- Increase opportunities for residents to volunteer and stay civically engaged in town activities.
- Explore the possibility of having a centralized social calendar for events happening around Swampscott as a way of making residents aware of programs.
- Create and share instructions showing people how to stay connected with the town and all the latest news.
- Improve public education about dementia, access to adult day programs, and businesses that are trained to interact with people with dementia may be considered.

## SENIOR CENTER FY2019 – FY2024







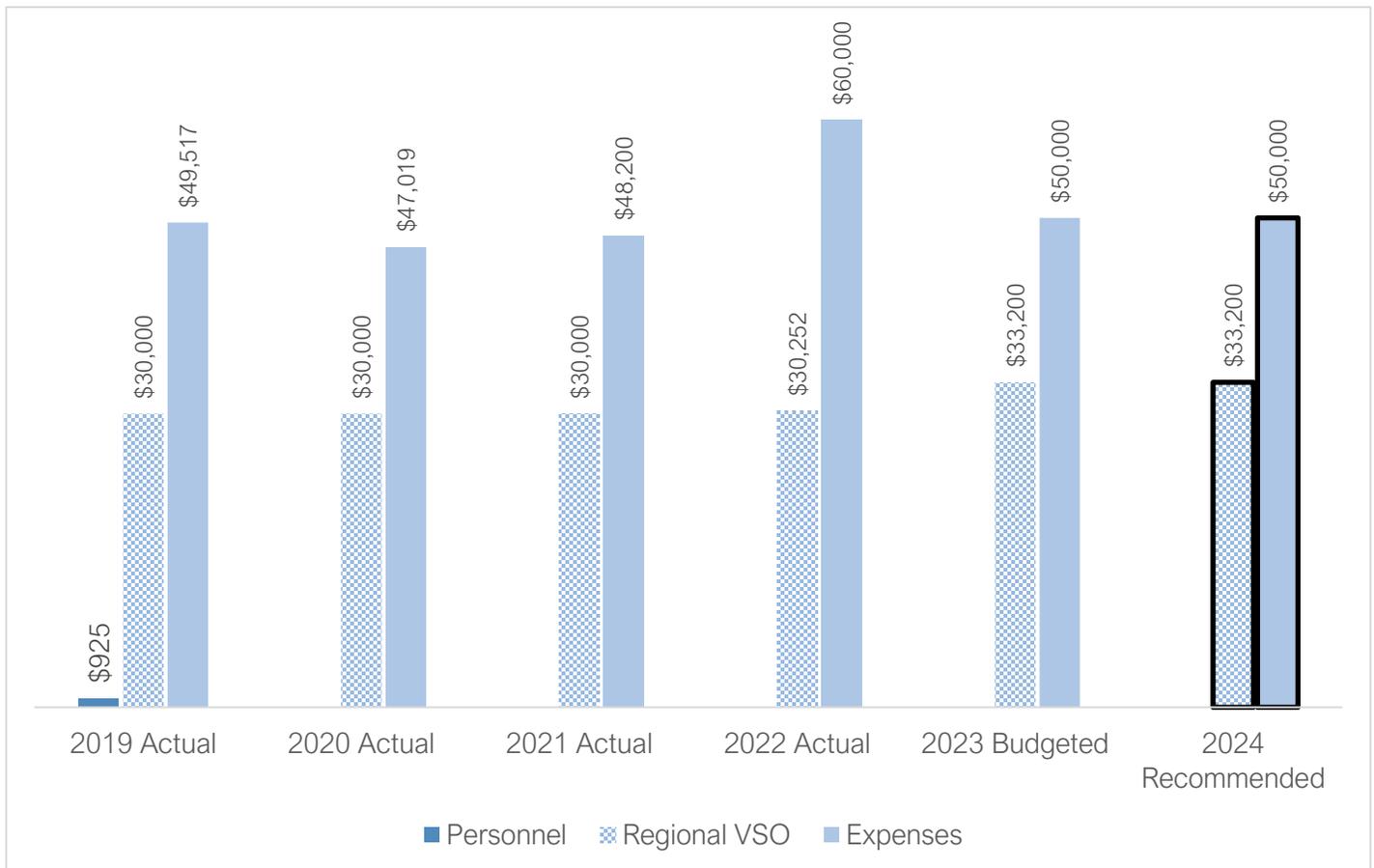
## MISSION STATEMENT

The Veterans Services Department provides federal, state and local financial and medical assistance to veterans and their dependents residing in the Town (those eligible under MGL C115 and CMR 108). Under prescribed regulations, the Department assists all veterans in obtaining benefits for which they are entitled, including partial payment of burial expenses for indigent veterans.



Michael Sweeney  
Veteran's Services Officer

## VETERANS SERVICES FY2019 – FY2024





## MISSION STATEMENT

Swampscott residents and visitors of all ages have access to current information and recreational material and programs at the Swampscott Public Library. The library provides its users with relevant information in a timely manner; opportunities and support for lifelong learning; and curriculum support for students, local schools, and home-based educators. The library is committed to providing educational support, current titles, and important information to all residents.

## SIGNIFICANT CHANGES IN FY23

### Operation

- New Library Director, Jonathan Nichols, hired
- Expanded evening hours in the Children's Room
- Reinstated our weekend and evening hours of operation
- Completed the Library Website Redesign (Currently in-process and slated for launch June/July of 2023)

### New Configurations

- Unified all Adult-Nonfiction into one area (In-process but will be completed by FY24)
- Purchased new furniture for meeting room
- Streamlined the Adult computer and CD area
- Addressed ADA and safety issues regarding library shelving and seating (In-process but will be completed by FY24)

### New Collections

- Added Wonderbooks to the Children's and Teen Collections - These are books with a built-in audio component
- Added more World Languages to better reflect our entire community - Expanded to include books in Ukrainian
- Expanded our Library of Things - In-process but will be completed by FY24
- Book box services added for all age groups - To be launched in March 2023

### New Spaces

- A new Teen space was created in the lower level of the Library - complete with new furniture, paint, and computers. The Teen collection was relocated from upstairs to inside this area
  - In-process but will be completed by FY24

### Programming and Outreach

- Programming has also returned indoors with more large-scale events.
- Added the mobile service Beanstack for online reading challenges and programming
- Hosted SwampyCon with over 300 patrons in attendance.
- Partnered with S.U.R.E on *Tell Us Your Story* initiative. We are collecting written and oral histories of how Swampscott families arrived to our Town. This collection will be made available in our Special Collections archive.



Jonathan Nichols  
Library Director



## FY24 GOALS

### Collections

- Aim for a rollover close to 2. Each year has seen a rollover of at least 1.1, with FY22 seeing our highest in four years at 1.54. Anything over a 1 means a healthy collection. FY23 is on track to exceed FY22.
  - Streamline ordering and processing turn-around times
- Continue to expand collections to better serve all Swampscott residents
  - Add more to World Languages
  - Online Streaming Platforms
  - Additional Wonderbooks
  - Library of Things, among many
- Add adaptive equipment to assist those with various disabilities while using library services
  - Height adjustable desks
  - Eyedaptic glasses for macular degeneration

### Outreach

- Continue the great work our team has started and maintained while expanding to new opportunities
  - Seaglass Village
  - Local Access Channel
  - Schools and community groups and organizations
  - Social Media Optimization
- Petition the community for feedback to shape our future and to create our Strategic Plan and Action Items

### Patron Services

- Promote existing services in a more dynamic way - utilize new website
- Expand collection offerings both physically and digitally
  - World Languages
  - Streaming Platforms
  - Library of Things
  - New Databases
- Improve visits with more inviting decor, furniture, displays, layouts, and technology

### Programming

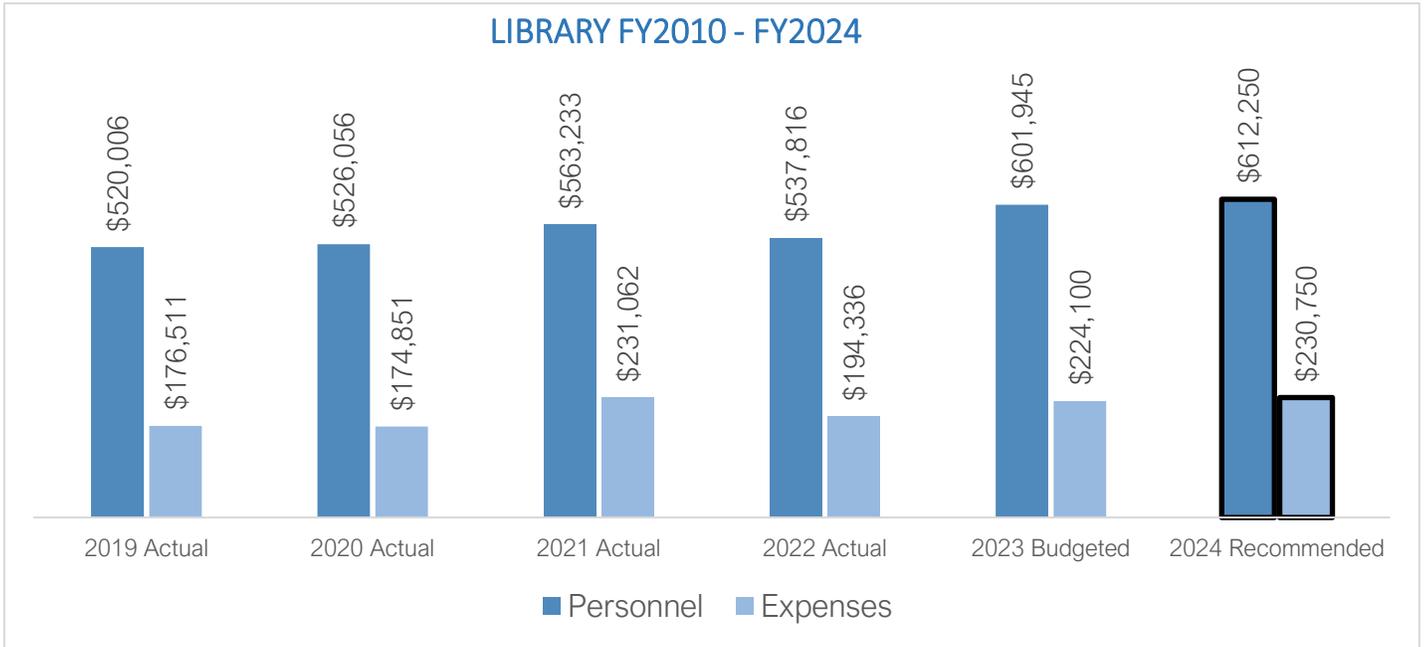
- Expand on the great programming of FY23 with large community events, and a focus on Adult programming to target hard-to-reach demographics and families
  - Patron Appreciation Day
  - More Special Events – Authors and Musical Performances

### Grants

- If awarded the Creative Communities grant, which would be awarded in FY24, create a Maker's Space
- Continue looking for opportunities to get grant funding to address our Special Collections



### LIBRARY FY2010 - FY2024





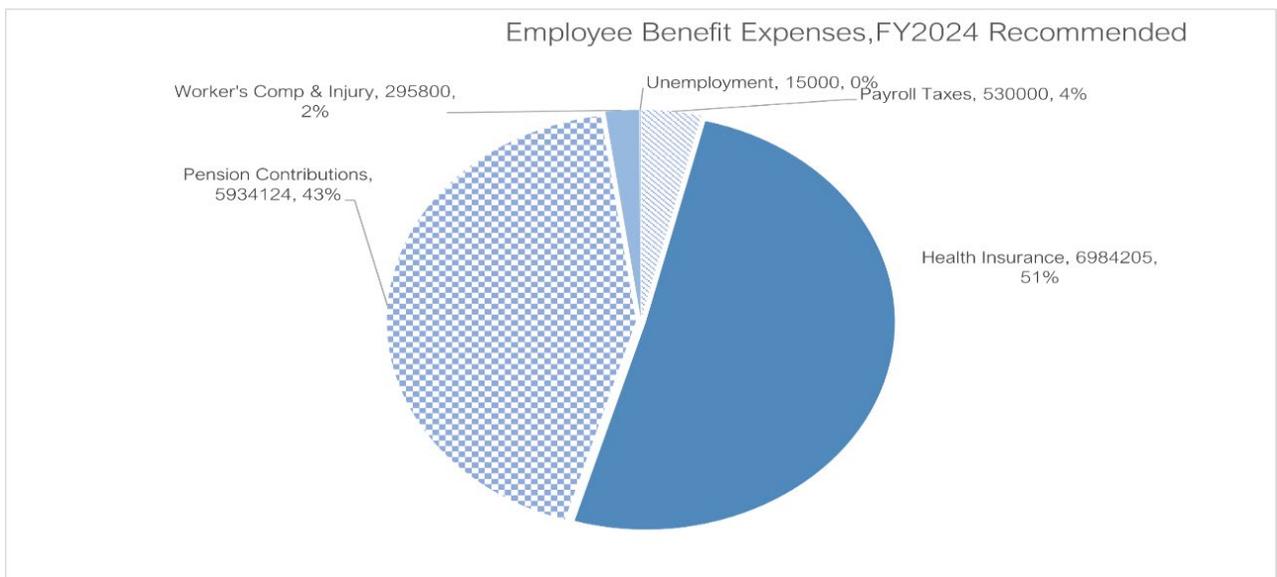
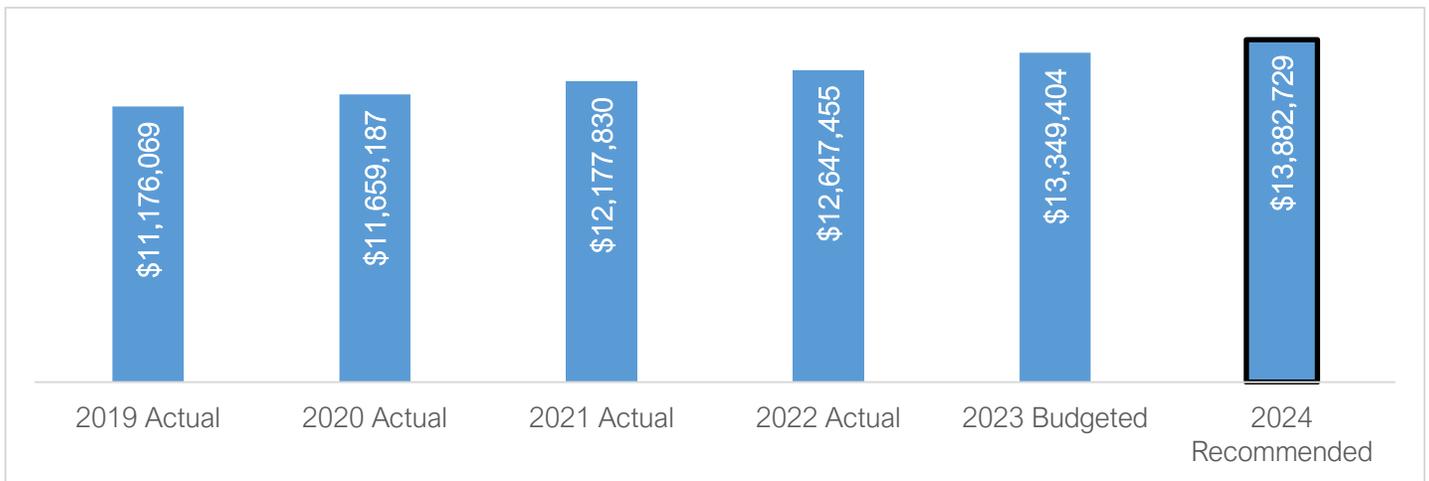
# EMPLOYEE BENEFITS

## MISSION STATEMENT

Pursuant to MGL Chapter 32B, as a benefit of employment, any active, permanent employee of the Town who works in excess of twenty (20) hours per week is eligible for group health insurance coverage.

The Town offers insurance through the Commonwealth of Massachusetts Group Insurance Commission (GIC). Through the GIC, active employees and non-Medicare eligible retirees have the choice of nine plans: Harvard Independence, Harvard Primary Choice, Health New England, Tufts Navigator, Tufts Health Plan Spirit, Always Health Partners, UniCare Basic Indemnity, UniCare Community Choice, and UniCare Plus; and five plans for Medicare eligible retirees: Harvard Pilgrim Medicare Enhanced, Health New England MedPlus, Tufts Health Plan Medicare Complement, Tufts Health Plan Medicare Preferred, and UniCare Indemnity Medicare Extension.

## EMPLOYEE BENEFITS FY2019-FY2024





## BONDED DEBT

This expenditure covers the cost of the principal payments of the Town's bonded debt with the exception of the Sewer and Water Enterprise Funds which appears in their respective budgets. This expenditure includes payment on the Town's recent long-term bonding and payment required from the Town's CIP.

## GENERAL DEBT LIMIT

Under Massachusetts' statutes, the General Debt Limit of the Town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit of the Town is 5 percent of the valuation of taxable property. The Town can authorize debt up to twice this amount (Double Debt Limit) with the approval of the State Emergency Finance Board.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer project bonds and solid waste and solid waste disposal facility bonds (as approved by the Emergency Finance Board), and, subject to special debt limits, bonds for water, housing, urban renewal and economic development (subject to various debt limits) and electric and gas (subject to a separate limit to the General Debt Limit, inducing the same doubling provision). Industrial revenue bonds, electric revenue bonds and water pollution abatement revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit for water bonds apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

Communities have four basic ways to finance capital projects: pay-as-you-go financing, debt financing, public private ventures, and intergovernmental financing (such as the MWRA's interest free loan/grant program). Over-reliance on any one of these options can be risky to a local government's fiscal health. It can also restrict the municipality's ability to respond to changes in economic and fiscal conditions. The Town's policy makers are careful to choose the right combination of financing techniques.

## AUTHORIZATION OF GENERAL OBLIGATION DEBT

Under the General Laws, bonds and notes of a Town are generally authorized by vote of two-thirds of all the members of the Town Meeting. Provision is made for a referendum on the filing of a petition bearing the requisite number of signatures that would require all the cost to be excluded from the Proposition 2 ½ taxation limits. Borrowing for certain purposes also requires administrative approval from the Commonwealth.

Temporary loans in anticipation of current revenues, grants and other purposes can be made without local legislative approval.



## TYPES OF OBLIGATIONS

Under the statutes of the Commonwealth, the Town is authorized to issue general obligation indebtedness of the following types:

**Serial Bonds and Notes** - These are generally required to be payable in equal or diminishing annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. Level debt service is permitted for bonds or notes issued for certain purposes, and for those projects for which debt service has been exempted from property tax limitations. The maximum terms vary from one year to 40 years, depending on the purpose of the issue. Most of the purposes are capital projects. They may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum terms measured from the date of the original bonds or notes. Serial bonds may be issued as “qualified bonds” with the approval of the State Emergency Finance Board, subject to such conditions and limitations, (including restrictions on future indebtedness) as may be required by the Board. The State Treasurer is required to pay the debt service on “qualified bonds” and thereafter to withhold the amount of the debt service from state aid or other state payments. Administrative costs and any loss of interest income to the Commonwealth are to be assessed upon the Town.

**Bond Anticipation Notes** - These generally must mature within two years of their original dates of issuance, but may be refunded from time to time for a period not to exceed five years from their original dates of issuance, provided that (except for notes issued for certain school projects that have been approved for state school construction aid) for each year that the notes are refunded beyond the second year, they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes, except for notes issued for such State-aided school construction projects.

**Revenue Anticipation Notes** - Revenue Anticipation Notes are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.

**Grant Anticipation Notes** - Grant Anticipation Notes are issued for temporary financing in anticipation of federal grants and state and county reimbursements. They must generally mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

**Revenue Bonds** - Cities and towns may issue revenue bonds for solid waste disposal facilities and for projects financed under the Commonwealth’s water pollution abatement revolving- loan program. In addition, cities and towns having electric departments may issue revenue bonds, and notes in anticipation of such bonds, subject to the approval of the state Department of Public Utilities. The Town of Swampscott does not have an electric department and has not authorized any other Town revenue bonds.

## BOND RATINGS

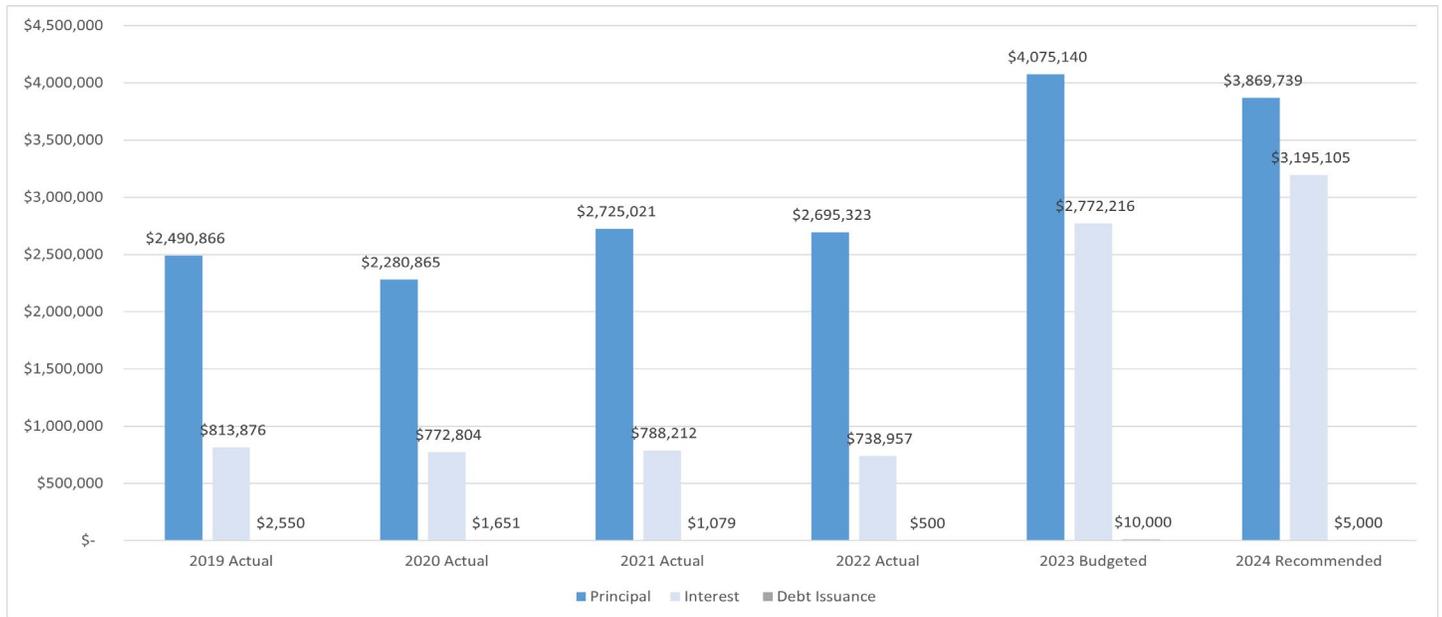
The Town’s bond rating was recently affirmed as AA+. It is the goal to increase to their highest rating over the next few years to obtain the “AAA” rating.

# PROPERTY & LIABILITY INSURANCE & DEBT SERVICE

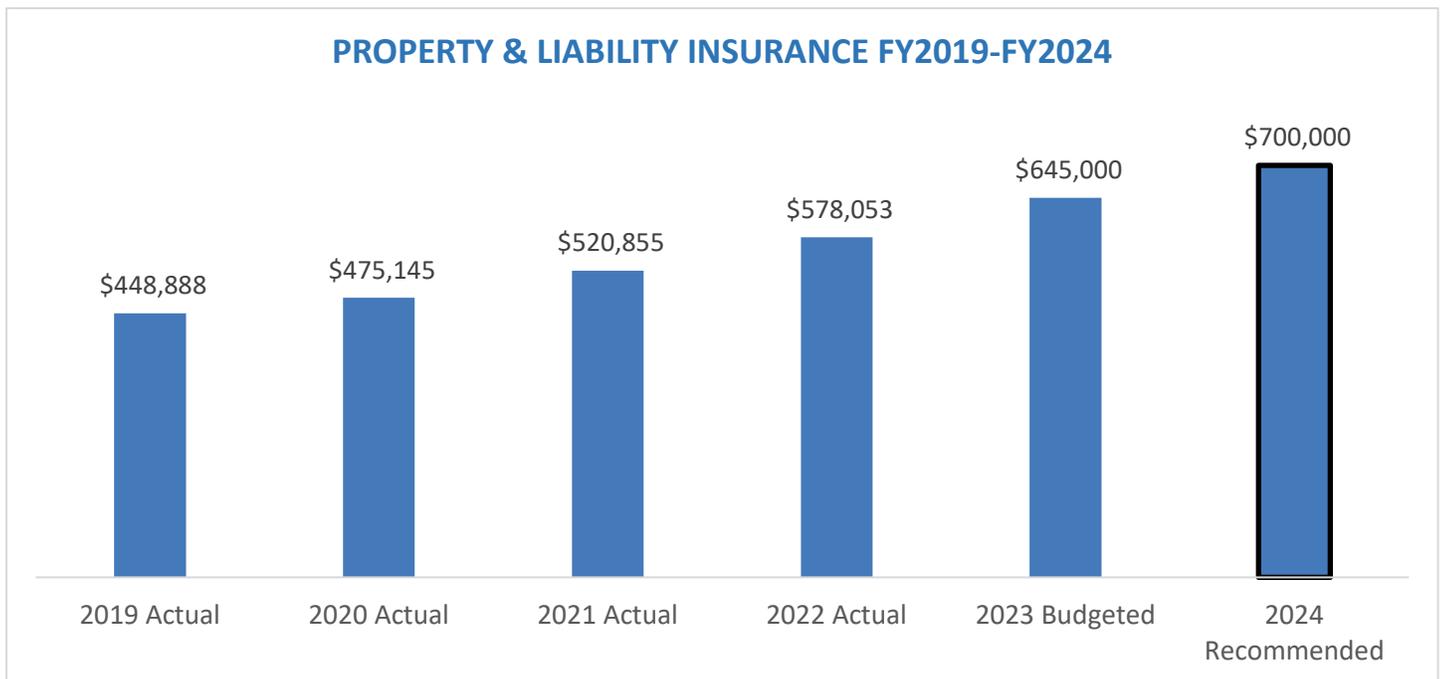


The property & liability budget is for the town and school and covers all general town buildings, equipment vehicles and any property. The Debt Service Budget is for all debt service town and school, but does not include Enterprise Fund debt, that is house in the Enterprise funds.

## DEBT SERVICE FY2019 – FY2024



## PROPERTY & LIABILITY INSURANCE FY2019-FY2024





# CHERRY SHEET ASSESSMENTS

For the purpose of budgeting for FY24, estimates based on historical data were developed.

## RETIREMENT SYSTEM AUDIT

In compliance with Chapter 32 of the General Laws, the Public Employee Retirement Administration Commission conducts an examination of each municipal retirement system tri- annually.

## MOTOR VEHICLE EXCISE

This assessment reimburses the State for a portion of the costs incurred by the Registry of Motor Vehicles in the preparation of annual Motor Vehicle Excise tax bills.

## ELDERLY GOVERNMENTAL RETIREES

The Elderly Governmental Retirees plan is a contributory group health and life insurance plan established for Town employees who retired prior to the adoption of the Town's group policy. This allotment covers the administrative premium costs as determined by the State and is carried on the Cherry Sheet.

## MOSQUITO CONTROL PROJECTS

Municipalities are assessed by the State for the costs of mosquito control services. All mosquito control projects are to be assessed their proportional expenses for the administration of the State Reclamation Board.

## AIR POLLUTION CONTROL

The Air Pollution Commission supervises six districts statewide. The Commission is empowered through the Office of the Governor and has a mandate to control air pollution through the enforcement of Air Pollution Control Acts and Safety Standards.

## METROPOLITAN AREA PLANNING COUNCIL

The Metropolitan Area Planning Council (MAPC) serves 101 communities as a clearinghouse for the Federal A-95 review process.

## PUBLIC TRANSPORTATION

The Massachusetts Bay Transportation Authority (MBTA) provides bus/minibus, commuter rail transportation across the Town and to surrounding communities. The total annual MBTA assessment cannot increase by more than 2 ½ percent of the prior year's actual assessment unless new or expanded service has been documented.

## SPECIAL EDUCATION ASSESSMENT

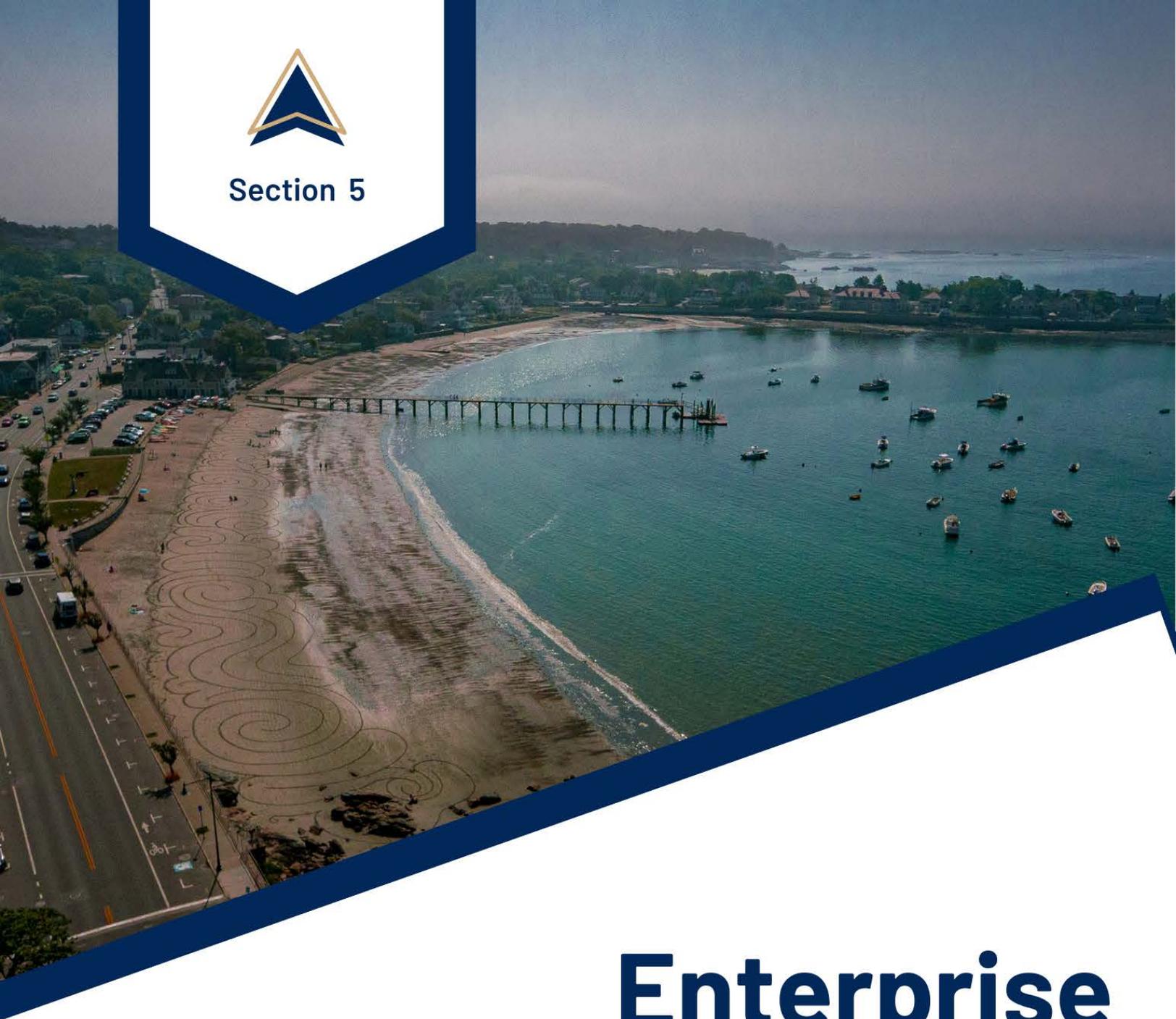
The State receives this reimbursement for providing special needs education to children enrolled in (1) state hospital schools or (2) private institutions, whose placements were made before 1975.

## REGISTRY OF MOTOR VEHICLES-HOLD PROGRAM

Since 1995, the Parking Clerk has implemented a provision of Massachusetts General Laws Chapter 90 which enables the Town to request the State Registry of Motor Vehicles not to renew the license and registration of an operator/owner of a motor vehicle that has two or more outstanding parking tickets. This provision, enacted after the motorist has failed to pay the parking tickets and had an opportunity for a hearing, has resulted in a significant decrease in the number of delinquent payments.



Section 5



# Enterprise Funds

Town of Swampscott



# ENTERPRISE FUNDS - WATER & SEWER



The Water and Sewer Enterprise Funds are Town funds separated from others and dedicated to tracking and reporting all activities associated with the operation and maintenance of the water distribution and wastewater collection systems in the Town. Enterprise funds by State law are required to be self-sustaining, this requires that revenues from operations are sufficient to fund all direct and indirect expenditures of the fund. Uses of funds in the Water and Sewer Enterprise Fund Budgets are comprised of the following categories: Direct Expenses, Wholesale Assessment from the MWRA and Lynn Sewer, Debt Service payments on enterprise funded long term debt, and other Indirect Costs. The two major components of the Enterprise Fund Budgets are the MWRA/Lynn Sewer Assessments and Direct Costs. Included in the Direct Costs are salaries and expenses to operate the systems and pension costs associated with the employees who are charged to the systems.

## WATER & SEWER

This division is responsible for the wastewater collection and water distribution systems of the Town. Employees perform the operation and maintenance of the water and sewer infrastructure. The division also provides direct services on meter reading, meter installations and meter replacements.

## PREVIOUS YEAR ACCOMPLISHMENTS:

- Completed 75% of Phase 1C sewer repairs as part of EPA Administrative Consent Order, which include replacing compromised sewer laterals and lining of sewer manholes.
- Completed town-wide backflow testing
- Completed a town-wide hydrant flushing program
- Completed a town-wide leak detection survey
- Replaced or repaired 6 deficient hydrants
- Repaired 5 water main breaks, and 9 water service leaks. All but two completed by Public Works staff
- Rebuilt 12 collapsed catch basins/sewer manholes
- Continued quarterly sewer main maintenance program to deal with habitually troublesome mains
- Winterized 200 wet barrel hydrants
- Conducted bi-weekly water sampling
- Relined the problematic 8-inch sewer main at the easement on Atlantic Road
- Relined the 10-inch water main on Atlantic Ave from Puritan Roan to Blodgett Ave

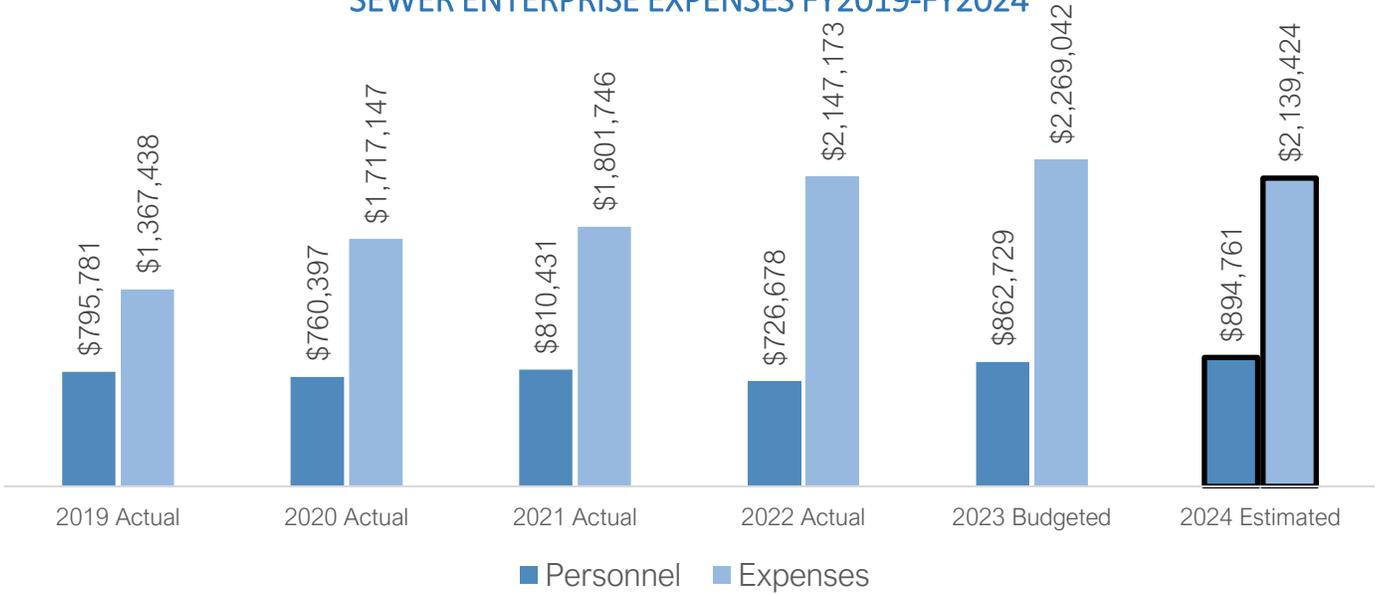
## FY24 GOALS

- Complete construction of Phase 1C of Stacey's Brook Rehabilitation Project as part of EPA Administrative Consent Order
- Replace 6-inch water main and hydrants on Jesse Street using the MWRA Local Water System Assistance Program (LWSAP)
- Decommission the defunct Calgon Station on New Ocean Street
- Upgrade the control panels at the Windsor North and Windsor South lift stations
- Install a new auto dialer and alarm system at the Humphrey Street Pump Station
- Continue to replace 6-10 older hydrants a year
- Clean half of the Town's 825 catch basins
- Explore the feasibility of replacing the current MVRs water meter reading program with a fixed network system

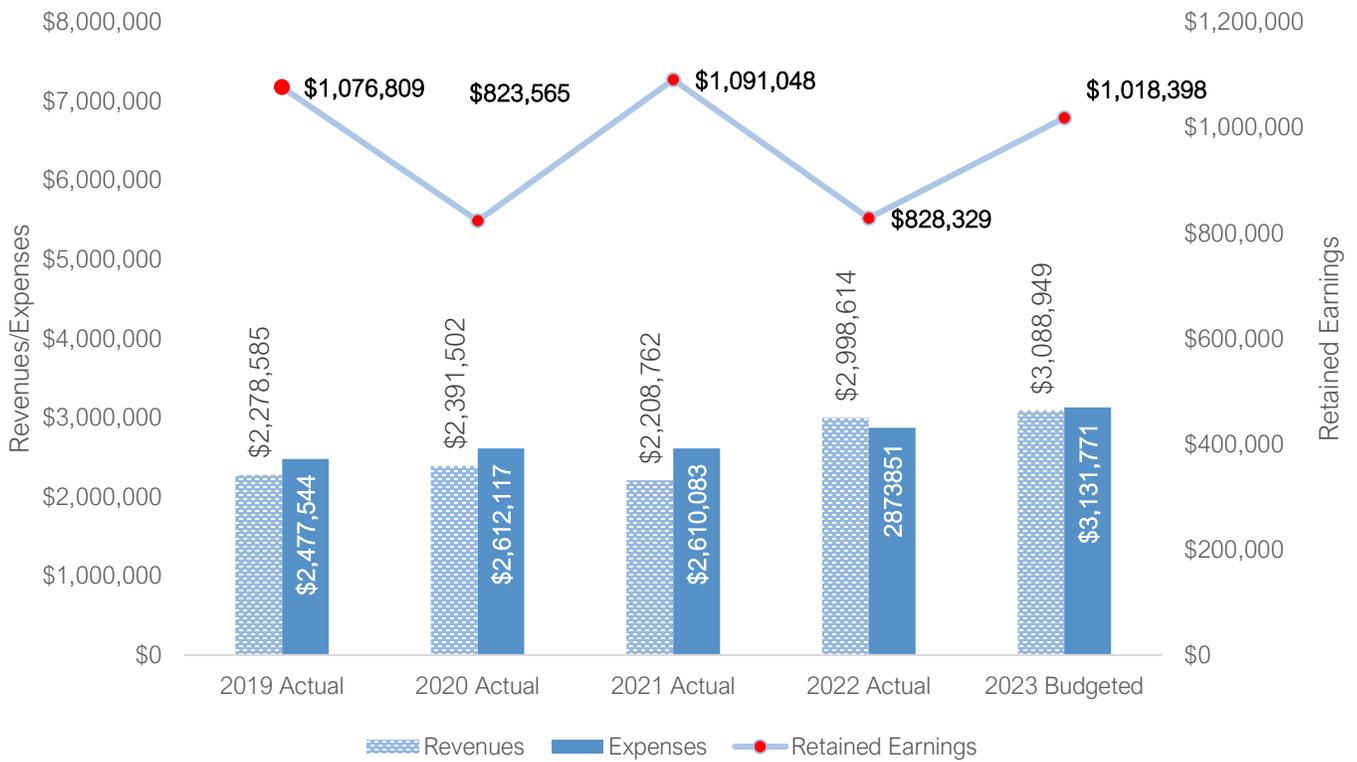


# ENTERPRISE FUNDS - WATER & SEWER

### SEWER ENTERPRISE EXPENSES FY2019-FY2024



### SEWER FUND PERFORMANCE FY2019-FY2023



# ENTERPRISE FUNDS - WATER & SEWER



### WATER ENTERPRISE EXPENSES FY2019 - FY2024



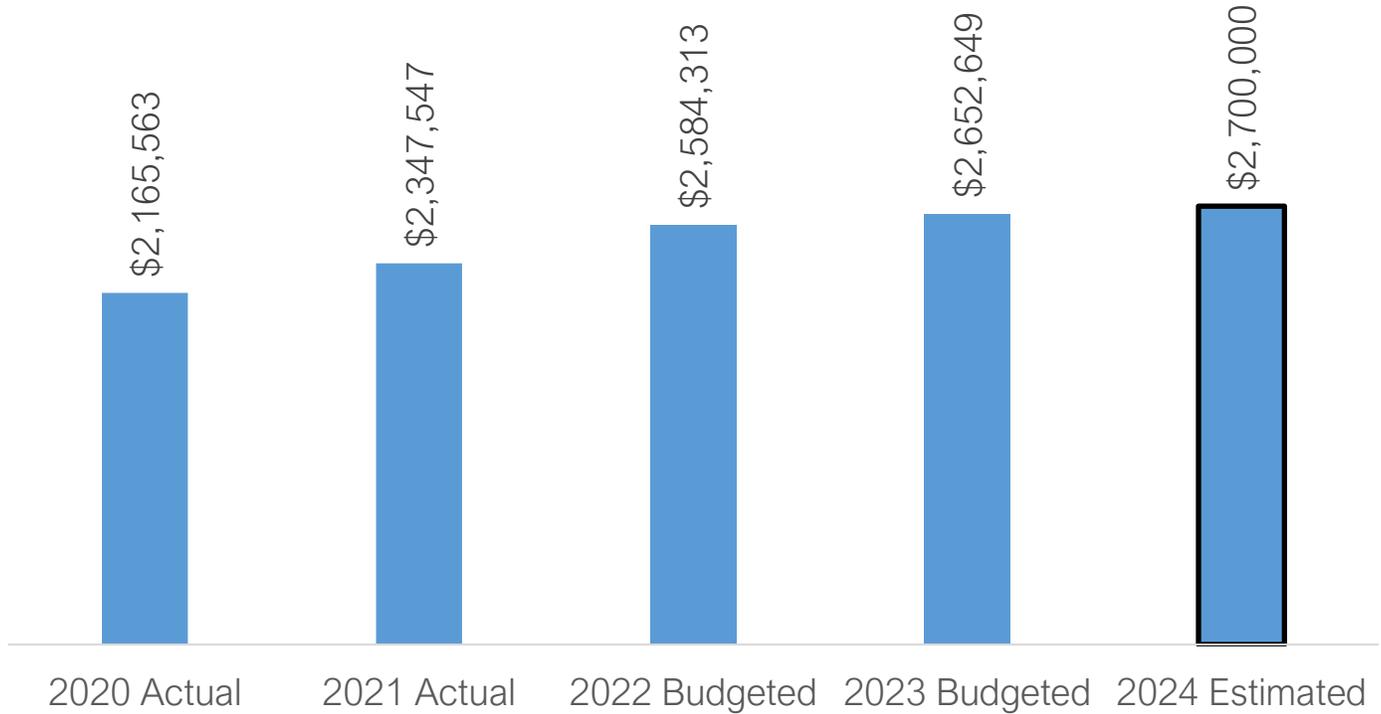
### WATER FUND PERFORMANCE FY2019-FY2023



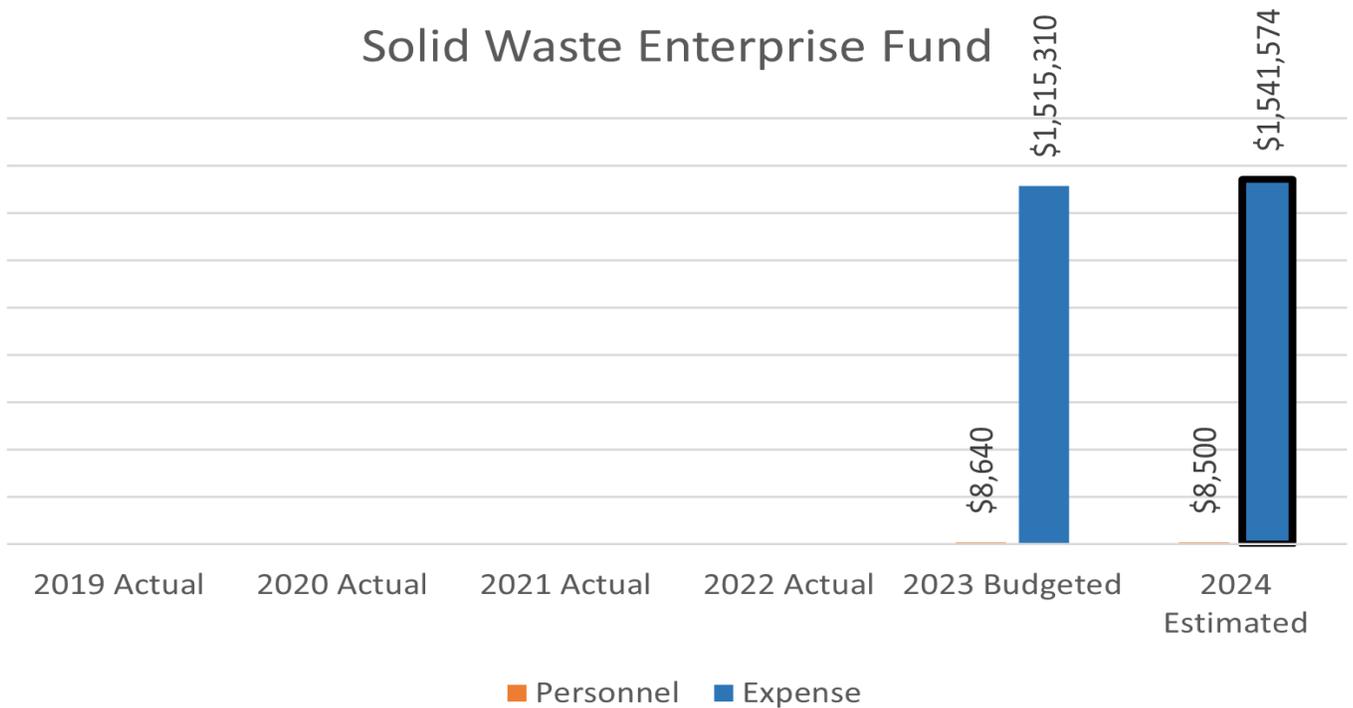


# ENTERPRISE FUNDS

## MASSACHUSETTS WATER RESOURCE AUTHORITY ASSESSMENT FY20-FY24



## Solid Waste Enterprise Fund



# PUBLIC EDUCATIONAL & GOVERNMENT ACCESS



## PUBLIC EDUCATIONAL AND GOVERNMENT ACCESS (PEG)

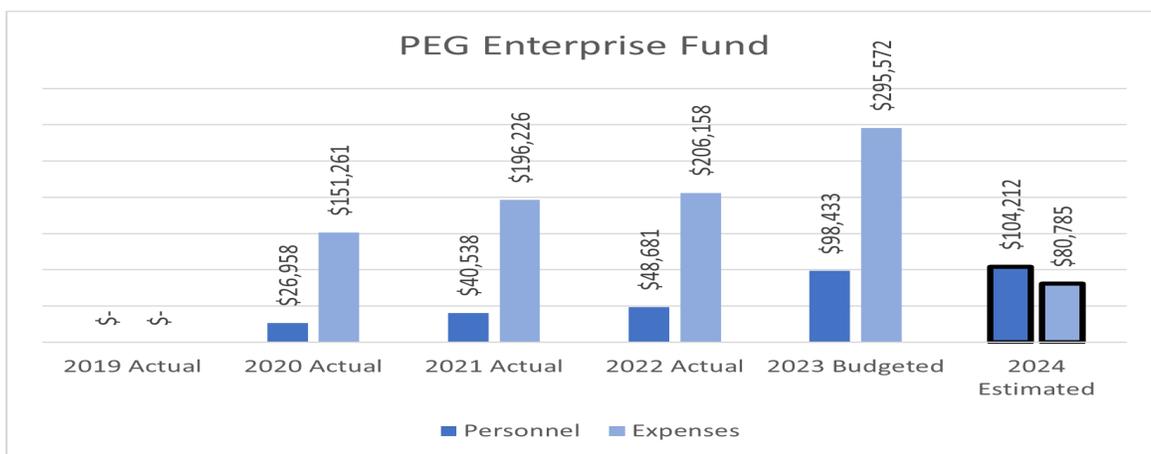
This department manages all of the technology and content related to the access TV channels contracted by the CABLE TV providers, currently Verizon and Comcast.

### PREVIOUS YEAR ACCOMPLISHMENTS:

- Finalize 5-year contract with Verizon
- Add full time employee to increase opportunities for municipal groups to record and present various gatherings
- Add 3rd Channel (Public) to Swampscott’s Access TV offerings
- Finalize installation of TV recording and broadcasting capabilities to the Senior Center
- Add Video Conferencing capabilities to 1st floor meeting room at Town Hall
- Replace studio cameras in production studio at Swampscott High School
- Add AI HUDL athletic cameras to Blocksidge Field and SHS Gym, providing live streaming of all athletic events at all levels
- Employ over 30 students as production assistants for town and school related events, including committee meetings, town meeting and athletic events
- Extend VLAN to Swampscott Fire Department and Swampscott Middle School
- Upgrade Audio equipment in B129
- Upgrade Intercom system town-wide
- Continue digitizing/archiving project of all VHS tapes from Government and Educational TV operations
- Expand Media Arts curriculum at SHS to allow students to create media for various town departments, including videos for the town recycling campaign, the Swampscott Fire Department Recruitment efforts, and the Hawthorne Idea Exchange campaign

### FY24 GOALS

- Launch Public Access opportunities, workshops, programming for residents
- Begin negotiations with Comcast for new contract
- Finish VHS Library digitizing/archiving project
- Add Video Conferencing to at least one more room in town
- Add 3rd staff member to cover evening meetings





Section 6

# School Budget

Town of Swampscott



# SWAMPSCOTT PUBLIC SCHOOLS

Fiscal Year 2024

## School Committee's Recommended Budget

**July 1, 2023 – June 30, 2024**

### **School Committee Members**

Glenn Paster, Chair  
John Giantis, Vice Chair  
Carin Marshall  
Amy O'Connor  
Suzanne Wright

Pamela R. H. Angelakis, M.A., M.Ed.

### **Superintendent of Schools**

Swampscott Public Schools  
207 Forest Street  
Swampscott, MA

**February 16, 2023**



## **District Administrators**

Jean Bacon, Director of Teaching & Learning

Martha Raymond, Assistant Superintendent of Student Services

Cheryl Herrick-Stella, Director of Finance

Lytania Mackey, Director of Technology, Digital Learning & Innovation

Lisa Coultts, Human Resources Manager

Max Kasper, Facilities Director

Latoya Ogunbona, METCO Director

Maureen Kellett, Chartwell's Director of School Nutrition

## **School Administrators**

### **Swampscott High School**

Dennis Kohut, Principal

Colleen Cull-Finn, Assistant Principal

Christopher Norkun, Assistant Principal

Kelly Wolff, Director of Athletics

### **Swampscott Middle School**

Jason Calichman, Principal

Emily Zotto, Assistant Principal

### **Clarke Elementary School**

Ilana Bebchick, Principal

### **Hadley Elementary School**

Lori Sanborn, Principal

### **Blaney/Stanley Elementary School**

Kathleen Huntley, Principal

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## Superintendent's Message

Dear School Committee,

The FY2024 Superintendent's Recommended Budget is \$33,323,089 an increase of \$1,408,036 or 4.41%. The budget book provides details on the major budget drivers based on expenditure category.

The major drivers of the increase to the FY24 budget include:

- Cost of living increases for all collective bargaining association members and non-union employees
- An increase in salary expenditures to fund lane and step increases for the teacher contract
  - (79 staff eligible) and
  - lane changes (30 staff eligible)
- An increase in special education costs including in-district special education staffing and increases in special education out of district (OOD) tuitions
- Funding for technology replenishment that was previously covered by capital/ESSER
- Increased costs for Facilities (utility & repairs)
- A planning migration of two positions from ESSER Grant to operating budget



The pandemic has impacted expenditures and will most likely continue to have a challenging fiscal outlook for the next several years. The Governor's Budget is expected to be released in March 2023.

When the FY21 Budget was developed the revenue outlook for FY21 was uncertain. At the request of the Town Administrator, the school department was asked to reduce its FY21 Operating (General) Fund Budget by \$381,000. The School Department was able to reduce its FY21 Budget and actual expenditures as a result of the shift in education delivery. The district saved costs on consumables, transportation and substitute teachers. The district requested only \$30,000 of the budget reduction be restored. In hindsight, we should have requested 100% be restored and used the funds to prepay OOD Tuitions. This \$351,000 became a permanent budget reduction. These costs, that were avoidable during remote and hybrid teaching and learning, are back in full and need to be funded.

During this time period there was also a change in capital funding. The change eliminated school technology (device replenishment) from the Capital Plan (funded through bonds). The School Department was able to absorb these costs during the pandemic as grants were available. This is no longer possible.

We respectfully request the restoration of the \$351,000 and an additional \$200,000 to fund annual technology replenishment.

Sincerely,

Handwritten signature of Pamela R. H. Angelakis in blue ink.

Pamela R. H. Angelakis, M.A., M.Ed.  
Superintendent of Schools

## **Budget Process and Timeline**

The budget process begins in early to mid-November, the Director of Finance reviews current staffing lists with building Principals, the Assistant Superintendent of Student Services and the Superintendent. Enrollment projections as well as student transitions are discussed and planned for.

The Superintendent's Recommended Budget is submitted to the School Committee for consideration. During the months of January and February, the Superintendent and Director of Finance present the program budgets to the School Committee for review and deliberation. The School Committee either requests changes to the budget or adopts the budget as proposed. Once adopted by the School Committee, the budget is then delivered to the Town Administrator who, in accordance with Town Charter, must submit a balanced budget to the Finance Committee in February.

The FY24 Superintendent's Recommended Budget was presented on the following dates:

- Thursday, January 26th (Overview, Administration, Regular Day, Special Education, School Facilities and Districtwide Program Cost Centers)
- Thursday, February 2nd (Grants, Revolving Funds, Public Hearing, and School Committee Questions)
- Thursday, February 16<sup>th</sup> (School Committee Questions and Vote)

When the School Committee voted in early February on the budget, it became the School Committee Budget, which is then presented to the Town Administrator.

The Town Administrator then presents a full town budget to the Finance Committee which is within the available revenues for the town.

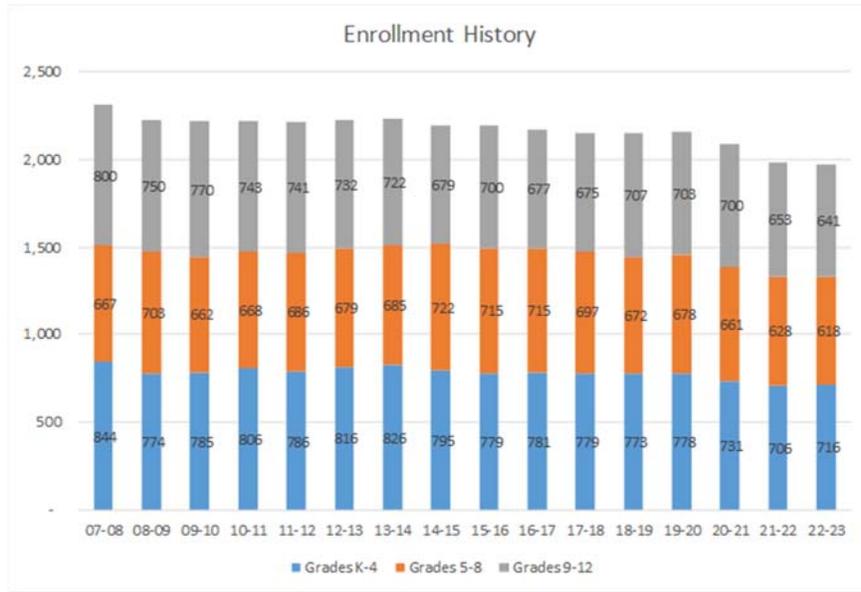
The School Committee budget will be presented in March to the Finance Committee of the Town who votes whether to refer the budget as is to Town Meeting or refer with changes. The Town Meeting then has final approval authority.

By statute, Town Meeting can only vote on the "bottom line" of the School Committee budget. It may vote to increase or reduce the total dollar value, but it cannot specify the line item to which the increase or decrease is to be made.

## **District Enrollment and Student Demographics**

School districts in Massachusetts are required to report student enrollment and demographic data to the Massachusetts Department of Elementary and Secondary Education (MA DESE) three times per year: October 1, March 1, and Year End. We use the October 1 enrollment figures to evaluate staffing needs and identify patterns when developing the budget each year.

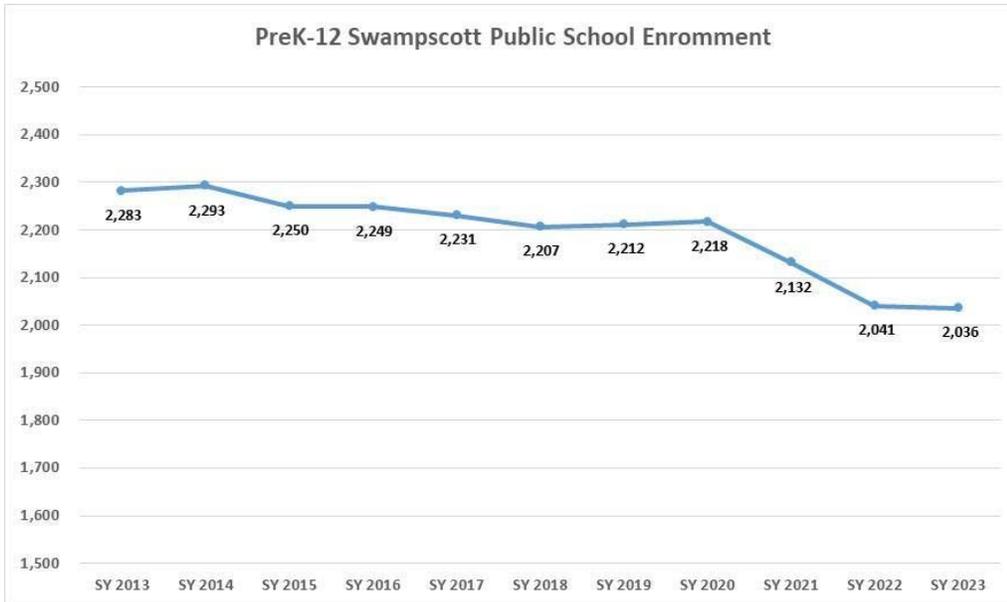
**Swampscott Public Schools Enrollment Trends: K – 12**



Overall K-12 Enrollment had been fairly consistent since peaking in FY08-09 at 2,311 students. Swampscott has experienced a decrease in enrollment as a result of the pandemic as families continue to make educational decisions that are best for their specific family needs. The current K-12 enrollment is 1,975 per the Oct 1, 2022 filing. The net enrollment changes from '20-21 is a loss of 12 student’s K - 12. The enrollment decline is predominately at the High School and Middle School where the decline was 12 and 10 students respectively. The K-4 enrollment grew by 10 students during the time period.

Overall enrollment in Massachusetts schools fell by about 4 percent during the first full year of the pandemic (School Year 2021 versus School Year 2020) and leveled off in SY2022. Our enrollment appears to be stabilizing.

**Swampscott Public Schools Enrollment Trends: Pre K – 12**



The Swampscott Public Schools provides special education services to eligible students ages three to twenty-two years deemed eligible through the special education team evaluation process. Eligibility is based on a determination that the child has a qualified disability that will limit the child’s ability to achieve effective progress in the regular education program without special accommodations. Instructional or other accommodations are outlined in the child’s Individual Education Program (IEP).

The figure below shows historical data reported to DESE regarding the number of students with disabilities based on October 1 enrollment data. As this table indicates, the number of students receiving special education services has steadily increased over the last decade.

There is an increase of 35 students on IEP’s from 2021-22 to 2022-23 and the overall percentage of students on IEP’s has increased to 21.4%. The percentage increase is largely due to the lower enrollment. The number of students, complexity and severity of needs, contributes to the additional demands on our special education staff.

**Trend of Special Education, Students with Disabilities**

Students with Disabilities		
Year	# of Students	% Percentage
2013-14	332	14.3%
2014-15	341	15.0%
2015-16	323	14.2%
2016-17	329	14.6%
2017-18	367	16.4%
2018-19	392	17.5%
2019-20	403	17.9%
2020-21	374	17.5%
2021-22	408	20.0%
2022-23	443	21.4%

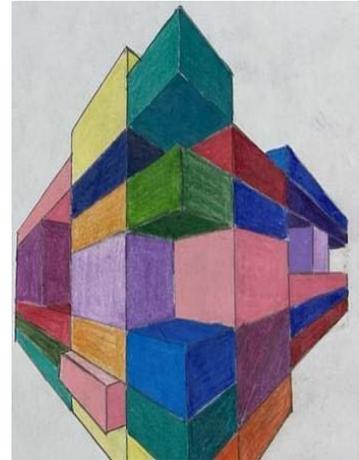
The next table shows the enrollment for our high needs population, as defined by the DESE. What is apparent from the table below is that our English Language Learner (ELL) and economically disadvantaged populations have been steadily rising over the last ten years. Our ELL population has declined slightly during the pandemic and has a three-year average of 116 students. The economic impact of the pandemic on our community is significant. Our economically disadvantaged population has decreased by 15.4% or 77 students from a previous high of 498.

**Enrollment Trends for High Needs Populations**

	First Language Not English		English Language Learner		Students With Disabilities		High Needs		Economically Disadvantaged	
	#	%	#	%	#	%	#	%	#	%
2012-13	138	6.0	69	3.0	303	13.1	634	27.5	348	15.2
2013-14	155	6.8	83	3.6	332	14.3	654	28.0	352	15.4
2014-15	170	7.6	73	3.2	341	15.0	621	27.3	260	11.6
2015-16	189	8.4	71	3.2	323	14.2	639	28.1	302	13.4
2016-17	225	10.1	90	4.0	329	14.6	648	28.7	315	14.1
2017-18	219	9.9	87	3.9	367	16.4	676	30.2	324	14.7
2018-19	269	12.2	121	5.5	392	17.5	738	33.0	330	14.9
2019-20	304	13.7	124	5.6	403	17.9	764	34.0	355	16.0
2020-21	328	15.4	130	6.1	374	17.5	765	35.9	411	19.3
2021-22	318	15.6	108	5.3	408	20.0	823	40.3	498	24.4
2022-23	321	15.8	112	5.5	443	21.4	815	39.4	421	20.7

**Organizational Section**

Swampscott was first settled in 1629 as the eastern part (Ward One) of Lynn, and was set off and officially incorporated in 1852. A beach town north of Boston, measuring 3 square miles (7.8 km<sup>2</sup>), and abutting Salem, Marblehead and Lynn. Swampscott was an important destination for the wealthy at the beginning of the 20th century. While Revere Beach, which lies just several miles down the road, has the honor of technically being America's first public beach, Swampscott was the de facto first resort town. Lynn was the divider between the poor beach and the rich resort town. The name "Swampscott" comes from the language of a local Native American tribe, and means "red rock". *Source Wikipedia*



Swampscott's public school system includes three elementary schools, Hadley School, Clarke School, and Stanley School, one middle school, Swampscott Middle School, and one high school, Swampscott High School. A new building was completed in 2007 for Swampscott High School.

There are five schools in the Swampscott Public Schools: Swampscott High School (grades 9-12), Swampscott Middle School (grades 5-8), and three elementary schools (grades K-4): Clarke, Hadley and Stanley (Blaney). Swampscott also has an integrated Preschool program with classrooms located at Swampscott Middle School. The table below provides Swampscott Public School Enrollment as of October 1, 2022.

**Enrollment Data as of Oct 1<sup>st</sup> 2022**

Enrollment as of Oct 1st	21-22
PreK	54
Clarke	206
Hadley	292
Stanley (Blaney)	208
Swampscott Middle	628
Swampscott High	653
<b>Total Enrollment</b>	<b>2,041</b>

Swampscott participates in the Metropolitan Council for Educational Opportunity (METCO), a voluntary desegregation program which brings approximately 50 students, grades K-12, from Boston to Swampscott.

Swampscott is one of nineteen member districts of the North Shore Education Consortium (NEC). Swampscott Public Schools is able to partner with other districts in the area to provide special education as well as professional development and other services to our students and staff at a lower cost than a single district alone could secure the same services.

Swampscott Public Schools is a member of the National IPA, a cooperative purchasing group. Swampscott Public Schools utilizes the National IPA collaborative bid process and leverages COMMBUYS, the procurement system for the Commonwealth to reduce costs. This allows the district to get the best value on purchases of goods and services.

## **Organization Structure**

### **School Committee**

The Swampscott School Committee consists of five members elected by the voters of Swampscott for three-year terms. The current membership and terms of the Swampscott School Committee are as follows:

Glenn Paster, Chair, Term Expires 2024

John Giantis, Vice Chair, Term Expires 2023

Carin Marshall, Term Expires 2025

Amy O'Connor, Term Expires 2025

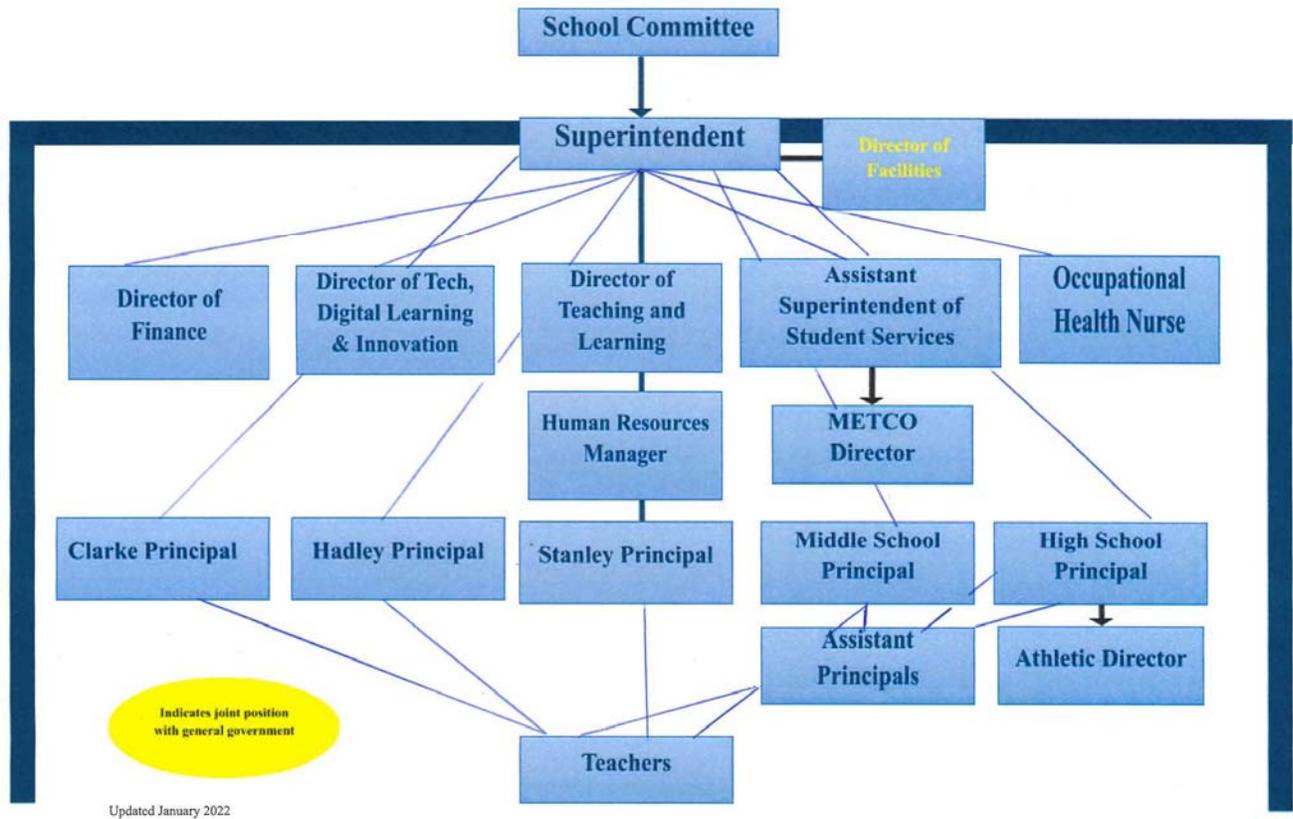
Suzanne Wright, Term Expires 2023

Under Massachusetts General Laws, Chapter 70, the School Committee has the power to select and to terminate the Superintendent, review and approve the budget, and establish the educational goals and policies for the schools in the district consistent with the requirements of law and statewide goals and standards established by the Board of Education.

### **School Department**

The table below details the organizational structure for the school department.

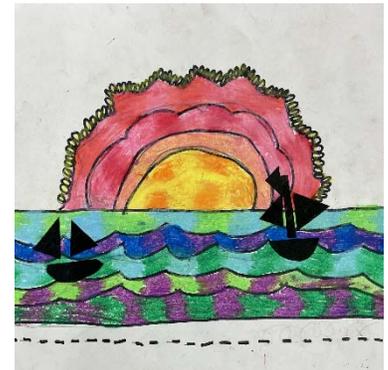
## Swampscott Public Schools Organizational Chart



### Local Funding for Education

The School Committee and Administration are appreciative of the support that the taxpayers of Swampscott provide to the schools and are mindful of the budgetary implications on the taxpayers when developing our budget proposal. We feel a strong obligation to be transparent and accountable as to how we use the resources we are provided.

In November 2019, Town Meeting Members voted to support the establishment of a Non-Resident Tuition Revolving Fund. This is a change in accounting practice. Prior to this vote the school department budget was funded predominantly by local appropriations.



The FY24 Budget will be funded by local appropriations and revenue from the Non-Resident Tuition Revolving Fund. The school department will also continue to use Federal, State and Private Grants as well as the other previously established revolving funds. As you can see from the chart below the overall budget is \$33,323,089 an increase of \$1,408,036 or 4.41%.

The total request for appropriation from the general fund is \$31,590,774.

The Nahant tuition revenue is increasing by 2.5% year over year, or \$40,178 and the special education tuition revenue from non-resident students is projected to be flat at \$85,000. The establishment of this

Non-Resident Tuition account eliminates the need to annually request Town Meeting approve the transfer of the Special Education Tuition Revenue to the school department.

**FY24 School Department Budget:**

	FY22 Approved Budget	FY23 Approved Budget	FY24 Recommended Budget	\$ Change FY23 to FY24	% Change FY23 to FY24
Town Appropriation 2% + Growth Restoration of Funds	29,376,863	29,376,863 846,054	30,222,917 783,116 584,742		
<b>General Fund Target Budget</b>	<b>29,376,863</b>	<b>30,222,917</b>	<b>31,590,774</b>	<b>1,367,858</b>	<b>4.53%</b>
Nahant Tuition	1,567,938	1,607,136	1,647,314	40,178	2.50%
SE Tuition	150,000	85,000	85,000	-	0.00%
<b>Total School Budget</b>	<b>31,094,801</b>	<b>31,915,053</b>	<b>33,323,089</b>	<b>1,408,036</b>	<b>4.41%</b>

Swampscott relies heavily on local revenue sources to fund public education, most notably, local property taxes. In 1980, a ballot initiative in Massachusetts to limit the growth of local property taxes passed. This law, referred to as Proposition 2 ½, went into effect in 1982.

Essentially, the personal property tax may not increase more than 2.5% of the prior year's levy limit, plus new growth and any overrides or exclusions. A community may vote to allow for a Proposition 2 ½ override vote to permanently increase the tax burden. Below is a table showing the sources of revenue for the Town of Swampscott for the last five years.

**Town and Tax Revenue Data**

Municipality	Fiscal Year	Tax Levy	State Aid	Local Receipts	All Other Revenue	Enterprise & CPA Funds	Total Receipts	Tax Levy as % of Total	State Aid as % of Total	Local Receipts as % of Total
Swampscott	2019	48,420,103	5,205,151	5,592,500	2,502,326	5,998,507	67,718,587	78.45%	7.69%	8.26%
Swampscott	2020	48,813,196	5,915,314	5,642,990	2,523,769	6,834,083	69,729,353	77.61%	8.48%	8.09%
Swampscott	2021	49,731,152	6,156,700	4,080,294	2,962,077	7,316,899	70,247,122	79.03%	8.76%	5.81%
Swampscott	2022	51,396,158	6,248,753	4,685,029	2,580,148	7,865,849	72,775,937	79.18%	8.59%	6.44%
Swampscott	2023	53,396,235	6,687,552	6,028,883	3,140,150	8,054,795	69,252,820	77.10%	9.66%	8.71%

Local Receipts increased by \$1,343,854 or 28.7%.

The school department budget is the largest budget of any municipal department in the Town of Swampscott. The figure below shows the breakdown of how the average tax bill for FY23 in Swampscott is budgeted to be spent. As you can see, the funding for the education of children in our district represented 45.3% of the average tax bill for FY23.

**FY23 Budgeted Expenditures and Average Tax Bill**

	Expense Budget FY23	% of Total Expenditures		FY23 Average Tax Bill \$	% of Total Expenditures
General Government	\$3,455,951	5.1%	General Government	\$491	5.1%
Community & Economic Dev	\$727,513	1.1%	Community & Economic Dev	\$103	1.1%
Public Works	\$2,037,630	3.0%	Public Works	\$290	3.0%
Public Safety	\$7,749,748	11.4%	Public Safety	\$1,102	11.4%
Health & Human Services	\$1,147,023	1.7%	Health & Human Services	\$163	1.7%
Education	\$30,821,786	45.3%	Education	\$4,381	45.3%
Employee Benefits	\$13,349,404	19.6%	Employee Benefits	\$1,897	19.6%
Debt Service	\$6,857,356	10.1%	Debt Service - Principal	\$975	10.1%
State and County Charges	\$1,863,846	2.7%	State and County Charges	\$265	2.7%
<b>Total Expenditures</b>	<b>\$68,010,257</b>		<b>Average Tax Bill</b>	<b>\$9,667</b>	

The current tax rate of the town supports educational and municipal expenditures and is set by the Town Assessor's Office, with approval by the Massachusetts Department of Revenue, on an annual basis.

In the figure below, we compare the average tax bill in Swampscott to other communities that are used as peers for benchmarking and comparison purposes for contract negotiations. As you can see from the table below, Swampscott's tax rate is 8<sup>th</sup> overall and the average tax bill is ranked 5<sup>th</sup> out of 13 peer communities.

### Average Tax Bill vs Peer Communities

Municipality	County	FY23					
		Average Single Family Value	Rank	Residential Tax Rate	Rank	Single Family Tax Bill*	Rank
Ashland	Middlesex	594,956	11	13.77	4	8,193	8
Georgetown	Essex	596,851	10	12.98	6	7,747	10
Hamilton	Essex	713,728	6	16.34	1	11,662	1
Ipswich	Essex	704,834	7	12.23	7	8,620	7
Lynnfield	Essex	899,564	2	11.30	10	10,165	4
Marblehead	Essex	1,030,466	1	10.00	13	10,305	3
Newburyport	Essex	830,521	3	10.74	12	8,920	6
North Reading	Middlesex	745,319	5	13.99	3	10,427	2
Sandwich	Barnstable	597,929	9	11.50	9	6,876	12
Seekonk	Bristol	444,168	13	13.11	5	5,823	13
Stoneham	Middlesex	655,919	8	11.10	11	7,281	11
<b>Swampscott</b>	<b>Essex</b>	<b>824,245</b>	<b>4</b>	<b>11.74</b>	<b>8</b>	<b>9,677</b>	<b>5</b>
Tewksbury	Middlesex	553,132	12	14.10	2	7,799	9

### Per Pupil Spending

Educating children is a labor-intensive enterprise. Our school district spends 83% of the funding it receives on salaries. The remainder is spent on such items as instructional supplies, materials, and equipment; technology; out-of-district tuition and transportation; energy and utilities; and building repair and maintenance.

Each year the district files an End Of Year Report (EOYR) with DESE.

Swampscott's average per pupil expenditure (PPE) for in district students for FY21 was \$17,748. The table below provides detail how the district allocated funds by DESE Category. As you would expect the majority of funds are spent on teacher salaries, 40.9%

**FY21 Per Pupil Spending by Category**

Description	General Fund	Grants and Revolving	Total Expenditures	\$ Per Pupil	Function as % of In-District Exp.
Administration	\$1,502,838	\$19,452	\$1,522,290	\$722	4.1%
Instructional Leadership	\$2,307,135	\$166,348	\$2,473,483	\$1,173	6.6%
Teachers	\$13,484,045	\$1,842,126	\$15,326,171	\$7,266	40.9%
Other Teaching Services	\$3,306,984	\$174,547	\$3,481,531	\$1,650	9.3%
Professional Development	\$43,783	\$102,780	\$146,563	\$69	0.4%
Instruct'l Materials, Equipment/Technology	\$385,103	\$537,449	\$922,552	\$437	2.5%
Guidance, Counseling, and Testing	\$1,275,441	\$39,182	\$1,314,623	\$623	3.5%
Pupil Services	\$1,374,887	\$738,875	\$2,113,762	\$1,002	5.6%
Operations and Maintenance	\$2,847,329	\$577,982	\$3,425,311	\$1,624	9.1%
Benefits and Fixed Charges	\$6,697,747	\$14,029	\$6,711,776	\$3,182	17.9%
<b>Total In-District Expenditures</b>	<b>\$33,225,292</b>	<b>\$4,212,770</b>	<b>\$37,438,062</b>	<b>\$17,748</b>	
Total Out-of-District Expenditures	\$3,110,743	\$1,399,409	\$4,510,152		
<b>Total Expenditures</b>	<b>\$36,336,035</b>	<b>\$5,612,179</b>	<b>\$41,948,214</b>	<b>\$18,978</b>	

The overall In-District per pupil expenditure decreased from FY19 to FY20 by 1.75% or \$287. This decrease is a function of the pandemic. We ceased in person teaching and learning on March 12, 2020 and finished the year remotely. There were also some changes to expense reporting by category. The per pupil expenditure increased from FY20 to FY21 by \$1,608 or 9.9%. Funding increased during this time period due the infusion of federal pandemic grants to aid schools during these unprecedented times.

We continue to review our existing chart of accounts and make improvements to report expenditures in line with the DESE Function Codes (see Appendix B).

**Trend of Per Pupil Spending by Category**

Description	2018		2019		2020		2021	
	\$ Per In-District Pupil	% Share of In-District	\$ Per In-District Pupil	% Share of In-District	\$ Per In-District Pupil	% Share of In-District	\$ Per In-District Pupil	% Share of In-District
Administration	\$691	4.3%	\$585	3.6%	\$715	4.4%	\$722	4.1%
Instructional Leadership	\$923	5.8%	\$795	4.8%	\$995	6.2%	\$1,173	6.6%
Teachers	\$6,637	41.6%	\$6,839	41.6%	\$6,758	41.9%	\$7,266	40.9%
Other Teaching Services	\$1,651	10.4%	\$1,765	10.7%	\$1,701	10.5%	\$1,650	9.3%
Professional Development	\$57	0.4%	\$80	0.5%	\$88	0.5%	\$69	0.4%
Instructional Materials, Equipment and Technology	\$182	1.1%	\$182	1.1%	\$153	1.0%	\$437	2.5%
Guidance, Counseling and Testing	\$500	3.1%	\$493	3.0%	\$547	3.4%	\$623	3.5%
Pupil Services	\$1,093	6.9%	\$1,141	6.9%	\$1,042	6.5%	\$1,002	5.6%
Operations and Maintenance	\$1,505	9.4%	\$1,548	9.4%	\$1,212	7.5%	\$1,624	9.1%
Insurance, Retirement Programs and Other	\$2,701	16.9%	\$2,999	18.3%	\$2,927	18.1%	\$3,182	17.9%
<b>In-District Per Pupil Expenditure</b>	<b>\$15,940</b>		<b>\$16,427</b>		<b>\$16,140</b>		<b>\$17,748</b>	
<b>Total Per Pupil Expenditures</b>	<b>\$16,876</b>		<b>\$17,435</b>		<b>\$17,321</b>		<b>\$18,978</b>	

## General Education

Overall, total enrollment has been slowly declining since 07-08. Swampscott Public Schools, like many districts in the Commonwealth, experienced an enrollment decline as a result of the pandemic. Our decline in K-12 from October 1, 2019 to October 1, 2022 is 182 students or 8.2%. Some of this swing is a function of a small SY21 kindergarten cohort (136 students) and large SY21 senior class (191 students). More families opted for home-schooling or in-state private schools.

Enrollment is presented in two different charts/formats for ease of comparison.

### Enrollment Trends by School

Enrollment as of Oct 1st	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
PreK	52	39	56	64	56	60	54	55	58	56	60	59	40	54	61
Clarke	218	226	228	227	230	227	209	201	206	197	213	213	214	206	205
Hadley	249	254	281	274	290	299	292	285	297	286	321	324	295	292	350
Stanley/Blaney	307	305	297	285	296	300	294	293	278	296	239	241	222	208	161
Swampscott Middle	703	662	668	686	679	685	722	715	715	697	672	678	661	628	618
Swampscott High	750	770	743	741	732	722	679	700	677	675	707	703	700	653	641
<b>Total Enrollment</b>	<b>2,279</b>	<b>2,256</b>	<b>2,273</b>	<b>2,277</b>	<b>2,283</b>	<b>2,293</b>	<b>2,250</b>	<b>2,249</b>	<b>2,231</b>	<b>2,207</b>	<b>2,212</b>	<b>2,218</b>	<b>2,132</b>	<b>2,041</b>	<b>2,036</b>
<b>% Change</b>	<b>-3.7%</b>	<b>-1.0%</b>	<b>0.8%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>0.4%</b>	<b>-1.9%</b>	<b>0.0%</b>	<b>-0.8%</b>	<b>-1.1%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>-3.9%</b>	<b>-4.3%</b>	<b>-0.2%</b>

There was an increase in enrollment in our PreK program of 7 students or a 12.9% increase from SY22. Our PreK is back to pre-pandemic enrollment. Our K-12 saw a decline of 12 students or 0.6%. Enrollment gains at the elementary level, 10 students, were offset by losses at the middle school and high school, 10 and 12 students respectively.

### Enrollment Trends by Grade Level

School Year	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	SP	Total District
2007-08	56	139	153	162	172	153	161	171	210	190	164	217	196	223	-	2,367
2008-09	52	145	139	171	157	162	145	156	192	210	186	163	206	195	-	2,279
2009-10	39	187	142	133	163	160	158	140	176	188	206	189	160	211	4	2,256
2010-11	56	158	167	171	140	170	157	163	173	175	193	196	190	161	3	2,273
2011-12	64	145	161	168	171	141	163	158	192	173	153	197	205	183	3	2,277
2012-13	56	150	146	162	183	175	143	167	182	187	172	157	198	203	2	2,283
2013-14	60	161	154	160	163	188	172	141	195	177	188	177	153	202	2	2,293
2014-15	54	148	165	158	158	165	192	171	160	199	163	184	177	155	1	2,250
2015-16	55	145	148	167	157	161	168	192	191	164	182	163	194	161	1	2,249
2016-17	58	146	154	151	169	161	152	161	205	197	153	174	162	186	2	2,231
2017-18	64	145	161	168	171	141	163	158	192	173	153	197	205	183	3	2,207
2018-19	60	155	153	148	167	150	158	167	173	174	183	186	161	176	1	2,212
2019-20	59	162	155	153	157	151	154	160	188	176	158	193	183	168	1	2,218
2020-21	40	131	157	147	150	146	152	153	172	184	161	156	191	191	1	2,132
2021-22	54	148	141	148	142	127	136	154	164	174	151	154	154	189	5	2,041
2021-22	61	160	151	134	147	124	135	137	176	170	169	159	155	153	5	2,036
<b>Change</b>	<b>7</b>	<b>12</b>	<b>10</b>	<b>(14)</b>	<b>5</b>	<b>(3)</b>	<b>(1)</b>	<b>(17)</b>	<b>12</b>	<b>(4)</b>	<b>18</b>	<b>5</b>	<b>1</b>	<b>(36)</b>	<b>-</b>	<b>(5)</b>

## Special Education

Special education expenses present a unique challenge to school districts due to their variability and lack of predictability. Our goal is always to provide the highest quality services to students and to provide those within the district.

The figure below shows the number of students in each of the programs in the current school year. Descriptions of each program can be found in the Special Education Cost Center section of this document.

There have been a few opportunities where the district has excess capacity in a program. When this occurs we are able to enroll students from other districts and charge the sending district for tuition. These funds are deposited to a revolving fund and are used to offset the fixed costs for the program.

### Enrollment in our In District Special Education Programs

Program	PreK	K	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	Gr 9	Gr 10	Gr 11	Gr 12	Post Grad	Total
Inclusion (PreK, Clarke, Hadley)	16	16	14	8	4	3					1	1		1		64
Strive (PreK, Stanley)																0
Discovery Learning Ctr (PreK, Stanley, MS, HS)	5	2		3	2			2	2		4	4	4	2		30
Learning Academy (Hadley)				1	2	1										4
SOAR - Stanley					2	2										4
Lang. Based Learning Ctr (Clarke/MS/HS)						3	1	3	2	4	5	4	5			27
Learning Center (Clarke/MS)				4		2	5	2	3	2						18
SAIL - MS							9	10	2							21
Harbor (MS and HS)									3		6		8	4		21
TASK (HS)/CO-Taught (Clarke/MS/HS)							20	17	27	26	18	22	17	18		165
Transition Program/MACEI															8	8
Resource Room Services (all schools)				6	16	19										41
Services Only	1	1	3	2	1											8
<b>Total Enrollment</b>	<b>22</b>	<b>19</b>	<b>17</b>	<b>24</b>	<b>27</b>	<b>30</b>	<b>35</b>	<b>34</b>	<b>39</b>	<b>32</b>	<b>34</b>	<b>31</b>	<b>34</b>	<b>25</b>	<b>8</b>	<b>411</b>

When we are unable to provide the necessary services for a child to be able to make effective progress, then it becomes necessary to place the child in an out of district program. In that case, the district is responsible for the tuition and transportation expenses for that child. Depending upon the placement, out-of-district tuition can range from a low of \$55,000 to a high of over \$350,000 for a private residential placement. The figure below details the number of students in the district with disabilities.

### Trend of Special Education, Students on IEP's and OOD Placements

Students with Disabilities		
Year	# of Students	% Percentage
2013-14	332	14.3%
2014-15	341	15.0%
2015-16	323	14.2%
2016-17	329	14.6%
2017-18	367	16.4%
2018-19	392	17.5%
2019-20	403	17.9%
2020-21	374	17.5%
2021-22	408	20.0%
2022-23	443	21.4%

Much of the financial support that the district receives from state and federal grants and reimbursement programs (e.g. Title I, school nutrition reimbursements, or circuit breaker) is driven by enrollments of certain populations of students. These groups often need additional services beyond the general education classroom. These populations include students receiving special education services, students whose first language is not English or who have limited proficiency in English, or economically challenged students. The figures below show enrollment for these subgroups in our district.

### Enrollment Trends for Other High Needs Populations

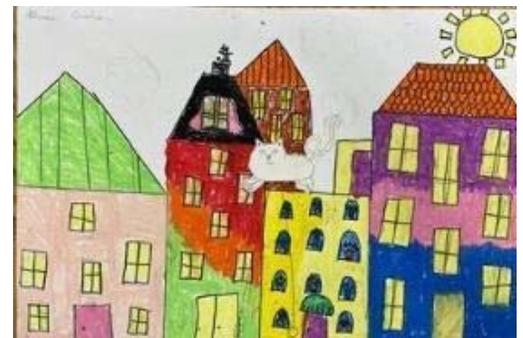
	First Language Not English		English Language Learner		Students With Disabilities		High Needs		Economically Disadvantaged	
	#	%	#	%	#	%	#	%	#	%
2012-13	138	6.0	69	3.0	303	13.1	634	27.5	348	15.2
2013-14	155	6.8	83	3.6	332	14.3	654	28.0	352	15.4
2014-15	170	7.6	73	3.2	341	15.0	621	27.3	260	11.6
2015-16	189	8.4	71	3.2	323	14.2	639	28.1	302	13.4
2016-17	225	10.1	90	4.0	329	14.6	648	28.7	315	14.1
2017-18	219	9.9	87	3.9	367	16.4	676	30.2	324	14.7
2018-19	269	12.2	121	5.5	392	17.5	738	33.0	330	14.9
2019-20	304	13.7	124	5.6	403	17.9	764	34.0	355	16.0
2020-21	328	15.4	130	6.1	374	17.5	765	35.9	411	19.3
2021-22	318	15.6	108	5.3	408	20.0	823	40.3	498	24.4
2022-23	321	15.8	112	5.5	443	21.4	815	39.4	421	20.7

### Financial Section

The Superintendent’s Recommended Budget is organized into five Cost Centers, representing the high level program categories that comprise the District Budget. These include Administration, General Education, Special Education, School Facilities, and Other District Programs which includes Health Services, Athletics, Extracurricular Activities, and District-wide Technology.

The School Committee adopted the Cost Center approach effective with the FY2020 budget approval. These cost centers were established by a vote of the School Committee. In accordance with that vote, the Administration is authorized to transfer funds within any cost center. The Administration must, however, obtain approval of the Committee to transfer funds between Cost Centers.

The table below shows the overall increase to the FY24 Superintendent’s Recommended Budget is 4.41% over FY22 Budget, an increase of \$1,408,035.



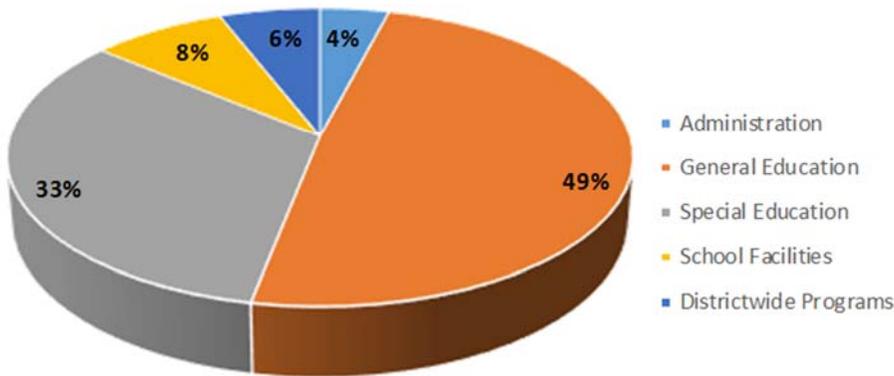
**School Expenditures by Cost Center**

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended 2/2/23 Budget FY24	\$ Change	% Change
Administration	1,248,043	1,317,516	1,185,249	1,323,877	853,673	(470,204)	-35.52%
General Education	15,184,474	15,593,833	16,050,862	16,254,790	16,834,774	579,984	3.57%
Special Education	9,581,981	9,512,976	9,694,203	10,194,821	10,991,033	796,211	7.81%
School Facilities	1,990,097	2,382,517	2,547,237	2,491,195	2,659,294	168,099	6.75%
Districtwide Programs	1,486,623	1,584,974	1,571,789	1,650,370	1,984,315	333,945	20.23%
<b>Grand Total</b>	<b>29,491,216</b>	<b>30,391,817</b>	<b>31,049,340</b>	<b>31,915,054</b>	<b>33,323,089</b>	<b>1,408,035</b>	<b>4.41%</b>

The table below shows the cost centers as a percentage of the total budget. The largest cost center is General Education at 49% followed by Special Education at 33%. Administration, School Facilities and Districtwide Programs combine for 18.0%.

**Cost Centers as Percentage of Total Proposed Budget**

**Recommended FY24 Budget**



There are DESE requirements for expenditure data reporting. Each school district reports the following expenditures as required in the annual End-of-Year Financial Report in accordance with M.G.L. c. 72, s.3.

Below is information from DESE Category regarding expenditure categories:

**DESE Object Code Expenditures**

*This section defines the category of goods or services purchased under the functional categories defined above.*

**Salaries Professional** - The full-time, part-time and prorated portions of payments to personnel services of a professional nature rendered to an education plan. Categories included as professionals are Superintendents, Principals, Supervisors, Teachers, Librarians, Counselors, Psychologists and other professional educators.

**Salaries Secretarial and Clerical** - Payments for a grouping of assignments to perform the activities of preparing, transferring, transcribing, systematizing or preserving communications, records and transactions, regardless of the level of skills required.

**Salaries Other** - Payment for a grouping of assignments regardless of level of difficulty that relate to supportive services. Included as other salaries: Custodians, Aides, Substitutes, Paraprofessional, Food Service Personnel, School Bus Drivers, CrossWalk Guards and other classified salaries not identified as professional, secretarial and clerical.

**Contract Services** - Payments for services rendered by personnel who are not on the payroll and are not regular employees, including all related expenses covered by the contract.

**Supplies and Materials** - Materials and items of an expendable nature that is consumed, worn out or deteriorated in use, loses its identity through fabrication or incorporation into a different or more complex unit or substance

**Other Expenditures** - Expenditures not chargeable to another object code, such as dues, subscriptions and travel for staff as well as food, coal, fuel oil, gas, steam, wood, file servers.

**Expenditures by Cost Center and DESE Category**

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
<b>Administration</b>							
Professional Salaries	518,846	499,029	520,690	572,917	599,173	26,256	4.58%
Clerical Salaries	412,194	409,685	400,120	459,576	440,319	(19,257)	-4.19%
Other Salaries	13,884	13,884	13,884	13,884	13,884	-	0.00%
Contracted Services	45,302	101,182	81,023	52,000	(448,000)	(500,000)	-961.54%
Supplies and Materials	45,965	36,990	61,011	58,500	58,500	-	0.00%
Other Expenses	211,852	256,746	108,521	167,000	189,797	22,797	13.65%
<b>Administration Total</b>	<b>1,248,043</b>	<b>1,317,516</b>	<b>1,185,249</b>	<b>1,323,877</b>	<b>853,673</b>	<b>(470,204)</b>	<b>-35.52%</b>
<b>General Education</b>							
Professional Salaries	13,798,381	14,251,869	14,638,365	14,664,682	15,159,383	494,701	3.37%
Clerical Salaries	498,857	484,820	504,132	484,954	504,755	19,801	4.08%
Other Salaries	548,323	400,999	414,004	635,147	681,185	46,038	7.25%
Contracted Services	117,782	157,042	183,299	125,600	129,344	3,744	2.98%
Supplies and Materials	207,083	131,924	236,361	264,264	273,963	9,699	3.67%
Other Expenses	14,048	167,179	74,701	80,143	86,143	6,000	7.49%
<b>General Education Total</b>	<b>15,184,474</b>	<b>15,593,833</b>	<b>16,050,862</b>	<b>16,254,790</b>	<b>16,834,774</b>	<b>579,984</b>	<b>3.57%</b>
<b>Special Education</b>							
Professional Salaries	4,513,626	4,670,717	5,061,477	5,543,318	6,063,729	520,411	9.39%
Clerical Salaries	110,152	104,075	104,794	57,366	58,508	1,142	1.99%
Other Salaries	1,409,033	1,641,568	1,782,586	1,686,489	1,856,670	170,181	10.09%
Contracted Services	3,495,806	3,048,859	2,686,779	2,840,648	2,945,125	104,477	3.68%
Supplies and Materials	49,849	45,558	55,228	52,000	52,000	-	0.00%
Other Expenses	3,515	2,200	3,340	15,000	15,000	-	0.00%
<b>Special Education Total</b>	<b>9,581,981</b>	<b>9,512,976</b>	<b>9,694,203</b>	<b>10,194,821</b>	<b>10,991,033</b>	<b>796,211</b>	<b>7.81%</b>
<b>School Facilities</b>							
Professional Salaries	181,333	253,737	256,300	325,739	281,674	(44,065)	-13.53%
Other Salaries	702,985	736,158	727,733	738,512	688,820	(49,692)	-6.73%
Contracted Services	402,912	482,854	655,113	609,000	736,500	127,500	20.94%
Supplies and Materials	75,197	46,169	71,675	80,000	90,000	10,000	12.50%
Other Expenses	627,669	863,598	836,415	737,944	862,300	124,356	16.85%
<b>School Facilities Total</b>	<b>1,990,097</b>	<b>2,382,517</b>	<b>2,547,237</b>	<b>2,491,195</b>	<b>2,659,294</b>	<b>168,099</b>	<b>6.75%</b>
<b>Districtwide Programs</b>							
Professional Salaries	789,930	866,691	853,917	832,195	940,609	108,414	13.03%
Clerical Salaries	55,751	56,540	49,626	59,016	60,158	1,142	1.94%
Other Salaries	429,944	458,540	508,348	558,459	586,328	27,869	4.99%
Contracted Services		6,500	(1,050)	3,600	3,600	-	0.00%
Supplies and Materials	6,962	10,158	14,042	10,500	9,500	(1,000)	-9.52%
Other Expenses	204,036	186,545	146,906	186,600	384,120	197,520	105.85%
<b>Districtwide Programs Total</b>	<b>1,486,623</b>	<b>1,584,974</b>	<b>1,571,789</b>	<b>1,650,370</b>	<b>1,984,315</b>	<b>333,945</b>	<b>20.23%</b>
<b>Grand Total</b>	<b>29,491,216</b>	<b>30,391,817</b>	<b>31,049,340</b>	<b>31,915,054</b>	<b>33,323,089</b>	<b>1,408,035</b>	<b>4.41%</b>

# Cost Center Budgets

## Administration

The Administration Cost Center contains salary and expenses for central office personnel, non-employee insurance, unemployment, and professional development for leadership and districtwide initiatives. The FY24 Budget also contains a \$500,000 salary reduction placeholder which is driving the decrease of \$470,204, or -35.52%.

### Administrative Cost Center

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
<b>Administration</b>							
Professional Salaries	518,846	499,029	520,690	572,917	599,173	26,256	4.58%
Clerical Salaries	412,194	409,685	400,120	459,576	440,319	(19,257)	-4.19%
Other Salaries	13,884	13,884	13,884	13,884	13,884	-	0.00%
Contracted Services	45,302	101,182	81,023	52,000	(448,000)	(500,000)	-961.54%
Supplies and Materials	45,965	36,990	61,011	58,500	58,500	-	0.00%
Other Expenses	211,852	256,746	108,521	167,000	189,797	22,797	13.65%
<b>Administration Total</b>	<b>1,248,043</b>	<b>1,317,516</b>	<b>1,185,249</b>	<b>1,323,877</b>	<b>853,673</b>	<b>(470,204)</b>	<b>-35.52%</b>

The budget funds all salary and benefit obligations to employees per the collective bargaining agreements and assumes a cost of living increase for non-represented employees. Clerical salaries reflect salary savings from turnover. Contracted Services has a placeholder reduction of \$500,000. Other expenses have a reduction to the School Committee budget line which is offset by an increase to unemployment expenses.

### Administrative Cost Center by DESE Function Code Detail

DESE	Description	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
1110	School Committee	13,299	17,504	7,780	18,550	9,550	(9,000)	-48.5%
1210	Superintendent	395,026	398,979	401,858	410,882	406,913	(3,969)	-1.0%
1230	Other District-Wide Administration	122,793	2,704	2,203	-	-	-	0.0%
1410	Business and Finance	358,900	318,744	325,756	365,638	336,610	(29,028)	-7.9%
1420	Human Resources and Benefits	93,991	67,907	70,424	112,500	145,063	32,563	28.9%
1430	Legal Service for School Committee	43,302	56,182	71,910	45,000	45,000	-	0.0%
1450	Administrative Technology— Districtwide	4,149	-	504	5,000	5,000	-	0.0%
2110	Curriculum Directors (Supervisory)	1,347	181,529	184,236	201,423	208,856	7,433	3.7%
2220	Department Heads (Non-Supervisory)	13,884	13,884	13,884	13,884	13,884	-	0.0%
2351	Professional Development Leadership	33,808	4,798	12,433	25,000	25,000	-	0.0%
2357	Professional Development	10,299	2,845	8,789	20,000	20,000	-	0.0%
3400	Food Services	-	85,502	-	-	-	-	0.0%
5000	Employer Retirement Contributions	59,925	49,940	50,400	60,000	60,000	-	0.0%
5150	Separation	-	17,000	7,373	-	(500,000)	(500,000)	0.0%
5200	Other Non-Employee Insurance	15,586	15,551	15,088	16,000	16,000	-	0.0%
5260	Other Non-Employee Insurance	19,196	84,448	12,610	30,000	61,797	31,797	106.0%
7300	Equipment	62,540	-	-	-	-	-	0.0%
<b>TOTAL EXPENDITURES</b>		<b>1,248,043</b>	<b>1,317,516</b>	<b>1,185,249</b>	<b>1,323,877</b>	<b>853,673</b>	<b>(470,204)</b>	<b>-35.5%</b>

As you can see from the previous chart, most lines have been level funded within the prior year.

Significant changes:

1110 – Reduced by \$9,000 as the School Building Project is in the construction phase.

1410 – Eliminated .50FTE Payroll Coordinator to fund .50 FTE Human Resources Coordinator position.

1420 – Added a .50 FTE Human Resources Coordinator.

5150 – Separation Costs, this is a placeholder for planned salary reductions.

5260 – Restore reduction in the amount budgeted for unemployment based on historical trends

## General Education

The General Education Cost Center Budget contains salary and expenses associated with the general education programs grades K-12. The budget funds all salary and benefit obligations to employees per the collective bargaining agreements and assumes a cost of living increase for non-represented employees.

Overall costs are increasing by 3.57% or \$579,984. The increase is largely a function of increased costs for professional staff. This is a function of 48 staff eligible for step increases and budgeted lance changes.

Clerical Salaries increase is a function of step and COLA increases.

Other Salaries increase is a function of positions that were eliminated in the FY23 Budget that were restored in FY24.

Contracted Services increase is the contracted 4% increase with our Transportation provider, NRT.

### General Education Cost Center

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
<b>General Education</b>						-	
Professional Salaries	13,798,381	14,251,869	14,638,365	14,664,682	15,159,383	494,701	3.37%
Clerical Salaries	498,857	484,820	504,132	484,954	504,755	19,801	4.08%
Other Salaries	548,323	400,999	414,004	635,147	681,185	46,038	7.25%
Contracted Services	117,782	157,042	183,299	125,600	129,344	3,744	2.98%
Supplies and Materials	207,083	131,924	236,361	264,264	273,963	9,699	3.67%
Other Expenses	14,048	167,179	74,701	80,143	86,143	6,000	7.49%
<b>General Education Total</b>	<b>15,184,474</b>	<b>15,593,833</b>	<b>16,050,862</b>	<b>16,254,790</b>	<b>16,834,774</b>	<b>579,984</b>	<b>3.57%</b>

The following chart provides detailed expenses by DESE Function Code.

**General Education Cost Center by DESE Function Code Detail**

DESE Description	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
2120 Department Heads (Non-Supervisory)		105,743	174,001	239,146	243,251	4,105	1.7%
2210 School Leadership	1,287,357	1,314,760	1,373,245	1,372,686	1,413,401	40,714	3.0%
2220 Department Heads (Non-Supervisory)	114,273	111,113	99,573	119,098	119,098	-	0.0%
2305 Teachers, Classroom	12,265,709	12,536,400	12,825,443	12,802,221	13,215,078	412,857	3.2%
2315 Team Leaders	33,698	34,524	32,498	28,098	28,098	-	0.0%
2325 Substitute Teachers, Short-Term	229,361	200,420	211,306	445,295	425,764	(19,531)	-4.4%
2330 Paraprofessionals	193,363	145,581	116,016	79,068	139,638	60,570	76.6%
2357 Professional Development	67,779	29,640	50,084	48,500	53,500	5,000	10.3%
2410 Textbooks	14,614	9,170	51,598	52,214	51,963	(251)	-0.5%
2415 Other Instructional Materials (Libraries)	18,084	15,958	16,262	11,250	21,200	9,950	88.4%
2420 Instructional Equipment	19,095	12,062	3,295	5,400	5,400	-	0.0%
2430 General Classroom Supplies	136,428	83,907	129,002	167,900	167,900	-	0.0%
2440 Other Instructional Services		52,574	13,965	12,000	12,000	-	0.0%
2451 Inst'l Hardware— Student/Staff Devices (Computers)	1,529	144,816	732	-	-	-	0.0%
2455 Instr'l Software/Other Instr'l Materials		7,311	47,972	64,643	64,643	-	0.0%
2710 Guidance and Adjustment Counselors	606,991	644,666	655,822	611,888	674,713	62,825	0.0%
2720 Testing and Assessment	4,489	4,544	12,226	6,000	6,000	-	0.0%
3300 Transportation Services	117,476	104,161	169,334	113,600	117,344	3,744	3.3%
3520 Other Student Activities	74,228	36,485	68,489	75,784	75,784	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>15,184,474</b>	<b>15,593,833</b>	<b>16,050,862</b>	<b>16,254,790</b>	<b>16,834,774</b>	<b>579,984</b>	<b>3.6%</b>

2305 – Lane changes (48 staff), step increases, and COLA increase

2325 – FY23 Supplemental building-based sub positions were not carried into FY24

2330 – Positions that were eliminated as part of the FY23 Budget process were restored in FY24

2710 – Guidance position funded by ESSER II was added to the operating budget

3300 – Contracted increase with our transportation provider.

**Special Education**

The Special Education Cost Center Budget contains salary and expenses needed to provide special education and related services to our students on Individual Education Plans (IEP). This cost center includes out of district tuition and special education transportation for both in-district and out of district students. The budget funds all salary and benefit obligations to employees per the collective bargaining agreements and assumes a cost of living increase for non-represented employees.

This year the District faced unprecedented increases in our Out-of-District tuitions. This is a rate that is set at the state level by the Operational Services Division. In a typical year we received increases of 2.5%-3.0%, this year our rates are increasing by 14%, which results in a budget impact of approximately \$310,000. In addition our collaborative tuitions that typically rise 2%-3% are also going up 5%. This has a large impact on the operating budget and is not causing budget pressures just in Swampscott, but across the State.

Overall costs are increasing by 7.8% or \$796,211. Professional salaries increase is a function of 31 staff eligible for step increases and COLA. There were also a number of supplemental positions requested in FY23 that will remain in place in FY24.

Other Salaries increase is a function of supplemental positions in FY23 to support students on IEP. These positions will carry into FY24.

Contracted Services decrease is a function of a reduction to purchased services (\$31K) which is offset by increases to transportation, \$55K, an increase in tuition expense which is being offset by a strategic use of circuit breaker funds to balance the budget.

**Special Education Cost Center**

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
<b>Special Education</b>						-	
Professional Salaries	4,513,626	4,670,717	5,061,477	5,543,318	6,063,729	520,411	9.39%
Clerical Salaries	110,152	104,075	104,794	57,366	58,508	1,142	1.99%
Other Salaries	1,409,033	1,641,568	1,782,586	1,686,489	1,856,670	170,181	10.09%
Contracted Services	3,495,806	3,048,859	2,686,779	2,840,648	2,945,125	104,477	3.68%
Supplies and Materials	49,849	45,558	55,228	52,000	52,000	-	0.00%
Other Expenses	3,515	2,200	3,340	15,000	15,000	-	0.00%
<b>Special Education Total</b>	<b>9,581,981</b>	<b>9,512,976</b>	<b>9,694,203</b>	<b>10,194,821</b>	<b>10,991,033</b>	<b>796,211</b>	<b>7.81%</b>

The following chart provides detailed expenses by DESE Function Code.

**Special Education Cost Center by DESE Function Code Detail**

DESE Description	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
1430 Legal Service for Special Education	130,940	33,694	20,804	55,000	55,000	-	0.0%
2110 Curriculum Directors (Supervisory)	252,245	245,020	255,810	324,766	333,480	8,714	2.7%
2305 Teachers, Classroom	3,210,753	3,520,292	3,683,033	3,880,928	4,326,242	445,313	11.5%
2315 Team Leaders	20,945	18,576	60,254	17,880	17,880	-	0.0%
2320 Medical/ Therapeutic Services	921,818	944,416	937,007	948,637	937,563	(11,074)	-1.2%
2330 Paraprofessionals	1,407,486	1,632,669	1,778,339	1,674,489	1,844,670	170,181	10.2%
2415 Other Inst'l Materials (Libraries)	37,038	39,681	42,491	40,000	40,000	-	0.0%
2420 Instructional Equipment	5,366	-	-	2,000	2,000	-	0.0%
2430 General Classroom Supplies	552	952	3,160	-	-	-	0.0%
2451 Instr'l Hardware—Student/Staff Devices (Computers)	3,515	2,200	3,340	15,000	15,000	-	0.0%
2800 Psychological Services	602,511	626,249	745,745	859,373	906,571	47,198	5.5%
3300 Transportation Services	602,008	393,120	488,155	682,444	737,968	55,523	8.1%
9100 Tuition to Mass. Schools	45,152	114,117	133,048	53,860	62,321	8,461	15.7%
9300 Tuition to Non-Public Schools	2,486,650	2,232,678	2,486,169	3,032,070	3,142,146	110,076	3.6%
9400 Tuition to Collaboratives	467,747	533,905	757,803	788,582	918,405	129,823	16.5%
Circuit Breaker Offset	(612,745)	(824,591)	(1,047,921)	(1,602,208)	(1,770,215)	(168,007)	10.5%
IDEA Grant Offset			(653,034)	(578,000)	(578,000)	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>9,581,981</b>	<b>9,512,976</b>	<b>9,694,203</b>	<b>10,194,821</b>	<b>10,991,033</b>	<b>796,211</b>	<b>7.8%</b>

2305 – Impact of 31 staff eligible for steps, COLA, and requested incremental teaching positions

2320 – Decrease of \$31K in contracted services offset by step and COLA increases for OT/PT/Speech staff

2330 – Increase in the number of support staff

2800 – Four staff has both step and cola increases

3300 – Contracted increase and change in placements account for the increase in transportation

9100, 9300 and 9400 - Variance a function of students aging out and changes in placement, move in’s and move outs

9300 – Circuit Breaker and IDEA Grant funds supporting the costs associated with OOD

Circuit Breaker is the state special education reimbursement program. Started in FY04 to provide additional state funding to districts for high-cost special education students. The threshold for eligibility is tied to four times the state average foundation budget per pupil as calculated under the chapter 70 program, with the state paying a percent of the costs above that threshold. Districts are allowed to carry forward their full award to the next fiscal year. Swampscott has benefited from the practice which allows for budget certainty.

The table below provides detail on past and projected Circuit Breaker awards and usage. As you can see, we no longer have the full carryforward amount and are using current year award to help offset the rising costs of special education.

**Circuit Breaker Trend Data**

Circuit Breaker Over Time - FY24 Budget					
Fiscal Year	FY20	FY21	FY22	FY23 Budget	FY24
<i>Carry Forward Award Balance</i>	<i>612,745</i>	<i>821,830</i>	<i>1,007,262</i>	<i>1,196,112</i>	<i>1,034,472</i>
<b>Circuit Breaker Award</b>	<b>821,830</b>	<b>1,010,023</b>	<b>1,236,771</b>	<b>1,440,568</b>	<b>1,538,000</b> *
Circuit Breaker Expense/Budget	(612,745)	(824,591)	(1,010,023)	<b>(1,236,771)</b>	<b>(1,034,472)</b>
Strategic Use of Circuit Breaker Funds			(37,898)	(365,437)	(735,743)
<b>Total Circuit Breaker Expense</b>	<b>(612,745)</b>	<b>(824,591)</b>	<b>(1,047,921)</b>	<b>(1,602,208)</b>	<b>(1,770,215)</b>
<b>Ending Circuit Breaker Balance</b>	<b>821,830</b>	<b>1,007,262</b>	<b>1,196,112</b>	<b>1,034,472</b>	<b>802,257</b>

\* Estimated FY23 Circuit Breaker Claim (Award) is estimated at \$1,538,000. This will be paid in FY24

It is important to note that the circuit breaker program helps offset the cost of special education tuition expenses. The current budget growth does keep pace with the expense growth associated with out of district placements. Our tuition budget is developed based on current (known) placements. We used 14% as an escalation factor as the Operations Services Division (OSD) has approved a rate increase for private school tuition.

**Special Education Programs and Services**

Swampscott Public Schools offers a number of in-district programs starting with an integrated Pre School and ending with a Transition Program for Young Adults. These programs support our students on IEP’s. This section includes more detailed information about each of our in-district programs.

There have been a few opportunities where the district has excess capacity in a program. When this occurs we are able to enroll students from other districts and charge the sending district for tuition. These funds are deposited to a revolving fund and are used to offset the fixed costs for the program.

### Enrollment in In-District Special Education Programs

Program	PreK	K	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	Gr 9	Gr 10	Gr 11	Gr 12	Post Grad	Total
Inclusion (PreK, Clarke, Hadley)	16	16	14	8	4	3					1	1		1		64
Strive (PreK, Stanley)																0
Discovery Learning Ctr (PreK, Stanley, MS, HS)	5	2		3	2			2	2		4	4	4	2		30
Learning Academy (Hadley)				1	2	1										4
SOAR - Stanley					2	2										4
Lang. Based Learning Ctr (Clarke/MS/HS)						3	1	3	2	4	5	4	5			27
Learning Center (Clarke/MS)				4		2	5	2	3	2						18
SAIL - MS							9	10	2							21
Harbor (MS and HS)									3		6		8	4		21
TASK (HS)/CO-Taught (Clarke/MS/HS)							20	17	27	26	18	22	17	18		165
Transition Program/MACEI															8	8
Resource Room Services (all schools)				6	16	19										41
Services Only	1	1	3	2	1											8
<b>Total Enrollment</b>	<b>22</b>	<b>19</b>	<b>17</b>	<b>24</b>	<b>27</b>	<b>30</b>	<b>35</b>	<b>34</b>	<b>39</b>	<b>32</b>	<b>34</b>	<b>31</b>	<b>34</b>	<b>25</b>	<b>8</b>	<b>411</b>

### Integrated Preschool Integrated Preschool

The Integrated Preschool is designed to provide our youngest learners with an educational environment specially designed to meet the developmental needs of 3-5 year olds. Our integrated preschool program meets the needs of not only our students with disabilities, but also the learning needs of children with a typically developing profile. Our preschool program consists of six classes of preschoolers with not only typically developing skills, but also a range of disabilities including developmental delays and autism spectrum disorder. Students are referred from early intervention, parents, private preschools, as well as other sources who contact us through our child find search. The integrated preschool program has two substantially separate programs and is designed to meet the needs of students who need an intensive approach to their education, including a smaller group setting and opportunities for more individualized instruction.

### The Language Based Learning Center, Grades 2-4, Clarke Elementary School

The Language Based Learning Center is a highly structured classroom for students identified with a language based learning disability. Students may also have additional disabilities which impact learning. Students receive a daily small group or individual reading tutorial and instruction in English language arts and mathematics with an emphasis on individualized programming, skill building and direct teaching using a multisensory, sequential, and systematic approach. Students in the Language Based Learning Center may receive direct services from the speech and language pathologist based on individualized needs. The Language Based Learning Center aims to provide students with an instructional program and learning environment that supports the development of academic, organizational and self-advocacy skills while also fostering positive social and emotional development.

### The Learning Center, Grades 2-4, Clarke Elementary School

The Learning Center is a highly structured classroom for students who require daily direct instruction in academic skills especially in the areas of reading, writing and mathematics. Students require a multi-sensory, systematic teaching approach with increased opportunities for experiential learning through thematic standards-based units and project-based learning. The mission of this class is to create an engaging learning experience through direct instruction and hands-on learning while weaving in needed therapies and individualized goals and objectives. The Learning Center aims to provide students with an instructional program and learning environment that supports the development of academic, organizational and self-advocacy skills while also fostering positive social and emotional development.

### **STRIVE Program, K-3, Clarke Elementary School**

The STRIVE program is a nurturing, structured setting with a high staff to child ratio that addresses each student's unique individual learning style and behavior needs, as well as their social and interpersonal skills. Students in this class are often diagnosed on the autism spectrum and have a wide range of learning challenges. The classroom emphasizes structured teaching, hands-on learning and positive behavioral supports. The curriculum is based on state core standards but allows for modifications and adaptations regarding pace, style, implementation and individualization. The program facilitates opportunities for supported inclusion in the general education setting. Many of the students receive services from the speech and language pathologist, the occupational therapist and the physical therapist. A Board Certified Behavior Analyst (BCBA) consults with the special education teacher and ABA tutors in the program. The curriculum and environment aim to stimulate enthusiasm for learning and positive self-esteem.

### **Learning Academy, K-4, Hadley Elementary School**

The Learning Academy is a therapeutic program designed to meet each student's social-emotional needs including teaching emotional regulation strategies and social skills while providing a challenging grade level curriculum in the inclusion setting or in a small group if needed. Students in this program have access to a quieter setting and a small staff to student ratio to support the development of self-regulation skills and to provide behavioral interventions. Students have access to services that may include social skills groups with peers, counseling, and individual social coaching opportunities. The Learning Academy team works closely with all students' team members, such as the general education teacher, special education teacher, school psychologist, BCBA and parents, to ensure that all behavioral interventions are consistent across multiple learning settings to allow the student to access the curriculum to their fullest ability. Students are integrated into the inclusion settings with supports to generalize emotional regulation strategies into the general education setting when possible. The mission of this program is to provide students skills and strategies to self-monitor and regulate their behavior to be successful in the school community with inclusion in the general education classroom and the school community as a goal.

### **Discovery Learning Center, Stanley Elementary School - Grades K-4**

The Discovery Learning Center services children in the elementary grades with diagnoses of autism spectrum disorder and other developmental and learning challenges. The program relies upon the principles of Applied Behavioral Analysis (ABA), which is used to help students gain skills in all areas including academics, communication, social skills and activities of daily living. A Board Certified Behavior Analyst (BCBA) consults to the program. A certified special educator, ABA tutors and Education Support Professionals (ESPs) assist in administering services throughout the school day. Each student's program is designed on an individualized basis to fit the needs of that student in accordance with their Individual

Education Plan (IEP). The students require modifications and accommodations to the general schedule, and often behavior support plans, to be successful in school. Many of the students in the program also receive services from the speech and language pathologist, the occupational therapist and the physical therapist. The Discovery Learning Center also incorporates a focus on activities of daily living, where students learn functional life skills to advance their independence in all areas of their daily lives.

#### **SOAR Inclusion Program, Stanley Elementary School - Grades K-4**

The SOAR inclusion program supports students with high-functioning autism spectrum disorder and other disabilities that impact social, emotional, and behavioral regulation. Students in this program are fully included in the general education classroom with the support of an Education Support Professional (ESP) or ABA Tutor. A special educator provides inclusion support to the program. The school psychologist and a Board Certified Behavior Analyst (BCBA) work closely with the support staff, classroom teachers, and related service providers to address each student's individual social-emotional, developmental and academic needs according to their Individual Education Plans (IEPs). Many inclusion students benefit from frequent sensory and movement breaks and support in completing academic tasks. Students are also supported in their social skills development and receive social skills training as well as on-going facilitation with peer interactions. Staff use behavior management and intervention strategies based on the principles of Applied Behavior Analysis (ABA) combined with a structured social skills curriculum. The SOAR program strives to build a classroom climate that promotes understanding and acceptance of differences, where every child feels successful and reaches their full potential.

#### **MIDDLE SCHOOL Grades 5-8 Intermediate Discovery Center**

This program services children in the middle school grades with diagnoses of autism spectrum disorder, and other developmental or intellectual disabilities. Each student's school day is designed on an individualized basis to fit their unique needs. Learning takes place in one to one and small group settings throughout the school day utilizing the principles of applied behavior analysis (ABA) which is used to help students gain skills in all areas including academics, communication and social skills. Teachers focus on experiential learning, promoting competence and independence in Activities of Daily Living (ADLs), functional skills and pre-vocational skills. A Board Certified Behavioral Analyst (BCBA) oversees the program, a special education teacher, and ABA tutors with training in data collection and discrete trials help administer the services. Students participate in activities in the general education setting with support from ABA tutors throughout the school week. Students work collaboratively with peers in the Strive Program on project based learning. Related services such as speech and occupational therapies. The Learning Center is a highly structured classroom that addresses each student's unique individual learning style. Students require a multi-sensory, systematic teaching approach with increased opportunities for experiential learning through thematic standards-based units and project-based learning. The curriculum is based on state core standards but generously allows for modifications and adaptations regarding pace, style, implementation and individualization. The classroom provides a small, nurturing, structured setting with a high staff to child ratio. The curriculum and environment aim to stimulate enthusiasm for learning and positive self-esteem. Students in the Learning Center may receive direct services from the speech and language pathologist based on individualized needs. The speech and language pathologist also collaborates with the special education teacher in the development of reading comprehension skills and social pragmatic skills. The mission of this class is to create an engaging learning experience through direct instruction and hands-on learning while weaving in needed therapies and individualized goals and objectives. Students work

collaboratively with peers in the Discovery Program on project-based learning. The Learning Center endeavors to create a school culture that promotes acceptance, patience, diversity and inclusion.

### **SAIL (Supported Academic Inclusive Learning)**

The Swampscott Middle School SAIL program provides supported academic inclusive learning to students. SAIL assists students in full-day social and academic support to specific students with autism spectrum disorder and social emotional difficulties with a focus on social pragmatics and social interactions. A special educator oversees the programming, and each classroom has full-time support personnel to provide assistance to students based on their Individualized Education Programs. Content area teachers, special educators and inclusion support staff work collaboratively to individualize instruction as needed. For students who require more personalized attention and instruction, a pull-out class may be offered. Services are offered based on an individual's needs which may include speech, occupational therapy, and facilitation in appropriate social interaction with their peers in and out of the classroom as well as social skills groups. The school psychologist consults to the program, provides skill based instruction in the area of executive functioning and social skills.

### **Resource Room Services, Middle School**

The Swampscott Middle School offers an inclusive Special Education Program where students' individual needs are considered as the program is designed. Content area teachers and special education teachers work collaboratively to co-teach classes in math and language arts. For students who require more personalized attention and instruction, a small group language arts and/or mathematics may be offered. In-class support is available to students in social studies and science. Guided study support time is offered to students for pre-teaching skills, previewing reading and further developing organizational skills. Some students may have additional services as a task block to develop executive functioning skills and increased academic support. Services are offered based on an individual's needs and may also include speech, occupational therapy, counseling and social skills. The Middle School program is designed to meet the students' academic needs in addition to considering the unique social and emotional developmental needs of middle school students. This program strives to instill confidence and independence in students to enable them to become self-sufficient learners.

### **The Language Based Learning Center, Middle School**

The Learning Center is a highly structured classroom for students identified with a language based learning disability. Students may also have additional disabilities which impact learning. Students receive a daily small group or individual reading tutorial and instruction in English language arts and mathematics with an emphasis on individualized programming, skill building and direct teaching using a multisensory, sequential, systematic approach. The use of assistive technology is integrated within the program across content areas. Students are pre-taught vocabulary and concepts for science and social studies in which they join the general education classroom with supports. Students in the Language Based Learning Center may receive direct services from the speech and language pathologist based on individualized needs. The speech and language pathologist also collaborates with the special education teacher in the instructional areas of oral language, written language and comprehension. Students may also receive related services from the occupational therapist or the physical therapist. The Language Based Learning Center aims to provide students with an instructional program and learning environment that supports the development of

academic, organizational and self-advocacy skills while also fostering positive social and emotional development.

### **Harbor Program**

The Harbor Program provides a supportive learning community with direct case management to facilitate student progress. Students will work with staff to develop emotional regulation skills as well as manage academic expectations and pressures. A special focus is placed upon executive functioning skills. Counseling and supports will be integral parts of the program, along with close home-school communication. Harbor will also serve as a home base for students throughout the school day should they need assistance outside of their scheduled academic block. Staff will be monitoring the progress of students to proactively manage obstacles before they turn into crises.

### **HIGH SCHOOL Grades 9-12 Task Management Classes Grades 9-12**

Task Management is a 5-credit course based on the resource room model of special education instruction. Each task class is made up of a small group of students on an Individualized Educational Program (IEP) with mild to moderate disabilities, and one special education teacher. During class time, students are expected to work toward their IEP goals and are offered assistance with the material from their content area classes. In addition, each student is taught study skills appropriate for each individual's learning style. The goal is to not only increase student learning and achievement, but also for each student to develop a repertoire of study skills and strategies they can use independently in high school and beyond. Swampscott High School is split into a "lower house" of freshmen and sophomores and an "upper house" of juniors and seniors. Likewise, in task management, students are assigned to task management teachers by grade level in order to address the different needs of each grade level:

- Freshmen work on the transition from middle school to the new rigors of high school by becoming more familiar with their own learning styles and learning study and organizational skills.
- Sophomore students learn how to advocate for themselves. Within the task management class, they are given lessons on understanding their disability, dealing with test anxiety, good study habits, usage review, organization, English and Math MCAS review. Ultimately, as students, they become more accountable for their learning and responsibility within the classroom.
- Juniors and seniors are encouraged to become more independent by becoming effective self-advocates and applying learned skills and strategies to content area work. Time is also spent on transition planning which includes completing college applications and making plans for post-secondary education.

### **Co-teaching Classes**

The co-teaching program at Swampscott High School consists of a group of content specific and special education teachers who collaborate to teach subject-area classes together within the general education classroom. Here at SHS, co-teaching resides within four content areas: Math, Science, English, and History. Numerous studies have documented the effectiveness of the co-teaching model in increasing overall student achievement. By combining the learning strategies of special education with the rigor of a mainstream classroom, teachers are able to not only accommodate those students on an IEP, but also offer universal design to students who do not receive special education services but benefit from alternative, brain-centered approaches to content and organization within the curriculum. In addition, the presence of two certified and licensed teachers not only improves the practice of each teacher through extensive

planning and collaboration, it cuts the student/teacher ratio in half, allowing for more one-on-one attention for all students.

### **Inclusion Program – 9-12**

This program was developed for students whose primary disability negatively impacts their social thinking abilities. Many students have diagnoses on the autism spectrum or social emotional difficulties. A key goal of this program is to support and provide assistance with social pragmatics and social interactions throughout the school day. Students are supported in the mainstream classes and in small group settings. Students also receive small group instruction for study and organizational skills as well as interpreting and developing appropriate responses to a variety of social interactions. This access to a safe supportive environment is a key component for students' success.

### **Language Based Learning Center Grades 9-12**

This program offers a Task Management class in which focuses on the following skills: time management, organizational needs, writing, self-advocacy, reading comprehension, study techniques, academic support in content-area classes, test taking strategies, and communication skills. Special and general education teachers engage in ongoing communication in order to assess progress or problems in each class. Home to school communication is also a component of Task Management. The program also offers a modified English class. The class aligns with the national English anchor standards, but is offered at a more manageable pace and follows a more explicit instructional approach and sequence of essential skills and standards. The class is a small group and employs a variety of teaching techniques in order to ensure success for each student. The class primarily focuses on the following topics: reading comprehension, detailed writing skills, using templates/graphic organizers for brainstorming and/or developing an essay, making inferences, analyzing literature, identifying symbolism, understanding imagery, using and understanding figurative language, processing complex language, understanding various literary devices, improving grammar skills, understanding parts of speech, analyzing word origins, following the writing process, developing a thesis statement, writing persuasive essays, writing expository essays, writing narrative essays, as well as developing and presenting debates on an assigned topic. Each student's program is individualized to their specific area(s) of need per their IEP goals and objectives.

### **Discovery Learning Center- Grades 9-12**

The Discovery Learning Center is a comprehensive academic and vocational program for high school students who have diverse learning styles. The Discovery Learning Center focuses on helping young adults discover and develop their individual strengths and interests with a focus on functional academics, activities of daily living, social skills and pre-vocational skill building. Students have supported opportunities of inclusion with their peers in high interest areas to encourage the generalization of skills. Students are provided with varying degrees of academic support, social / emotional support, and therapies depending on their individual needs. A Board Certified Behavioral Analyst (BCBA) consults to the program, and to the special education teacher, and ABA tutors for support for skill building. Specific attention and time is given to learning in the community to generalize classroom skills across all settings.

### Transition Program for Young Adults 19-22

The transition program is for young adults, ages 19 to 22, with diverse learning styles and a range of special needs. The Transition program focuses on helping young adults discover and develop their individual strengths and interests while preparing each student for an independent and fulfilling life in the community. The Transition Program curriculum focuses on functional academics, social skills, leisure skills, health and wellness, and activities of daily living that will help promote self confidence and self-esteem while promoting independence. A specific focus of the transition program is to experience vocational training and learning in the community setting.

### Harbor Program

The Harbor Program provides a supportive learning community with direct case management to facilitate student progress. Students will work with staff to develop emotional regulation skills as well as manage academic expectations and pressures. A special focus is placed upon executive functioning skills. Counseling and supports will be integral parts of the program, along with close home-school communication. Harbor will also serve as a home base for students throughout the school day should they need assistance outside of their scheduled academic block.

## School Facilities

The School Facilities Cost Center Budget contains salary and expenses needed to clean, heat and maintain our school buildings. The budget funds all salary and benefit obligations to employees per the collective bargaining agreements and assumes a cost of living increase for non-represented employees.

The FY24 Budget includes shifts in funding for existing and requested positions. The Town and School will share the expense for the Maintenance & Operations Coordinator and an Administrative Assistant position, the previously budgeted position of the HVAC coordinator is now going to be handled through our subcontractor. There has been a shift in providing in-house custodial services to augmenting that with some outside providers, which is why salary lines are decreasing and contract services are increasing. The Facilities budget includes funding that accurately represents the current costs to maintain buildings, heat and keep the school buildings running.

### School Facilities Cost Center

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
<b>School Facilities</b>							
Professional Salaries	181,333	253,737	256,300	325,739	281,674	(44,065)	-13.53%
Other Salaries	702,985	736,158	727,733	738,512	688,820	(49,692)	-6.73%
Contracted Services	402,912	482,854	655,113	609,000	736,500	127,500	20.94%
Supplies and Materials	75,197	46,169	71,675	80,000	90,000	10,000	12.50%
Other Expenses	627,669	863,598	836,415	737,944	862,300	124,356	16.85%
<b>School Facilities Total</b>	<b>1,990,097</b>	<b>2,382,517</b>	<b>2,547,237</b>	<b>2,491,195</b>	<b>2,659,294</b>	<b>168,099</b>	<b>6.75%</b>

### School Facilities Cost Center by DESE Function Code

DESE Description	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
3600 Maintenance of Equipment		6,066	15,702	12,500	7,800	(4,700)	-37.6%
4110 Custodial Services	968,090	1,090,185	1,025,977	1,052,512	1,012,820	(39,692)	-3.8%
4120 Heating of Buildings	221,769	294,669	298,088	242,400	300,000	57,600	23.8%
4130 Utility Services	304,689	377,128	431,882	378,044	449,500	71,456	18.9%
4220 Maintenance of Buildings	383,712	521,311	675,879	700,739	784,174	83,435	11.9%
4225 Maintenance of Equipment	3,829	2,982	3,924	-	-	-	0.0%
4400 Maintenance of Equipment	108,007	90,176	95,785	105,000	105,000	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>1,990,097</b>	<b>2,382,517</b>	<b>2,547,237</b>	<b>2,491,195</b>	<b>2,659,294</b>	<b>168,099</b>	<b>6.7%</b>

Significant changes:

4110 – Reduction in custodial staff (1.0 FTE) is offset by increase in supply expense and contracted cleaning

4120 – Increased based on average usage and current rates

4130 – Increased based on average usage and current rates

4220 – Additional maintenance contracts

4400 – This line captures the expenses associated with our leased copier machines.

## Districtwide Programs & Technology

The Districtwide Cost Center Budget contains salary and expenses for Health Services, Athletics, Extra Curricular and Technology. The budget funds all salary and benefit obligations to employees per the collective bargaining agreements and assumes a cost-of-living increase for non-represented employees.

Overall increase from FY23 to FY24 is 333,945 or 20.23%. This is largely driven by the transition of 1.0 FTE from ESSER to the operating budget, restoration of funding for crossing guards, and funding for technology replenishment.

The mission of the SPS technology department is to support educators & students to create open, flexible, and robust digital environments for anywhere, anytime learning. Teachers require a vast array of technical applications in order to effectively deliver lively and integrated classroom lesson plans. As technology continues to change and evolve, the work that is done also changes and evolves. As we embarked on the 1:1 journey, the small technology team has had to learn new skills and be everything to everyone at all times.

To support our mission, we continuously examine our infrastructure, hardware, and software to determine what needs to be repaired, replaced, or re-envisioned. This means that we must have forward thought and long-term planning so that we may predict the costs of technology. We restructured the technology budget to accurately reflect cost centers to show what we support. We also combined many lines with Teaching & Learning and Facilities that overlap with technology so that we are managing the funding the best way possible and always looking for cost savings. We have applied and received grants such as Safer Schools & Communities, ECF to order devices and technology materials for 1:1, door swipes, and everyday technology items. We also work as a team to find funding in ESSR & CARES for 1:1

Software as a service (SAAS) has replaced the old Microsoft CD that people shared with friends to save money. Now, every single year all of our software must be renewed and the costs continue to increase, often by unpredictable amounts. We closely analyze the software use with the Teaching & Learning department to make sure that the software is being used with fidelity and getting the best results. However, much of the software is basic requirements to run our district and courses. While we attempt to maintain our hardware in great condition, it often happens where items need repair and replacement. We do our best to keep this in house in our technology repair program (The Tech Ninjas) led by Digital Media Library Specialist Brandy Wilbur. This saves a lot of money and helps our students learn more about I.T. *We have the team to make magic happen but the last piece is our budget.* How do we meet these replacement cycle needs when the budget decreases each year? Hardware and software continue to *increase* each year. Here is an outlook for the next 4 years of anticipated large projects. These do ebb and flow as we have been getting more life out of our student chromebooks and ipads.

Fiscal Year	Additional cost	What does this cycle include for replacement? <i>Note: some items have been pushed off already for at least 1 year, delaying the cycles.</i>
FY23	180k	SMS & SHS staff Macbook Air cycle (ELE was in FY22), Network upgrades, Chromebooks funded by ECF grant  <i>(was 220k, cut extra board replacements at SMS &amp; pushed to 2023)</i>
FY24	220k +inflation	Grade 5 & 9 Chromebooks, SMS STEM Lab, Year 2 of SMS board replacements <i>(year 1 capital from 2019)</i> , Network upgrades
FY25	220k +inflation	Grade 5 & 9 Chromebooks, SHS STEM, Year 3 SMS board replacements, Document Cameras, SHS Projectors year 1 (if SHS goes to boards cost =300k ask), Network upgrades, <i>Assumptions: Ipads &amp; Chromebooks for ELEM included in cost of new ELEM (if not, this increases)</i>
FY26	220k +inflation	Grade 5 & 9 Chromebooks, SMS Digital Learning lab, SHS projectors year 2, Network upgrades, Admin desktops

**Districtwide Programs Cost Center**

	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
<b>Districtwide Programs</b>							
Professional Salaries	789,930	866,691	853,917	832,195	940,609	108,414	13.03%
Clerical Salaries	55,751	56,540	49,626	59,016	60,158	1,142	1.94%
Other Salaries	429,944	458,540	508,348	558,459	586,328	27,869	4.99%
Contracted Services		6,500	(1,050)	3,600	3,600	-	0.00%
Supplies and Materials	6,962	10,158	14,042	10,500	9,500	(1,000)	-9.52%
Other Expenses	204,036	186,545	146,906	186,600	384,120	197,520	105.85%
<b>Districtwide Programs Total</b>	<b>1,486,623</b>	<b>1,584,974</b>	<b>1,571,789</b>	<b>1,650,370</b>	<b>1,984,315</b>	<b>333,945</b>	<b>20.23%</b>

**Districtwide Programs Cost Center by DESE Function Code Detail**

DESE Description	Actual Expenditures FY20	Actual Expenditures FY21	Un-Audited Expenditures FY22	Approved Budget FY23	Recommended Budget FY24	\$ Change	% Change
1450 Administrative Technology - Districtwide	424,310	122,631	121,631	152,656	145,832	(6,824)	-4.5%
2130 Instr'l Technology Leadership/ Training	847	126,346	128,936	136,321	224,217	87,895	64.5%
2250 Admin Tech & Support—Schools		1,595	4,576	6,000	5,000	(1,000)	-16.7%
2358 Professional Development		6,500	(1,050)	3,600	3,600	-	0.0%
2415 Other Instructional Materials (Libraries)		5,919	6,000	6,000	6,000	-	0.0%
2453 Instructional Hardware—All Other		16,909	16,598	10,000	20,000	10,000	100.0%
3100 Attendance and Parent Liaison Services	70,000	70,000	70,000	70,000	70,000	-	0.0%
3200 Medical/Health Services	410,261	462,724	415,998	410,794	421,540	10,746	2.6%
3510 Athletics	328,935	367,246	393,225	413,925	416,703	2,778	0.7%
3520 Other Student Activities	20,246	23,212	30,793	24,000	24,000	-	0.0%
3600 School Security	111,584	115,975	125,260	123,067	127,394	4,327	3.5%
4400 Tech Infrastructure, Maint/Support—Salaries	2,067	195,900	191,101	196,496	200,176	3,680	1.9%
4450 Tech Infrastructure, Maint/Support—All Other	29,894	21,272	8,025	25,500	224,300	198,800	779.6%
5550 Other Fixed Charges	84,272	48,744	60,697	72,011	95,554	23,543	32.7%
6200 Civic Activities	4,206			-	-	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>1,486,623</b>	<b>1,584,974</b>	<b>1,571,789</b>	<b>1,650,370</b>	<b>1,984,315</b>	<b>333,945</b>	<b>20.2%</b>

Significant changes:

- 2130 – COLA and additional FTE previously funded by ESSER II to support staff and students
- 3200 – Step and COLA increases for nursing staff
- 4450 – technology replenishment
- 5550 – Increase in the number of crossing guard posts

Swampscott Public Schools considers athletics an integral part of the educational experience. Athletics provides opportunities that will help students develop physically, mentally and emotionally. We view the competition of athletics as a healthy educational and psychological activity because it challenges each student to excel, helps each student discover their physical limits, and requires students to work cooperatively as members of a team. The principles of good sportsmanship and enjoyment of competition take precedence at all times and enhance the educational value of contests.

**Revolving Funds**

The district maintains approximately twenty-five special revenue revolving funds that were created and maintained in accordance with the states municipal finance laws as well as the Department of Revenue and Department of Elementary and Secondary Education (DESE) regulations.

Revolving Funds are established to dedicate specific sources of revenue from fees or charges to pay expenditures associated with providing the services for which the payment was made. Massachusetts General Law governs the fund balances, expenditures, and any required reporting.

Below is a table presenting the various School Revolving Funds.

**School Revolving Funds**

Fund	Revolving Fund	Ending Balance 6/30/2021	FY22			Ending Balance 6/30/2022	Net Gain/(Loss)	FY23			Projected Balance 6/30/2023	Net Gain/(Loss)	FY24			Projected Balance 6/30/2024	Net Gain/(Loss)
			Revenues	Oper Bud Offset	Direct Expenses			Revenues	Oper Bud Offset	Direct Expenses			Revenues	Oper Bud Offset	Direct Expenses		
<b>Revolving Funds that Offset the Budget</b>																	
500	School Rental	13,470	14,386	0	(7,982)	19,875	(6,404)	25,390	0	(6,281)	38,984	19,109	30,000	(30,000)	(10,000)	28,984	(10,000)
502	School Athletics	56,623	313,446	0	(306,981)	63,087	(6,465)	275,000	0	(275,000)	63,087	0	275,000		(275,000)	63,087	0
506	PreK Tuition	52,299	114,802	0	(31,300)	135,801	(83,502)	125,000		(65,000)	129,801	(6,000)	125,000		(65,000)	121,821	(7,980)
507	Extended Day	(285)	75,626	(75,626)	0	(284)	(0)	130,000		(75,000)	54,716	55,000	120,000		(120,000)	54,716	0
537	Nahant Tuition	0	1,717,938	(1,718,003)	0	(65)	65	1,692,136		(1,692,136)	0	(65)	0		(1,732,314)	0	(65)
<b>Subtotal Revolving Funds</b>		<b>122,107</b>	<b>2,236,198</b>	<b>(1,793,629)</b>	<b>(346,263)</b>	<b>218,414</b>	<b>(96,307)</b>	<b>2,247,526</b>	<b>(1,832,136)</b>	<b>(347,281)</b>	<b>286,523</b>	<b>68,109</b>	<b>2,282,314</b>	<b>(1,947,314)</b>	<b>(352,980)</b>	<b>268,543</b>	<b>(17,980)</b>
501	School Lunch	146,843	714,184	0	(512,463)	348,564	(201,721)	680,000	0	(680,000)	348,564	0				348,564	0
503	Drivers Education	34,874	37,881	0	(35,872)	36,883	(2,009)	30,000	0	(30,000)	36,883	0				36,883	0
505	Early Child - Summer Prg	5,158	0	0	0	5,158	0	0	0	0	5,158	0				5,158	0
508	Gift - Swift/Harbor	3,280	0	0	0	3,280	0	0	0	0	3,280	0				3,280	0
511	Drama Club	(865)	1,000	0	(4,019)	(3,884)	3,019	0	0	0	(3,884)	0				(3,884)	0
512	SHS Drama	3,674	26,675	0	(21,466)	8,883	(5,209)	8,685	0	(10,395)	7,173	1,710				7,173	0
514	Summer Drama	1,716	5,495	0	(1,220)	5,991	(4,275)	0	0	0	5,991	0				5,991	0
515	Gelfand Donations	0	0	0	0	0	0	0	0	0	0	0				0	0
516	Ath & Extra Curr Donations	7,652	0	0	0	7,652	0	0	0	0	7,652	0				7,652	0
517	Curr & Prof Dev Donations	874	0	0	0	874	0	0	0	0	874	0				874	0
518	Transportation	2,323	4,000	0	(102)	6,221	(3,898)	3,500	0	0	9,721	(3,500)				9,721	0
519	Summer Camp	3,679	0	0	0	3,679	0	0	0	0	3,679	0				3,679	0
520	STEM Grant	7,100	0	0	0	7,100	0	0	0	0	7,100	0				7,100	0
522	Id's & Lanyards	322	6,651	0	(2,624)	4,349	(4,027)	2,734	0	(1,057)	6,026	(1,677)				6,026	0
523	ECLC Grant	10,176	0	0	(10,176)	0	10,176	0	0	0	0	0				0	0
524	Robotics Team Gift	5,000	0	0	0	5,000	0	3,345	0	(497)	7,848	(2,848)				7,848	0
531	Clarke Gift Account	894	776	0	(400)	1,270	(376)	0	0	(400)	870	400				870	0
534	Stanley Gift Account	640	998	0	0	1,638	(998)	954	0	(660)	1,932	(294)				1,932	0
535	MS Gift Account	(275)	0	0	0	(275)	0	0	0	0	(275)	0				(275)	0
536	HS Gift Account	15,115	3,500	0	(8,521)	10,094	5,021	0	0	0	10,094	0				10,094	0
538	Guidance	13,225	57,167	0	(73,804)	(3,412)	16,637	28,016	0	(24,604)	0	(3,412)				0	0
550	Donations	14,473	0	0	(14,000)	473	14,000	0	0	0	473	0				473	0
<b>Subtotal Donation &amp; Other</b>		<b>275,877</b>	<b>858,327</b>	<b>0</b>	<b>(684,667)</b>	<b>449,536</b>	<b>(173,659)</b>	<b>757,234</b>	<b>0</b>	<b>(747,613)</b>	<b>459,157</b>	<b>(9,621)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>459,157</b>	<b>0</b>
<b>Total All Revolving Funds</b>		<b>397,983</b>	<b>3,094,525</b>	<b>(1,793,629)</b>	<b>(1,030,930)</b>	<b>667,950</b>	<b>(269,966)</b>	<b>3,004,760</b>	<b>(1,832,136)</b>	<b>(1,094,894)</b>	<b>745,680</b>	<b>58,488</b>	<b>2,282,314</b>	<b>(1,947,314)</b>	<b>(352,980)</b>	<b>727,700</b>	<b>(17,980)</b>

There are five funds that support the operating budget either by an offsetting journal entry or direct charges of expenses.

**School Rental:** The district has not rented facilities since March 2020. Income generated from rentals support the operating costs of the High School and Middle School (utilities expense). Any custodial overtime as a result of building rental is charged directly to the revolving fund.

**School Athletics:** Revenue is generated from user fees, gate receipts and donations, and is used to support the costs of running the various athletic program offerings. The School Committee will continue to examine the fee structure, revenue generated, and expenditures to both the operating and revolving funds that support the various program offerings. In FY20 the fund ended the year with a deficit balance that required a transfer of expense from the revolving fund to the operating budget.

**PreK Tuition:** The Swampscott Integrated Preschool services children from age three to five and is dedicated to educating children who have varying learning styles and to preparing them for Kindergarten and a lifetime of learning. Children who have varying abilities are educated alongside children who are typically developing. The program provides a structured language based learning environment that follows

the Massachusetts Frameworks as the curriculum. Revenue is generated from lunch bunch and peer model student enrollment which varies depending on the number of students enrolled and days attending.

**Extended Day:** Revenue generated from program fees is used to offset the operating expenses in the schools in which the programs operated. The program was suspended in March 2020 as a result of the pandemic. The district was able to outsource this function and entered into partnership with the YMCA. Enrollments in the afterschool programs have returned to pre-pandemic levels.

**Nahant Tuition (Non-Resident)** – this revolving fund was established as a result of the Special Town Meeting vote in fall 2019. Funds will be taken in and expended in the same fiscal year.

## Grants

The district receives financial support from a number of federal and state grants and reimbursement programs including; Title I, Title IIA, IDEA and Circuit Breaker. The grant awards are for the most part driven by enrollment of certain populations of students.

Our Federal Grants are “Entitlement Grants” meaning they are awarded on the basis of formulas set forth in laws or regulations. Recipients are entitled to receive funds if they comply with the programmatic requirements outlined in the RFP.

State grants are a combination of competitive and continuation grants

Title I grant provides supplemental resources to local school districts to help provide all children a significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. Clarke, Hadley and the High School are receiving Title I funds.

Title IIA grant provides supplemental resources to school districts to improve high quality systems of support for excellent teaching and leading. This grant is used to support professional development for teaching staff (contractual obligation of \$20,000 per year) and supports the salary of a Math Coach.

Title III grant provides supplemental resources to local school districts to help ensure that English learners (ELs) and immigrant children and youth attain English proficiency and develop high levels of academic achievement in English. Stipend for a Title III Program Coordinator (significant amount of reporting) and for Tutor hours to close the COVID gap.

Title IV, Part A grant provides supplemental resources to local school districts to build capacity to help ensure that all students have equitable access to high quality educational experiences. This grant is used to cover Stipends for committee work focused on SEL and Professional Development focused on strengthening school climate and culture.

IDEA grants provide funds to ensure that eligible students with disabilities receive a free and appropriate public education that includes special education and related services designed to meet their individual needs. We use these funds for OOD tuition.

The chart below details by source and grant the awards over the last five years. FY24 is projected to be flat as it is unknown at this time what funding will be.

**School Grant Listing**

	FY19	FY20	FY21	FY22	FY23	Projected
Description	Award	Award	Award	Award	Award	FY24 Award
Title I (305)	183,487	181,169	200,824	101,968	213,652	213,655
Title IIA (140)	46,723	40,221	43,006	35,742	38,729	38,730
Title III	-	17,413	19,401	19,005	17,107	17,100
Title IVa (309)	11,525	12,380	13,195	13,660	10,000	10,000
IDEA (240)	532,695	544,888	570,415	576,092	574,225	578,000
Early Childhood (262)	17,930	18,315	18,445	18,556	19,251	19,250
<b>FEDERAL GRANTS</b>	<b>792,360</b>	<b>814,386</b>	<b>865,286</b>	<b>765,023</b>	<b>872,964</b>	<b>876,735</b>
<i>Increase/(Decrease) yr/yr</i>	<i>36,684</i>	<i>22,026</i>	<i>50,900</i>	<i>(100,263)</i>	<i>107,941</i>	<i>3,771</i>
METCO (317)	403,569	405,729	407,929	410,129	419,512	419,512
Capital Skills	-	-	-	74,250	-	-
Comprehensive School Health	-	5,000	20,000	29,600	40,000	5,000
Innovation Pathways	-	-	25,000	30,000	50,000	-
Safe & Supportive Schools	-	8,000	8,000	-	-	-
Safer Schools & Communities	-	54,885	-	-	-	-
SEL & Mental Health Grant	-	-	-	34,300	50,753	-
<b>STATE GRANTS</b>	<b>403,569</b>	<b>473,614</b>	<b>460,929</b>	<b>578,279</b>	<b>560,265</b>	<b>424,512</b>
<i>Increase/(Decrease) yr/yr</i>	<i>33,871</i>	<i>70,045</i>	<i>(12,685)</i>	<i>117,350</i>	<i>(18,014)</i>	<i>(135,753)</i>
Circuit Breaker	758,188	821,830	1,010,023	1,236,771	1,440,568	1,538,000
Essex County Learning Community	25,000	25,000				
<b>CB &amp; ECLC</b>	<b>783,188</b>	<b>846,830</b>	<b>1,010,023</b>	<b>1,236,771</b>	<b>1,440,568</b>	<b>1,538,000</b>
<b>Total Grant Support</b>	<b>1,979,117</b>	<b>2,134,830</b>	<b>2,336,238</b>	<b>2,580,073</b>	<b>2,873,797</b>	<b>2,839,247</b>
<i>Increase/(Decrease) yr/yr</i>	<i>193,054</i>	<i>155,713</i>	<i>201,408</i>	<i>243,835</i>	<i>293,724</i>	<i>(34,550)</i>

METCO, School Health, Innovation Pathways, and Safe and Supportive Schools are all state awarded grants.

Circuit Breaker is the state reimbursement grant for special education expenses. To be eligible for reimbursement the district's costs must exceed the foundation budget of \$47,620 which typically, only out of district students meet this threshold. The Reimbursement rate varies from year to year depending on the State Budget, usually between 70% - 75 %.

**Pandemic Related Grant Listing**

	FY19	FY20	FY21	FY22	FY23	Projected	Total
Description	Award	Award	Award	Award	Award	FY24 Award	Grants
ESSER I		-	149,023	-	-	-	149,023
ESSER II		-	645,485	-	-	-	645,485
ESSER III (ARP)		-	-	1,483,261	-	-	1,483,261
ARP- IDEA		-	-	123,413	-	-	123,413
ARP- IDEA Early Childhood		-	-	10,457	-	-	10,457
Remote Learning		-	57,446	-	-	-	57,446
CvRF Reopening Grant (Fed)		-	473,625	-	-	-	473,625
Summer Vacation Learning		-	11,320	50,000	-	-	61,320
State Coronavirus Prevention		-	83,850	-	-	-	83,850
P-EBT Grant		-	-	3,070	-	-	3,070
<b>PANDEMIC GRANTS</b>	<b>-</b>	<b>-</b>	<b>1,420,749</b>	<b>1,670,201</b>	<b>-</b>	<b>-</b>	<b>3,090,950</b>

The district was fortunate to receive multiple grant awards to support our efforts to continue to educate the students in Swampscott. Initial awards were the ESSER I, CvRF Reopening, Remote Learning and Summer Vacation Learning grants. These were followed by ESSER II & III and two ARP IDEA awards. These grants are winding down and will be fully spent by the end of FY23. The only grant to carry into FY24 will be the remaining funds from ESSER.



Section 7



# FY24 Line Item Budget

Town of Swampscott





**Town of Swampscott**  
**Summary of Recommended Appropriations**  
**For Fiscal Year 2024**

Function/Description	Actual	Actual	Actual	Actual	Voted Budget	STM Adjusted Budget	Actual	ATM Voted Budget	STM Adjusted Budget	TA Recommended	% Variance
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2022	FY 2022	FY 2023	FY 2023	FY 2024	vs. Budget FY23
<b>LEGISLATIVE/TOWN MEETING</b>											
TOWN MODERATOR	\$32	\$0	\$0	\$151	\$200	\$200	\$200	\$200	\$200	\$200	0.00%
FINANCE COMMITTEE	\$210	\$2,995	\$1,720	\$2,710	\$3,010	\$3,010	\$2,691	\$3,010	\$3,010	\$3,010	0.00%
RESERVE FUND	\$60,000	\$0	\$0	\$0	\$275,000	\$275,000	\$0	\$150,000	\$150,000	\$125,000	-16.67%
<b>TOTAL LEGISLATIVE/TOWN MEETING</b>	<b>\$60,242</b>	<b>\$2,995</b>	<b>\$1,720</b>	<b>\$2,861</b>	<b>\$278,210</b>	<b>\$278,210</b>	<b>\$2,691</b>	<b>\$153,210</b>	<b>\$153,210</b>	<b>\$128,210</b>	<b>-16.32%</b>
<b>ADMINISTRATION &amp; FINANCE</b>											
SELECTBOARD	\$9,135	\$10,531	\$13,236	\$9,639	\$16,500	\$16,500	\$12,630	\$29,000	\$29,000	\$16,500	-43.10%
TOWN ADMINISTRATOR	\$200,159	\$222,927	\$239,836	\$260,888	\$283,034	\$313,034	\$282,942	\$305,628	\$305,628	\$299,169	-2.11%
TOWN ACCOUNTANT	\$244,882	\$269,181	\$210,727	\$208,723	\$277,386	\$267,386	\$239,116	\$272,150	\$272,912	\$280,217	2.68%
ASSESSORS	\$201,321	\$192,233	\$113,560	\$113,021	\$168,163	\$146,163	\$129,590	\$156,962	\$156,962	\$131,628	-16.14%
TREASURER/COLLECTOR	\$361,076	\$368,175	\$391,884	\$353,549	\$345,909	\$345,909	\$327,548	\$357,709	\$362,840	\$366,726	1.07%
INFORMATION TECHNOLOGY	\$485,867	\$572,222	\$519,404	\$499,986	\$560,850	\$577,850	\$555,440	\$561,300	\$561,300	\$593,734	5.78%
PARKING ENFORCEMENT	\$4,080	\$5,814	\$3,894	\$1,176	\$13,041	\$13,041	\$2,520	\$4,791	\$4,791	\$3,291	-31.31%
LEGAL/LIABILITY INSURANCE	\$700,922	\$570,086	\$654,642	\$726,904	\$750,000	\$771,800	\$703,268	\$835,000	\$835,000	\$867,500	3.89%
HUMAN RESOURCES	\$70,830	\$114,033	\$139,370	\$134,951	\$222,135	\$163,735	\$141,520	\$248,277	\$248,277	\$241,030	-2.92%
SALARY RESERVES/END OF EMPLOYMENT	\$178,759	\$294,866	\$265,057	\$204,331	\$206,250	\$176,250	\$194,220	\$348,417	\$218,367	\$152,429	-30.20%
TOWN CLERK/ELECTIONS	\$197,935	\$204,621	\$197,909	\$202,141	\$187,721	\$187,721	\$192,109	\$183,501	\$186,450	\$179,850	-3.54%
<b>TOTAL ADMINISTRATION &amp; FINANCE</b>	<b>\$2,654,965</b>	<b>\$2,824,689</b>	<b>\$2,749,519</b>	<b>\$2,715,309</b>	<b>\$3,030,989</b>	<b>\$2,979,389</b>	<b>\$2,780,902</b>	<b>\$3,302,735</b>	<b>\$3,181,527</b>	<b>\$3,132,075</b>	<b>-1.55%</b>
<b>COMMUNITY &amp; ECONOMIC DEVELOPMENT</b>											
CONSERVATION COMMISSION	\$5,873	\$837	\$1,235	\$1,379	\$1,650	\$1,650	\$894	\$1,650	\$1,650	\$1,650	0.00%
COMMUNITY DEVELOPMENT	\$128,032	\$120,464	\$228,314	\$201,213	\$219,854	\$249,854	\$234,738	\$223,236	\$223,236	\$231,664	3.78%
BOARD OF APPEALS	\$5,594	\$5,865	\$11,878	\$10,129	\$7,829	\$7,829	\$11,717	\$10,500	\$10,500	\$8,000	-23.81%
BUILDING DEPT.	\$200,441	\$204,858	\$207,138	\$194,577	\$234,142	\$234,142	\$234,752	\$249,808	\$252,665	\$271,820	7.58%
HEALTH DEPT.	\$100,777	\$97,494	\$123,855	\$217,123	\$197,964	\$197,964	\$169,154	\$178,630	\$188,246	\$179,316	-4.74%
RECREATION	\$50,958	\$64,132	\$55,879	\$53,190	\$54,435	\$54,435	\$59,798	\$59,689	\$59,689	\$60,000	0.52%
HISTORICAL COMMISSION	\$1,137	\$766	\$5,194	\$1,487	\$4,038	\$4,038	\$6,279	\$4,000	\$4,000	\$3,000	-25.00%
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>\$492,812</b>	<b>\$494,416</b>	<b>\$633,493</b>	<b>\$679,098</b>	<b>\$719,912</b>	<b>\$749,912</b>	<b>\$717,332</b>	<b>\$727,513</b>	<b>\$739,986</b>	<b>\$755,450</b>	<b>2.09%</b>
<b>PUBLIC SERVICES</b>											
FACILITIES	\$293,345	\$401,111	\$468,569	\$486,404	\$558,532	\$518,532	\$554,342	\$564,869	\$564,869	\$542,627	-3.94%
DPW - CEMETERY	\$170,359	\$184,001	\$192,137	\$183,495	\$191,816	\$191,816	\$211,833	\$183,072	\$194,441	\$188,153	-3.23%
DPW - GENERAL	\$1,203,085	\$1,255,154	\$1,176,360	\$1,151,341	\$1,298,504	\$1,298,504	\$1,330,480	\$1,290,345	\$1,311,615	\$1,249,082	-4.77%
SOLID WASTE/RECYCLING	\$1,263,432	\$1,307,350	\$1,463,324	\$1,517,073	\$1,535,000	\$1,535,000	\$1,364,023	\$0	\$0	\$0	0.00%
<b>TOTAL PUBLIC SERVICES</b>	<b>\$2,930,221</b>	<b>\$3,147,617</b>	<b>\$3,300,391</b>	<b>\$3,338,313</b>	<b>\$3,583,852</b>	<b>\$3,543,852</b>	<b>\$3,460,678</b>	<b>\$2,038,286</b>	<b>\$2,070,925</b>	<b>\$1,979,862</b>	<b>-4.40%</b>

<b>PUBLIC SAFETY</b>											
POLICE	\$4,142,686	\$4,195,046	\$3,878,135	\$3,918,444	\$4,046,216	\$4,119,816	\$4,282,987	\$3,939,973	\$4,017,634	\$4,131,403	2.83%
CONSTABLES	\$0	\$0	\$0	\$0	\$100	\$100	\$0	\$100	\$100	\$100	0.00%
HARBORMASTER	\$21,135	\$26,590	\$26,256	\$45,377	\$26,550	\$26,550	\$25,317	\$26,549	\$26,549	\$25,549	-3.77%
FIRE	\$3,393,354	\$3,597,260	\$3,568,002	\$3,738,026	\$3,806,792	\$3,806,792	\$3,905,702	\$3,778,625	\$3,779,063	\$4,002,589	5.91%
EMERGENCY MANAGEMENT	\$2,941	\$1,000	\$6,563	\$5,393	\$4,500	\$4,500	\$2,173	\$4,500	\$4,695	\$7,500	59.74%
<b>TOTAL PUBLIC SAFETY</b>	<b>\$7,560,116</b>	<b>\$7,819,896</b>	<b>\$7,478,957</b>	<b>\$7,707,240</b>	<b>\$7,884,158</b>	<b>\$7,957,758</b>	<b>\$8,216,179</b>	<b>\$7,749,747</b>	<b>\$7,828,041</b>	<b>\$8,167,141</b>	<b>4.33%</b>
<b>HUMAN SERVICES</b>											
SENIOR CENTER	\$124,762	\$119,593	\$125,253	\$98,054	\$275,054	\$263,054	\$225,286	\$263,925	\$263,925	\$263,656	-0.10%
VETERANS SERVICES	\$56,619	\$80,441	\$47,019	\$65,314	\$83,200	\$83,200	\$90,352	\$83,200	\$83,200	\$83,200	0.00%
LIBRARY	\$740,975	\$896,517	\$700,907	\$683,982	\$781,922	\$781,922	\$732,152	\$799,899	\$826,045	\$843,000	2.05%
<b>TOTAL HUMAN SERVICES</b>	<b>\$922,356</b>	<b>\$896,551</b>	<b>\$873,180</b>	<b>\$847,350</b>	<b>\$1,140,176</b>	<b>\$1,128,176</b>	<b>\$1,047,690</b>	<b>\$1,147,024</b>	<b>\$1,173,170</b>	<b>\$1,189,856</b>	<b>1.42%</b>
<b>REGIONAL VOCATIONAL DISTRICT</b>											
REGIONAL VOCATIONAL DISTRICT	\$315,111	\$337,202	\$500,255	\$547,019	\$587,126	\$587,126	\$587,126	\$598,869	\$630,472	\$661,996	5.00%
<b>TOTAL REGIONAL VOC TECH DISTRICT</b>	<b>\$315,111</b>	<b>\$337,202</b>	<b>\$500,255</b>	<b>\$547,019</b>	<b>\$587,126</b>	<b>\$587,126</b>	<b>\$587,126</b>	<b>\$598,869</b>	<b>\$630,472</b>	<b>\$661,996</b>	<b>5.00%</b>
<b>SWAMPSCOTT PUBLIC SCHOOLS</b>											
SWAMPSCOTT PUBLIC SCHOOLS	\$28,197,500	\$29,278,991	\$29,820,402	\$28,632,254	\$29,376,863	\$29,376,863	\$29,376,863	\$30,222,917	\$30,222,917	\$31,008,713	2.60%
<i>Nahant Tuition Revolving</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
<i>Special Education Tuition Revolving</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
<b>TOTAL PUBLIC SCHOOLS (incl. revolving funds)</b>	<b>\$28,197,500</b>	<b>\$29,278,991</b>	<b>\$29,820,402</b>	<b>\$28,632,254</b>	<b>\$29,376,863</b>	<b>\$29,376,863</b>	<b>\$29,376,863</b>	<b>\$30,222,917</b>	<b>\$30,222,917</b>	<b>\$31,008,713</b>	<b>2.60%</b>
<b>OTHER</b>											
DEBT SERVICE	\$3,362,786	\$3,307,292	\$3,055,320	\$3,514,313	\$3,480,323	\$3,480,323	\$3,392,929	\$6,857,356	\$6,857,356	\$7,069,844	3.10%
EMPLOYEE BENEFITS	\$11,241,053	\$11,176,069	\$11,659,187	\$12,177,830	\$12,737,538	\$12,737,538	\$12,647,455	\$13,349,404	\$13,349,404	\$13,882,729	4.00%
STATE ASSESSMENTS & OFFSETS	\$848,005	\$897,582	\$1,131,354	\$1,285,431	\$1,586,892	\$1,586,892	\$1,672,962	\$1,863,846	\$1,863,846	\$1,901,123	2.00%
<b>TOTAL OTHER</b>	<b>\$15,451,844</b>	<b>\$15,380,943</b>	<b>\$15,845,861</b>	<b>\$16,977,574</b>	<b>\$17,804,753</b>	<b>\$17,804,753</b>	<b>\$17,713,346</b>	<b>\$22,070,606</b>	<b>\$22,070,606</b>	<b>\$22,853,696</b>	<b>3.55%</b>
<b>TOTAL EXPENSES GENERAL FUND</b>	<b>\$58,585,166</b>	<b>\$60,183,299</b>	<b>\$61,203,778</b>	<b>\$61,447,017</b>	<b>\$64,406,039</b>	<b>\$64,406,039</b>	<b>\$63,902,807</b>	<b>\$68,010,907</b>	<b>\$68,070,854</b>	<b>\$69,876,998</b>	<b>2.65%</b>
<b>ENTERPRISE FUNDS</b>											
SEWER EXPENSES	\$2,163,219	\$2,477,544	\$2,612,117	\$2,610,083	\$3,204,062	\$3,204,062	\$2,873,851	\$3,381,771	\$3,131,771	\$3,034,185	-3.12%
WATER EXPENSES	\$3,465,631	\$3,456,864	\$3,921,253	\$4,031,916	\$4,316,521	\$4,316,521	\$4,332,943	\$4,678,760	\$4,488,665	\$4,522,368	0.75%
PEG EXPENSES	\$0	\$0	\$178,219	\$236,764	\$345,266	\$345,266	\$254,839	\$394,005	\$394,005	\$184,997	-53.05%
SOLID WASTE EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,523,950	\$1,523,950	\$1,550,074	1.71%
<b>TOTAL EXPENSES ENTERPRISE FUNDS</b>	<b>\$5,628,851</b>	<b>\$5,934,408</b>	<b>\$6,711,589</b>	<b>\$6,878,762</b>	<b>\$7,865,849</b>	<b>\$7,865,849</b>	<b>\$7,461,633</b>	<b>\$9,978,486</b>	<b>\$9,538,391</b>	<b>\$9,291,625</b>	<b>-2.59%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$64,214,017</b>	<b>\$66,117,707</b>	<b>\$67,915,366</b>	<b>\$68,325,779</b>	<b>\$72,271,888</b>	<b>\$72,271,888</b>	<b>\$71,364,440</b>	<b>\$77,989,393</b>	<b>\$77,609,245</b>	<b>\$79,168,623</b>	<b>2.01%</b>



Section 8



# Capital Improvements

Town of Swampscott



To the Finance Committee, Town Meeting members, and the residents of Swampscott:

Town staff have conducted a detailed review of capital projects to be undertaken in the near and long-term. Careful development of the Town's capital plan continues to help stabilize the Town's tax rate and increase visibility of larger capital projects in the Town's future, while ensuring our investments are directed towards projects that align with the Town's priorities and bring lasting benefits to our community.

### **1. OVERVIEW AND PURPOSE OF THE CIP**

Swampscott Town Officials and staff, like our counterparts in other communities in Massachusetts, expend a great deal of effort each year establishing a municipal budget. This budget must realistically balance the ever-increasing needs and costs of delivering services to their constituents while at the same time staying within the financial constraints mandated by available tax revenues. In an acknowledgement of the precarious nature of the annual budgetary process, the Town Charter mandates the use of a Capital Improvements Program (CIP) to aid Town officials in scheduling the investment of Town resources.

The Charter provides legal guidance as to authorization, purpose, description, and preparation of the CIP. The CIP also serves to prepare a financial plan for capital projects included in the Master Plan. The primary goal of the CIP is to schedule and plan for pending capital expenditures, so that the peaks and valleys in the Town's annual tax levy are mitigated to the extent possible. In short, the largest expenditures are anticipated and scheduled, while the smaller expenditures are worked into the plan in regular intervals to help stabilize the tax rate.

This document is structured to provide a multi-year recommended program of major capital projects and expenditures, and the majority of CIC discussion and analysis focuses on allocations for the upcoming fiscal year. The Swampscott CIP is a budgetary document that schedules all anticipated major capital Town expenditures for an extended period and includes a fiscal analysis that aids in prioritizing the expenditures. The program, when adopted and fully utilized, serves to ensure that the services and facilities necessary to meet the community's needs are provided in accordance with the financial capabilities of Swampscott.

### **2. ADVANTAGES OF A CIP**

A Capital Improvements Program offers many advantages including the following:

1. Stabilizes year to year variations in capital outlays.
2. Pre-emptive acquisitions are made more feasible and defensible (e.g., land acquired for Town uses such as water supply, public works, and recreation)
3. In conjunction with capital reserve funds, interest payments may be reduced or eliminated by leveraging cash on hand for purchases as opposed to issuing bonds.
4. Enables Towns to establish growth control measures (in conjunction with the master plan).
5. Facilitates implementation of the master plan through scheduling of proposed projects over time. This type of programming can eliminate duplication and a random approach in making capital outlays.
6. Furnishes a total picture of the municipality's major needs, discourages piecemeal expenditures, and serves to coordinate the activities of various departments.
7. Establishes priorities for projects based on need and cost and permits anticipation of revenues and expenditures.
8. Serves as a public information tool by explaining to the public the Town's plans for major expenditures.

### **3. CIC COMMITTEE MEMBERSHIP**

The Capital Improvements Committee (CIC) is comprised of five (5) members appointed by the Town Moderator.

### **4. DEFINITION OF A CAPITAL IMPROVEMENT**

The Swampscott Town Charter establishes a threshold capital project value of \$20,000. For a project to be considered for inclusion in the CIP, the project must meet or exceed the threshold value, have a useful life of three (3) years or

more, and not be considered an annual, on-going, operating expense. Projects that require bond financing are also included in the CIP.

Examples of such improvements include:

1. Land acquisition and development for public purpose
2. Building purchases or major facility renovations and repairs
3. Vehicles, equipment and machinery
4. Road and infrastructure renovations resulting in long-term improvement in road capacity or conditions Special studies such as resource assessments or development of a Master Plan
5. Certain technology purchases, upgrades and replacements that meet CIP requirements

## **5. PREPARATION, ADOPTION, AND REVIEW OF THE CIP**

Each year at the request of the Town Administrator, Town staff send the appropriate sections of the CIP document to all Town Department Heads and ask for updates, changes, and additions. Over the past several years, this process has commenced in early fall and concluded in spring. In future years, this process is planned to commence in early summer with a stated reply deadline from Department Heads, Board and Committees of late summer/early fall. Town Staff accumulates the returned information and incorporates it into the Master CIP document, highlighting those items that have changed from the previous year. Town Staff also update the Master CIP Text document and spreadsheet to indicate the new multi-year range.

At each CIC meeting, Town Department recommendations are reviewed and vetted by the committee for potential inclusion and/or update to the CIP. If there are any projects that the CIC would like more information about, they either request that Town staff obtain the information or ask that a Department Head come to an upcoming CIC meeting to explain the project(s).

Throughout the process, the CIC continues meeting to review all the proposed changes and/or additions to capital projects, the costs and benefits associated with each such project and to eventually finalize the numbers and descriptions associated with each project. Town staff actively monitor expenditures against previously approved projects so that borrowed funds can be redirected towards newly authorized projects without increasing total Town debt. Upon final review, the CIC seeks to balance or level-fund the requests over multi-year periods. Once this is accomplished, the Committee votes to adopt the recommended CIP and submits the CIP to the Finance Committee with recommendations to Town Meeting to make the necessary appropriations for the first year of the plan (i.e., the next fiscal year).

## **6. 2024-2028 CIP PROJECTS**

Below is a table that contains a description of projects sorted by project start year and then by department. The CIC understands the need to balance our expenditures between infrastructure projects, such as road, water/sewer, and facility improvements, with projects that advance our sustainability goals and make Swampscott a more enjoyable place to live for all ages. It is our hope that these documents will help facilitate the presentation of the 2024-2028 CIP to the Select Board and Finance Committee, as well as help all Town committees and boards better understand the nature of the proposed capital projects that the Town is facing, and how these projects impact the financial stability of the Town of Swampscott.

The Capital Improvements Committee recommends approval of the projects listed in the "CIC Recommended" column in Article 15 of the town meeting warrant.

**7. THE PLAN FOR FUTURE YEARS**

Each year the committee looks to improve the Town’s capital review process. Our planned process improvements have three themes:

- 1) **Timing of the review cycle.** Preparing a complete list of proposed projects, including input from Department heads and the Town Administrator, affords more time for discussion, refinement, and prioritization ahead of Town Meeting.
- 2) **Retrospective analysis of previously funded projects.** Reviewing the actual costs and outcomes for active and completed projects vs the original requests will help us increase transparency, accountability, and effectiveness in applying capital funds in future years.
- 3) **A streamlined project request template that aligns with how the CIC makes approval decisions.** While the methodology developed in recent years in collaboration with the Collins Center provided a structure for prioritizing requests, the scores are subjective, and CIC does not rely on these scores rigidly for decision making. We plan to draft a shorter “narrative” request format, supplemented with quantitative inputs, which we expect will be more efficient both for requestors and CIC while maintaining transparency in decision making that taxpayers expect.

A fundamental goal for the CIC is to build a planning process that will eliminate, to the extent feasible, being confronted with substantial capital expenses that require funding on an emergency basis. We believe that proper planning, combined with a comprehensive review of the Town’s capital assets, will bring us closer to achieving that goal.

In closing, we want to thank Town staff for all their assistance and efforts to forge a comprehensive update for the Town’s Capital Improvement Planning, along with the staff’s year-round efforts to provide accurate, timely support for the CIC’s activities. This process will continue to evolve, as there will always be room for improvement, and we are confident that a thoughtful and robust CIP will be one of the more important financial planning tools central to Swampscott’s long-term financial stability.

Respectfully,

**Capital Improvement Committee**

Ryan Hale, Chair  
 Kelley Begin  
 David Brodsky  
 Richard Raymond  
 Jeremiah Sullivan

**TOWN OF SWAMPSCOTT**

<b>FY2024-2028 CAPITAL PLAN - LIST OF PROJECTS</b>							
<b>Proj. No.</b>	<b>Department</b>	<b>Project</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>
1	Community Development	Branding/Wayfinding	\$0	\$50,000	\$0	\$0	\$0
2	DPW	Digitization of Cemetery Records	\$0	\$0	\$0	\$250,000	\$0
3	DPW	Equipment (Dump Truck, Sander)	\$247,000	\$0	\$0	\$0	\$0

<b>Proj. No.</b>	<b>Department</b>	<b>Project</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>
4	DPW	Level/Grade Field at Philips Park	\$150,000	\$0	\$0	\$0	\$0
5	DPW	Paving (Cemetery)	\$50,000	\$0	\$0	\$0	\$0
6	DPW	Paving (Chapter 90)	\$300,000	\$0	\$0	\$0	\$0
7	DPW	Paving (Non-Chapter 90)	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
8	DPW	Pedestrian Safety Traffic Improvements	\$1,000,000	\$150,000	\$0	\$0	\$0
9	DPW	Seawall Repairs	\$250,000	\$0	\$0	\$0	\$0
10	Facilities	Clarke Renovation	\$200,000	\$450,000	\$6,000,000	\$0	\$0
11	Facilities	DPW Yard Improvements & Site Study	\$100,000	\$300,000	\$0	\$0	\$0
12	Facilities	Facilities Director Electric Vehicle	\$0	\$0	\$80,000	\$0	\$0
13	Facilities	Field House Improvements	\$0	\$150,000	\$150,000	\$0	\$0
14	Facilities	Fire Station Improvements	\$0	\$50,000	\$200,000	\$0	\$0
15	Facilities	Fish House Electrical & Fire Protection Improvements	\$0	\$0	\$0	\$300,000	\$0
16	Facilities	Green Communities Projects	\$100,000	\$100,000	\$100,000	\$0	\$0
17	Facilities	High School Lobby & Cafeteria Flooring	\$0	\$100,000	\$0	\$0	\$0
18	Facilities	High School Media Center Shades	\$50,000	\$0	\$0	\$0	\$0
19	Facilities	High School RTU & Controls Improvements	\$0	\$0	\$1,000,000	\$0	\$0
20	Facilities	High School & Middle School Paving	\$0	\$0	\$750,000	\$0	\$0
21	Facilities	Hybrid Pick-Up with Snowplow	\$75,000	\$0	\$0	\$0	\$0
22	Facilities	Library Controls & Electrical	\$0	\$100,000	\$0	\$0	\$0
23	Facilities	Library Entries	\$100,000	\$800,000	\$0	\$0	\$0
24	Facilities	Library Flooring Replacement	\$0	\$100,000	\$0	\$0	\$0
25	Facilities	Middle School Major Renovation	\$0	\$0	\$0	\$1,000,000	\$60,000,000
26	Facilities	Middle School Media Center Improvements	\$70,000	\$150,000	\$0	\$0	\$0
27	Facilities	Middle School Security Upgrades	\$30,000	\$180,000	\$0	\$0	\$0

<b>Proj. No.</b>	<b>Department</b>	<b>Project</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>
27	Facilities	Middle School & High School Landscaping Improvements	\$0	\$100,000	\$0	\$0	\$0
28	Facilities	Municipal Buildings Solar Canopy	\$0	\$0	\$0	\$250,000	\$0
29	Facilities	Municipal Property Capital	\$100,000	\$0	\$0	\$0	\$0
30	Facilities	Police Station Controls Upgrades	\$50,000	\$0	\$0	\$0	\$0
31	Facilities	Roofing Forest Ave Field Complex	\$0	\$80,000	\$0	\$0	\$0
32	Facilities	School Network Upgrades	\$140,000	\$70,000	\$70,000	\$70,000	\$70,000
33	Facilities	School Phone Improvements	\$100,000	\$0	\$0	\$0	\$0
34	Facilities	Senior Center Improvements	\$50,000	\$0	\$0	\$0	\$0
35	Facilities	Town Hall Basement	\$50,000	\$0	\$0	\$0	\$0
36	Facilities	Town Hall Exterior Restoration	\$300,000	\$0	\$0	\$0	\$0
37	Facilities	Town Hall HVAC Upgrades	\$0	\$0	\$200,000	\$0	\$0
38	Fire	New Ladder Truck	\$0	\$1,650,000	\$0	\$0	\$0
39	Fire	Remove Town Fire Alarm Equipment	\$36,000	\$0	\$0	\$0	\$0
40	Fire	Replace Car 22	\$0	\$70,000	\$0	\$0	\$0
41	Fire	Replacement Cascade System	\$0	\$83,000	\$0	\$0	\$0
42	Library	Service Enhancements – Furniture	\$40,000	\$0	\$0	\$0	\$0
43	PEG & Facilities	High School Auditorium Upgrade	\$400,000	\$300,000	\$0	\$0	\$0
	Police	Cruiser & Cruiser Laptop Replacement	\$92,000	\$0	\$55,000	\$0	\$55,000
44	Police	Firearms Upgrades	\$20,500	\$11,500	\$40,500	\$0	\$0
45	School	Interactive White Boards	\$100,000	\$100,000	\$100,000	\$0	\$0
46	School	MS STEM Lab Upgrades	\$30,000	\$0	\$0	\$0	\$0
47	Senior Center	Electric Van for Medical Rides	\$40,000	\$0	\$0	\$0	\$0
48	Sewer	Cemetery Surplus Fill	\$250,000	\$0	\$0	\$0	\$0
49	Sewer	Lift Station Upgrades	\$200,000	\$0	\$0	\$0	\$0
50	Town Administrator	Digitization of Departmental Records	\$70,000	\$70,000	\$70,000	\$70,000	\$0
51	Town Administrator	Lynn Dispatch	\$50,000	\$0	\$0	\$0	\$0

<u>Proj. No.</u>	<u>Department</u>	<u>Project</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>
52	Town Administrator	Vinnin Square Planning	\$100,000	\$0	\$0	\$0	\$0
53	Water	Water Main Replacement	\$750,000	\$0	\$0	\$0	\$0
54	Water	Water Meter Replacement	\$0	\$3,000,000	\$0	\$0	\$0
<b><u>PROJECT TOTALS:</u></b>			<b><u>\$6,040,500</u></b>	<b><u>\$8,564,500</u></b>	<b><u>\$9,165,500</u></b>	<b><u>\$2,290,000</u></b>	<b><u>\$60,475,000</u></b>

<u>FUNDING</u>		<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>
<b>NON-EXCLUDED BORROWING</b>	GENERAL FUND	\$3,835,500	\$5,379,500	\$9,030,500	\$2,255,000	\$440,000
	BORROWING					
	WATER BORROWING	\$750,000	\$3,000,000	\$0	\$0	\$0
	SEWER BORROWING	\$82,000	\$0	\$0	\$0	
<b>DEBT EXCLUSIONS</b>	GENERAL FUND	\$0	\$0	\$0	\$0	\$60,000,000
	BORROWING					
<b>GRANT FUNDING</b>	E-RATE	\$70,000	\$35,000	\$35,000	\$35,000	\$35,000
<b>GRANT FUNDING</b>	GREEN COMMUNITIES	\$100,000	\$100,000	\$100,000	\$0	\$0
<b>GRANT FUNDING</b>	CHAPTER 90 (estimate)	\$300,000	\$0	\$0	\$0	\$0
<b>GRANT FUNDING</b>	MSBA	\$0	\$0	\$0	\$0	\$0
<b><u>TOTAL FUNDING:</u></b>		<b><u>\$6,040,500</u></b>	<b><u>\$8,564,500</u></b>	<b><u>\$9,165,500</u></b>	<b><u>\$2,290,000</u></b>	<b><u>\$60,475,000</u></b>

# FY 2024 Capital Plan

Town Administrator  
Recommendations



Photo courtesy of Bobby Zee

Town of Swampscott – April 4<sup>th</sup>, 2023



## Overview

Overview of Capital Previously  
Approved

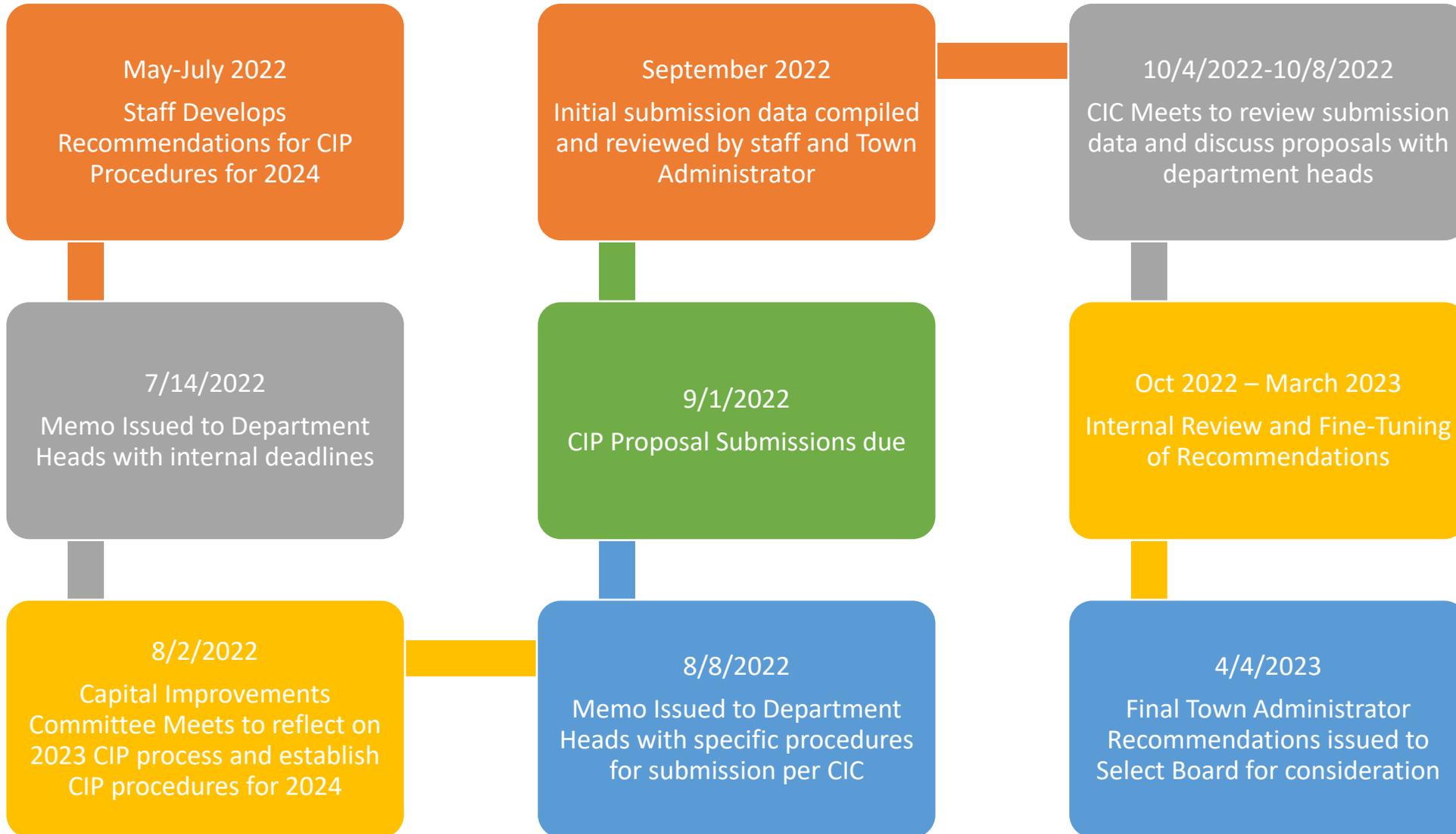
Development of 2024  
Recommendations

Recommended Projects

Financial Considerations

Next Steps

# Process



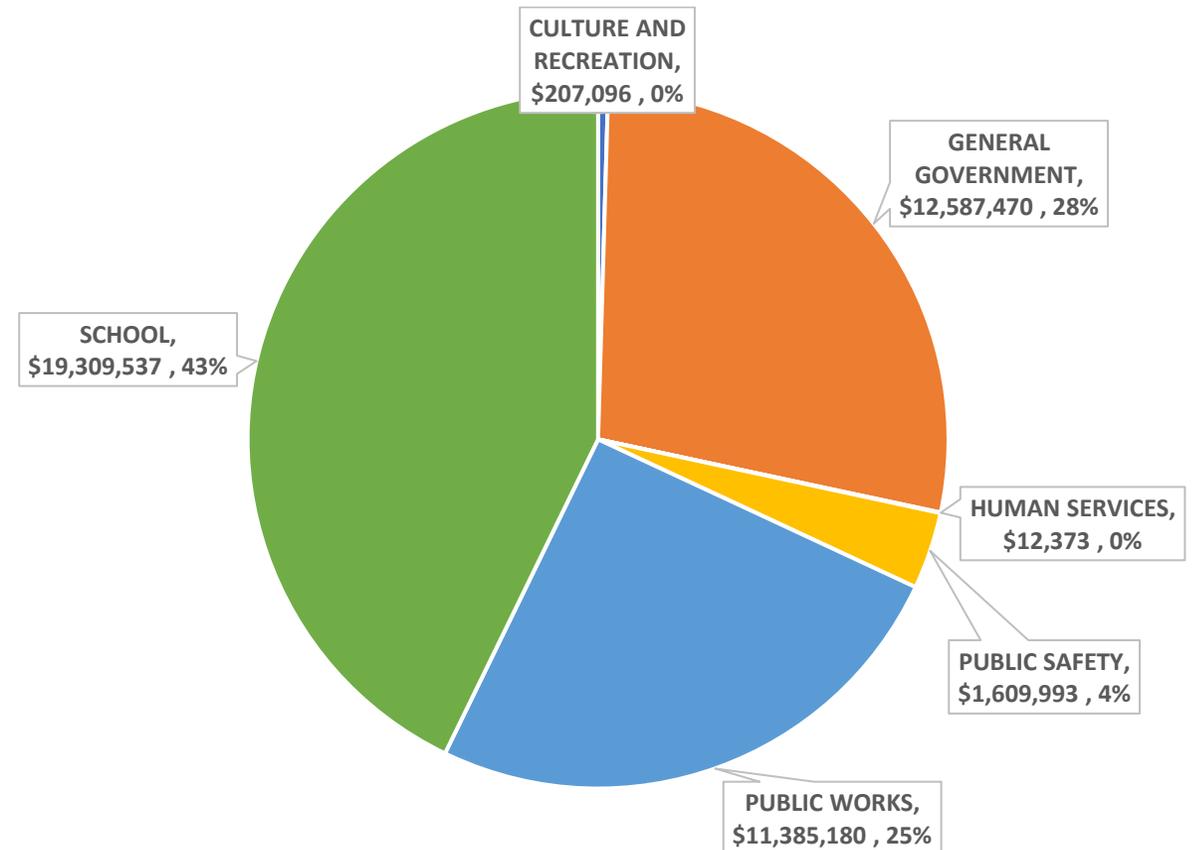
# Past Five Years

Capital Expenditures totaling approximately \$45.1M made during five-year period FY18-FY22

## Top Project Expenditures:

- #1: \$5.3M Sewer Rehabilitation
- #2: \$5.1M New School Feasibility and Construction
- #3: \$1.4M Middle School Roof
- #4: \$1.3M Turf Field
- #5 \$0.8M Seawall Repairs

2018-2022 Capital Expenditures  
by Function



# Ongoing Projects

## New Elementary School

Total Project Budget: \$101,226,506

## Land Acquisition

Total Project Budget: \$8,875,000

## Middle School Fire Alarm System

Total Project Budget: \$1,700,000

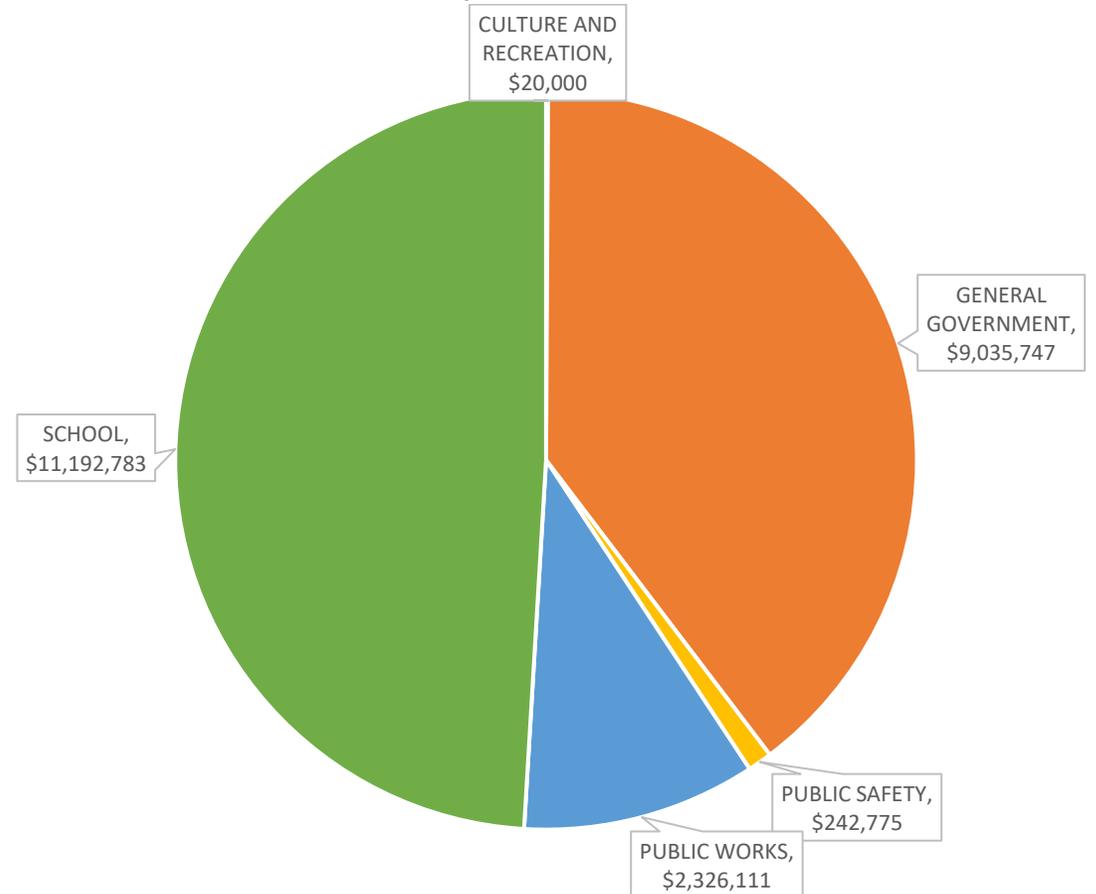
## High School Exterior Improvements

Total Project Budget: \$150,000

## Library Envelope

Total Project Budget: \$150,000

2023 YTD Capital Expenditures  
by function



# SWAMPSCOTT CIP Projects

# Community Development

1 Project

Total Funding Recommended for FY24:

\$0



# Branding & Wayfinding

*FY2025 - \$50,000 – Free Cash (\*possible grant)*

*One-Time Project | Requesting Multiple Years of Funding*

- Goal of the project is to standardize all digital and print materials for the Town
- Will include logo, slogan/tagline, font, color, and placement
- Wayfinding design will be for town facilities and points of interest
- Will utilize a consultant





# Street Paving & Roadway Repair

*FY2024 - \$350,000 – Borrowing Recurring Project | Requesting Multiple Years of Funding*

- Streets are analyzed by an outside consultant and paved based on need using objective road condition criteria
- The town has 50 miles of paved public roadway
- In the past five years, the town has repaved 10 miles of roadway
- Anticipating \$300,000 of state aid via Chapter 90 Appropriations
- Requesting \$350,000 of local funding to supplement Chapter 90



Paving - Cemetery  
*FY2024 - \$50,000 – Perpetual  
Care Fund  
One-Time Project | Requesting  
One Year of Funding*

---

- Cemetery contains 1.5 miles of paved roadway
- Last time the cemetery was repaved was 20+ years ago
- Roads are in poor condition; complete repave is necessary
- Appropriating funds from the Cemetery Perpetual Care Fund eliminates financing costs for this project



## Level/Grade Field at Phillips Park

*FY2024 - \$150,000 – Borrowing  
One-Time Project | Requesting  
One Year of Funding*

---

- Goal of this project is to improve the usability and safety of the field
- Entails tearing out the field and installing a fabric layer beneath the field surface that will prevent settling
- Phillips Park is prone to settling as it was built on a former landfill



Equipment Replacement  
*FY2024 - \$247,000 – Borrowing  
Recurring Project | Requesting  
One Year of Funding*

---

- Replacement of 2001 Water Utility Truck
- Replacement of 2002 GMC Sander
- Equipment of this nature will generally last 15 years
- These pieces of equipment have been used for 20+ years and are well past their expected lifespan



Town-Wide Traffic Improvements  
*FY2024 - \$1,000,000 – Borrowing  
(\*possible grant)  
One-Time Project | Requesting One  
Year of Funding*

---

- Project includes roadway and sidewalk improvements
- A few key areas of improvement include:
  - Orchard Road area
  - Forest Avenue
  - Forest Avenue Extension
  - Humphrey St outdoor dining
  - Fisherman’s Beach area
  - Blaney Street
  - Norfolk Avenue
  - Middlesex Avenue
  - Jackson Park





Seawall Repairs  
*FY2024 - \$250,000 – Borrowing  
Recurring Project | Requesting  
One Year of Funding*

---

- Complete Kings Beach Seawall; move on to Eisman's Beach/New Ocean area
- Includes removal of loose concrete, replacement of re-bar, and application of shotcrete



# Water & Sewer

4 Projects

Total Funding Recommended for FY2024:

\$1,200,000



# Removal of Cemetery Surplus Fill

*FY2024 - 250,000 – Surplus Sewer Capital & Sewer Borrowing  
One-Time Project | Requesting One Year of Funding*

- Phase I of this project has already been funded; this request is for Phase II
- Entails sorting and hauling out fill that was dumped as a result of excavation work primarily related to sewer projects
- Once cleared, land can be used for storage of DPW/Cemetery equipment and eventually as burial plots



## Water Main Replacement

*FY2024 – \$750,000 – Borrowing (MWRA 0% Financing Program)*

*Recurring Project | Requesting One Year of Funding*

- Work will be completed along Atlantic Ave, from Blodgett Ave to the Marblehead Line
- Work will be completed from Beach Bluff Ave, from Atlantic Ave to Mostyn Street
- Work is expected to take six months to complete
- Funding is available through an interest-free loan program offered by the MWRA



Water Meter Replacement  
*FY2025 - \$3,000,000 – Water Fund Borrowing  
One-Time Project | Requesting One Year of  
Funding*

---

- Project will replace all water meters at their endpoints throughout town
- The meters were last replaced in 2005 at a cost of \$2,500,000
- The meters are currently beyond their useful life and begin to underreport on water usage



Lift Station Upgrades  
*FY2024 - \$200,000 – Grant  
(State)  
One-Time Project |  
Requesting One Year of  
Funding*

---

- Project will upgrade antiquated panels in three of the lift stations
- Modern panels have clearer indicators that increase efficiency in diagnosing issues/malfunctions, improving the response time, and preventing damage to the station equipment



# Facilities

32 Projects

Total Funding Recommended for FY2024:

\$1,915,000



# Municipal Property Capital

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Funding Source: Borrowing (General Fund)
- Project Cost: \$100,000
- Purpose: To address repairs at multiple sites

TERM Rating	Condition	Description
Excellent	4.8–5.0	No visible defects, near-new condition.
Good	4.0–4.7	Some slightly defective or deteriorated components.
Adequate	3.0–3.9	Moderately defective or deteriorated components.
Marginal	2.0–2.9	Defective or deteriorated components in need of replacement.
Poor	1.0–1.9	Seriously damaged components in need of immediate repair.

Clarke Renovation  
*FY2024-26 - \$6,650,000 –  
Borrowing  
Recurring Project | Requesting  
Multiple Years of Funding*

---

- The facility will close as an elementary school after June 2024
- Renovation will be to convert building into School Administration and new home of the Preschool / Early Childhood Education programs
- Anticipated to reopen Sept 2025
  - FY2024 – schematic design
  - FY2025 – final design
  - FY2026 – construction/renovation



# District Pick-Up with Plow

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Funding Source: Surplus Capital Transfer
- Project Cost: Purpose: \$75,000
- Purpose: Replace 1 of 2 facilities pick-ups/plows. This vehicle was purchased in 2007 and is beyond its useful life.



# DPW Yard Improvements & Site Study

---

- Duration: 2 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$400,000
- Purpose: Address immediate building needs and fund site study for a new facility.



# Facilities Director Electric Vehicle

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2026
- Funding Source: Borrowing (General Fund) (grant possible)
- Project Cost: \$80,000
- Purpose: Replace Facilities Ford Explorer with **electric** vehicle at end of useful life.





## Field Covering System - Blocksidge

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2026
- Funding Source: Borrowing (General Fund)
- Project Cost: \$250,000
- Purpose: Field covering for portion of turf field (appx. 30,000 sq. feet)

# Field House Improvements

---

- Duration: 2 Years
- Fiscal Year(s) Funding Requested: FY 2025, 2026
- Funding Source: Borrowing (General Fund)
- Project Cost: \$300,000 (\$150,000 per Year)
- Purpose: Exterior improvements in phase one, including new windows, trim repair, masonry repair, chimney repairs, ev charging stations. Partial interior renovation in phase two.





# Fire Station Improvements

- Duration: 2 Years
- Fiscal Year(s) Funding Requested: FY 2025, 2026
- Funding Source: Borrowing (General Fund) (grant possible)
- Project Cost: \$250,000 (\$50,000 Year 1, \$200,000 Year 2)
- Purpose: Add 2<sup>nd</sup> means of egress from 2<sup>nd</sup> floor, repair building envelope, paint exterior, replace windows, possible addition of solar PV panels

# Fish House Electrical & Fire Protection Improvements

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2027
- Funding Source: Borrowing (General Fund) (grant possible)
- Project Cost: \$300,000
- Purpose: Upgrade fire alarm system, modify and upgrade sprinkler system, install new electrical services and improve distribution system, install EV charging stations



# Green Communities Projects

---

- Duration: 3 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025, 2026
- Funding Source: Grant (state)
- Project Cost: \$300,000 (\$100,000 per year)
- Purpose: Grant application will be submitted in the fall; grant funds various energy efficiency-related projects at municipal buildings, including schools



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**Massachusetts**  
**DEPARTMENT OF ENERGY RESOURCES**

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## High School Lobby/Cafeteria Flooring

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$100,000
- Purpose: Replace flooring in high school lobby and cafeteria



## High School Media Center Shades

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Funding Source: Surplus Capital Transfer
- Project Cost: \$50,000
- Purpose: Replace shade system in high school media center; current system is non-functioning and unrepairable



## High School RTU/Controls Improvements

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2026
- Funding Source: Borrowing (General Fund)
- **Project Cost: \$1,000,000**
- Purpose: Rebuild/replace rooftop HVAC equipment in conjunction with overhaul of building controls system

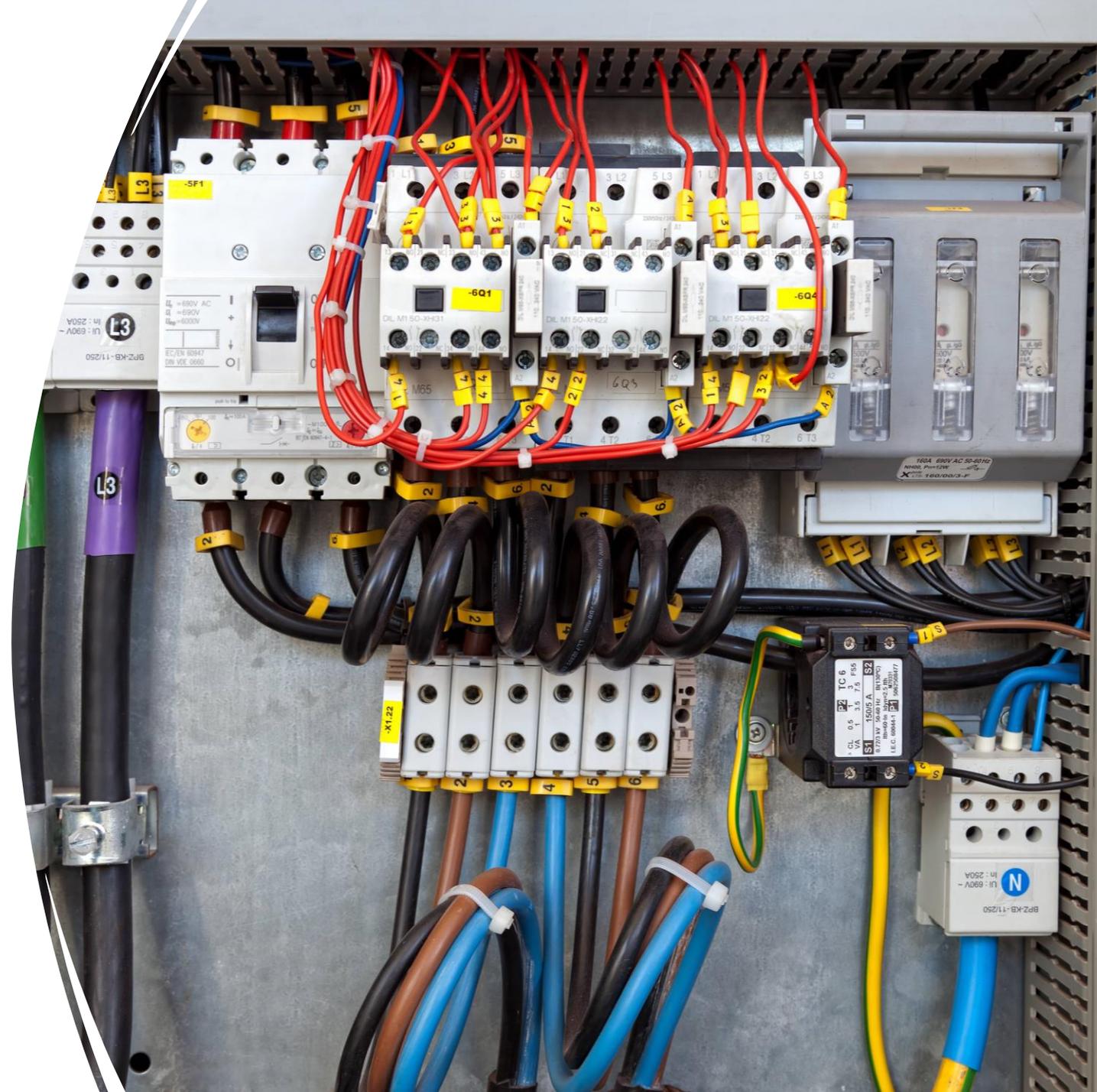


## High School/Middle School Paving

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2026
- Funding Source: Borrowing (General Fund)
- Project Cost: \$750,000
- Purpose: Re-Pave on-site asphalt at high school and middle school

# Library Controls & Electrical

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$100,000
- Purpose: Add 3<sup>rd</sup> floor sub-panel; tie in ATC into Metasys control platform



# Library Entries

---

- Duration: 2 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$900,000
- Purpose: Major Improvements to library front entry exterior/interior and exterior children's room space



# Library Flooring Replacement

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$100,000
- Purpose: To replace carpeting throughout the public library.



# Middle School Major Renovation

---

- Duration: 3 Years
- Fiscal Year(s) Funding Requested: FY 2027, 2028, 2029
- Funding Source: Borrowing (General Fund), *Potential MSBA Grant*
- Project Cost: \$110,000,000
- Purpose: To renovate, in phases, the existing middle school building including upgrades to HVAC, Electrical, Accessibility, Sprinklers, Hazardous Materials, Windows, Doors, Finishes and space configurations.



# Middle School Media Center Improvements

---

- Duration: 2 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$220,000
- Purpose: Modifications to configure existing library as modern media center space. Includes new furnishings, new space layout, and cosmetic upgrades.



# Middle School Security Upgrades

---

- Duration: 2 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$210,000
- Purpose: Security upgrades at the middle school including major improvements to front entry and upgrades to interior door hardware.



# Middle School/High School Landscaping Improvements

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$100,000
- Purpose: Improve landscaping at middle school and high school, including refurbishment of existing plantings and addition of new plantings.



# Municipal Buildings Solar Canopy FY2027 - \$250,000 – Borrowing (\*possible grant)

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Funding Source: Borrowing (General Fund)
- Project Cost: \$50,000
- Purpose: Installation of PV canopy at municipal buildings to generate electricity and provide shelter for vehicles



# Police Station Controls Upgrades

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Funding Source: Borrowing (General Fund)
- Project Cost: \$50,000
- Purpose: Upgrade HVAC controls system for accessibility and compatibility with the management system that other town buildings utilize.



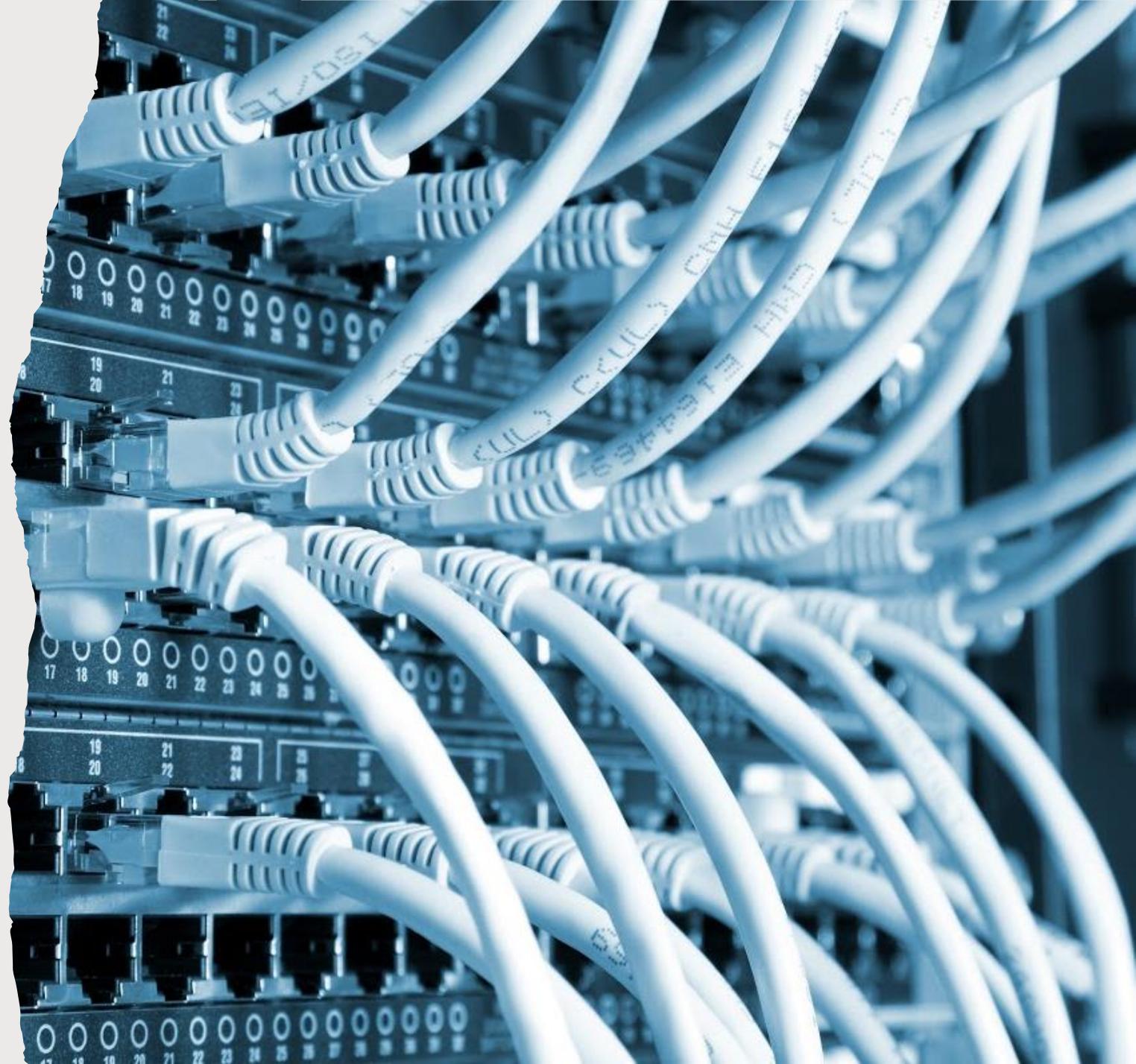
# Roaming Forest Ave Field Complex

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Funding Source: Borrowing (General Fund)
- Project Cost: \$80,000
- Purpose: Re-roof multiple buildings at Forest Ave Field Complex.



# School Network Upgrades

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024, 2025, 2026, 2027, 2028
- Funding Source: 50 % Borrowing (General Fund), 50% Federal Grant
- Project Cost: \$140,000 (Year 1); \$70,000 each year after
- Purpose: To leverage federal E-Rate grant funds to upgrade network components throughout the school district.



# School Phone Improvements

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$100,000
- Funding Source: Borrowing (General Fund)
- Purpose: To upgrade school phone systems to comply with E-911 requirements.

ENHANCED  
9-1-1  
COMPLIANCE

# Senior Center Improvements

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$50,000
- Funding Source: Borrowing (General Fund)
- Purpose: To configure and equip Senior Center spaces including commercial kitchen.



# Town Hall Basement

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$50,000
- Funding Source: Borrowing (General Fund)
- Purpose: To design and configure Town Hall basement meeting space and employee break room.



# Town Hall Exterior Restoration

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$300,000
- Funding Source: Borrowing (General Fund)
- Purpose: To address roofing, masonry, windows, and other areas of concern with the exterior town hall



# Town Hall HVAC Upgrades

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2026
- Project Cost: \$200,000
- Funding Source: Borrowing (General Fund)
- Purpose: To upgrade HVAC equipment that services town hall.



# Auditorium Upgrades

- Duration: 2-Year
- Fiscal Year(s) Funding Requested: FY 2024, 2025
- Project Cost: \$700,000
- Funding Source: Borrowing (General Fund) (fundraising component likely)
- Purpose: To upgrade A/V and lighting equipment in the high school auditorium, allowing the space to better accommodate community events, including revenue-generating events.



# Fire

4 Projects

Total Funding Requested for FY24: \$36,000



# Decommission Municipal Wired Alarm System

- Duration: 3-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$36,000
- Funding Source: Borrowing (General Fund)
- Purpose: To complete the final phase of decommissioning the town's obsolete municipal wired alarm system.



# Replace Ladder Truck

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Project Cost: \$1,650,000
- Funding Source: Borrowing (General Fund)
- Purpose: To replace existing aerial ladder truck.



# Replace Car 22

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Project Cost: \$70,000
- Funding Source: Borrowing (General Fund)
- Purpose: To replace the department's 2008 Chevy Tahoe. Vehicle is unreliable and maintenance costs are increasing.



# Replace Cascade System

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2025
- Project Cost: \$83,000
- Funding Source: Borrowing (General Fund)  
(Grant opportunities are being explored)
- Purpose: To replace the compressed air system used to refill self-contained breathing apparatus cylinders. Current system is greater than 25 years old and parts to maintain the system are scarce and expensive because it is obsolete.



# Library

1 Project

Total Funding Requested for FY2024:

\$40,000



# Service Enhancements - Furniture

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$40,000
- Funding Source: Surplus Capital Transfer
- Purpose: To replace service desks (last replaced in 1995) and provide additional furnishings which better accommodate guests with young children.



# Senior Center

1 Project

Total Funding Requested for FY2024:

\$40,000



# Electric Van

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$40,000
- Funding Source: Federal Grant (Grant not yet awarded)
- Purpose: To acquire an electric van to be used to provide transportation to seniors.



# Police

2 Projects

Total Funding Requested for FY2024:

\$112,500





# Firearms Upgrades

---

- Duration: 3 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025, 2026
- Project Cost: \$20,500 (Year 1), \$11,500 (Year 2), \$40,500 (Year 3)
- Funding Source: Borrowing (General Fund)
- Purpose: To replace 40 handguns and three rifles with required accessories, as well as acquire six BolaWraps, a form of less-lethal subject control.

# Cruiser & Cruiser Laptop Replacement

---

- Duration: 3 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2026, 2028
- Project Cost: \$92,000 (Year 1), \$55,000 (Year 2), \$55,000 (Year 3)
- Funding Source: Borrowing (General Fund)
- Purpose: To acquire and equip hybrid police cruisers and upgrade equipment on existing cruisers.



# Public Education

2 Projects

Total Funding Requested for FY2024:

\$130,000



# MS STEM Lab Upgrades

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$30,000
- Funding Source: Surplus Capital Transfer
- Purpose: To replace hardware in the SMS STEM lab originally purchased with privately donated funds in 2016. The hardware runs the robotics and design software utilized by the program. Equipment has a useful life of 6-7 years.



# Interactive White Boards

---

- Duration: 3 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025, 2026
- Project Cost: \$300,000 (\$100,000 per year)
- Funding Source: Surplus Capital Transfer – Year 1; Borrowing (General Fund) Years 2-3
- Purpose: To replace smart boards that have reached end-of-life. Boards have a life expectancy of 8-10 years. This project will replace boards at SMS and SHS so that all classrooms have upgraded boards.





# Digitization of Departmental Records

---

- Duration: 4 Years
- Fiscal Year(s) Funding Requested: FY 2024, 2025, 2026, 2027
- Project Cost: \$280,000 (\$70,000 per year)
- Funding Source: Borrowing (General Fund); Grant opportunities being explored but not identified at this time
- Purpose: To fund digitization of records at town hall for various departments via scanning and indexing.



# Lynn Dispatch (Intermunicipal Agrmt)

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$50,000
- Funding Source: Borrowing (General Fund)
- Purpose: To fund upgrades to the equipment and facilities of Lynn Dispatch. The town is party to an intermunicipal agreement with Lynn for the provision of public safety dispatch services.



# Vinnin Square Planning

---

- Duration: 1-Year
- Fiscal Year(s) Funding Requested: FY 2024
- Project Cost: \$100,000
- Funding Source: Borrowing (General Fund) Grant opportunities being explored but not identified at this time
- Purpose: Planning study relative to the Vinnin Square commercial district, which will be used to aid future design of and development in the area





# Financial Considerations

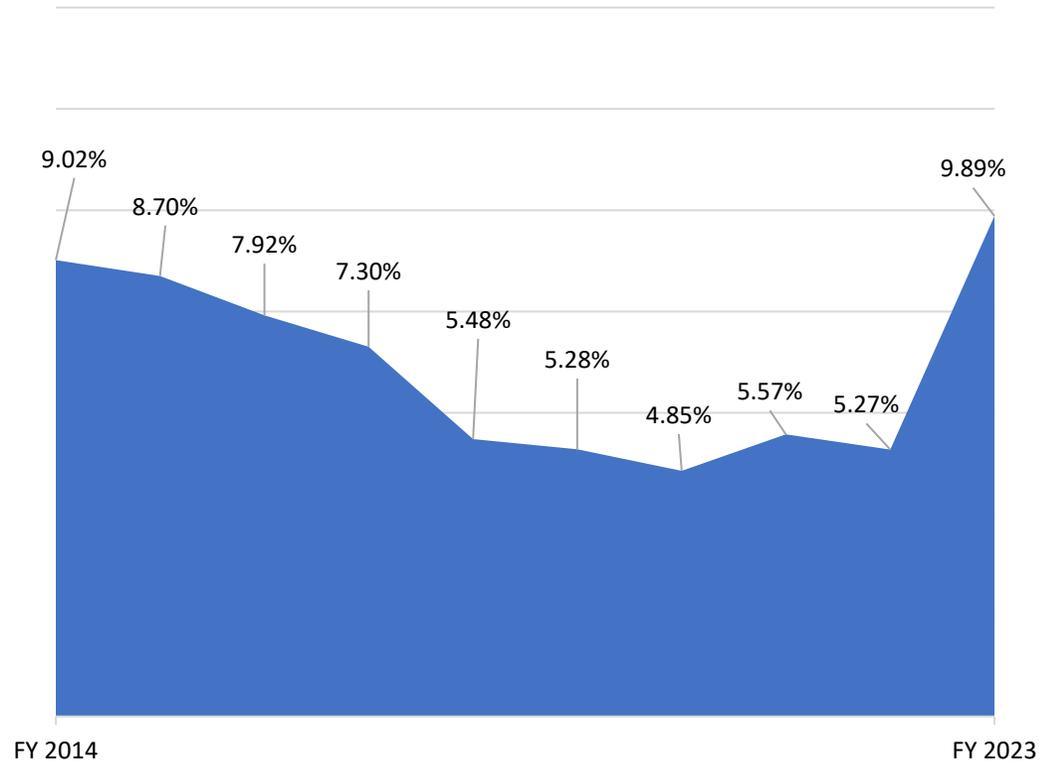
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# Summary of Recommended Funding Sources

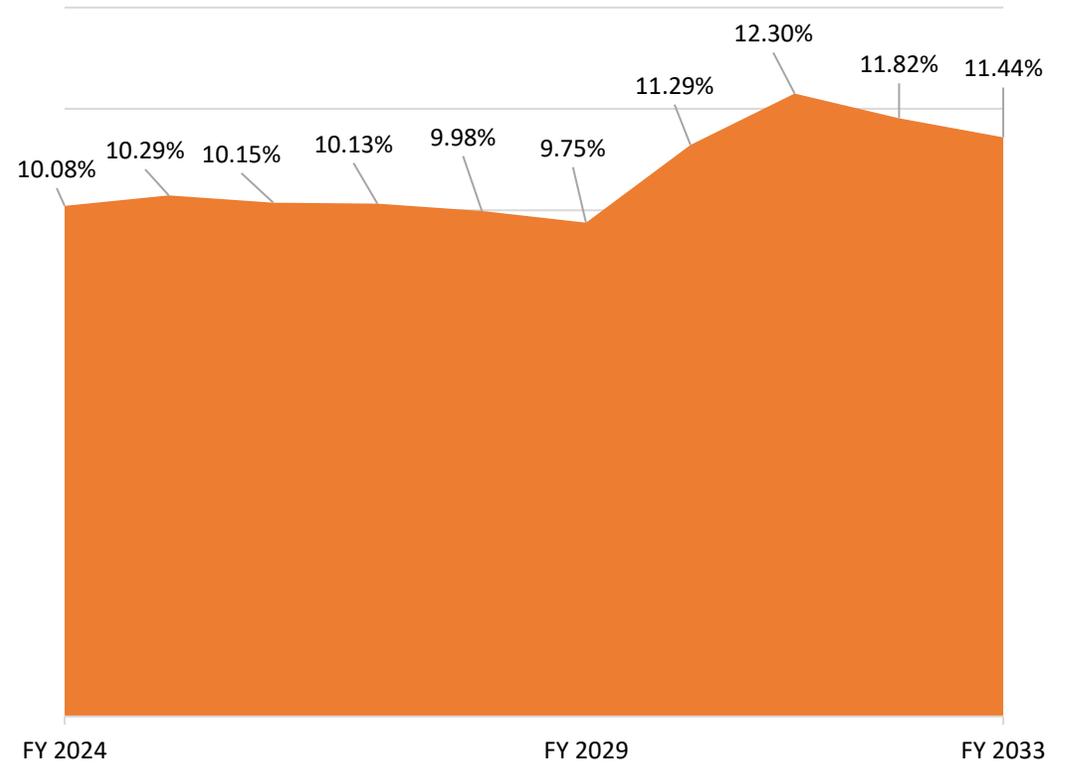
<u>Source</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Borrowing – General	\$3,985,500	\$5,129,500	\$9,180,500	\$2,255,000	\$60,440,000
Borrowing – Water		\$3,000,000			
Borrowing – Water (0% Interest)	\$750,000				
Borrowing – Sewer	\$82,000				
Surplus Capital Transfer	\$463,000				
Free Cash		\$50,000			
Cemetery Perpetual Care Fund	\$50,000				
Grants - Federal	\$110,000	\$35,000	\$35,000	\$35,000	\$35,000
Grants - State	\$600,000	\$100,000	\$100,000		
<b><u>Totals</u></b>	<b><u>\$6,040,500</u></b>	<b><u>\$8,414,500</u></b>	<b><u>\$9,415,500</u></b>	<b><u>\$2,290,000</u></b>	<b><u>\$60,475,000</u></b>

# General Fund Debt Service *as a % of Budget*

Actual  
FY 2014 – FY 2023



Projected  
FY 2024 – FY 2033



# Bond Rating

# AA+

## Ratings Detail (As Of October 13, 2022)

Swampscott GO mun purp loan

*Long Term Rating*

AA+/Stable

Swampscott GO BANs

*Short Term Rating*

SP-1+

Very strong management

Very strong budgetary flexibility

Strong budgetary performance

Very weak debt & long-term liabilities

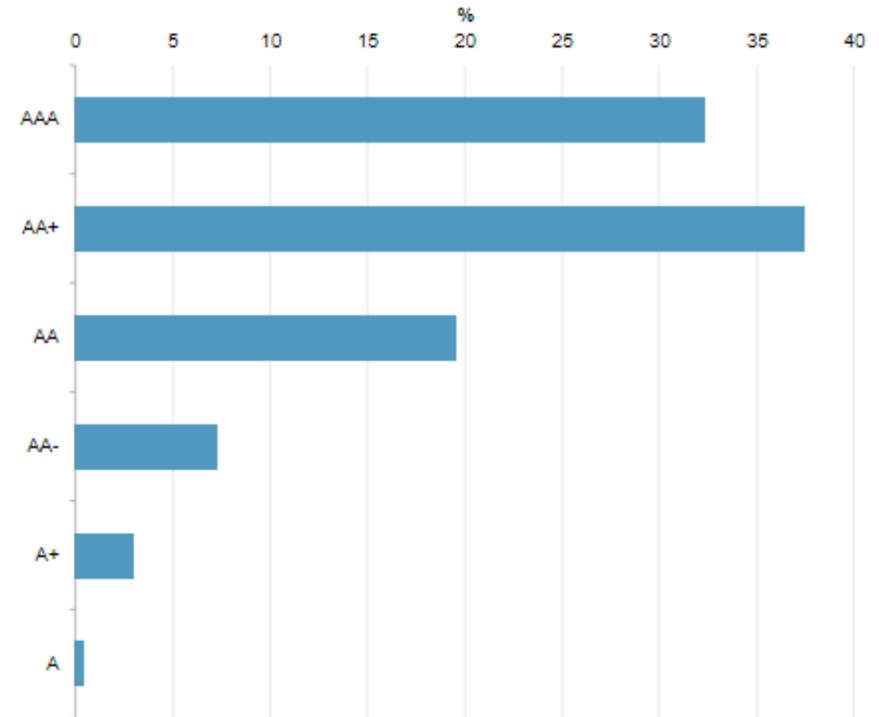
Very strong liquidity

Strong institutional framework

Very strong economy

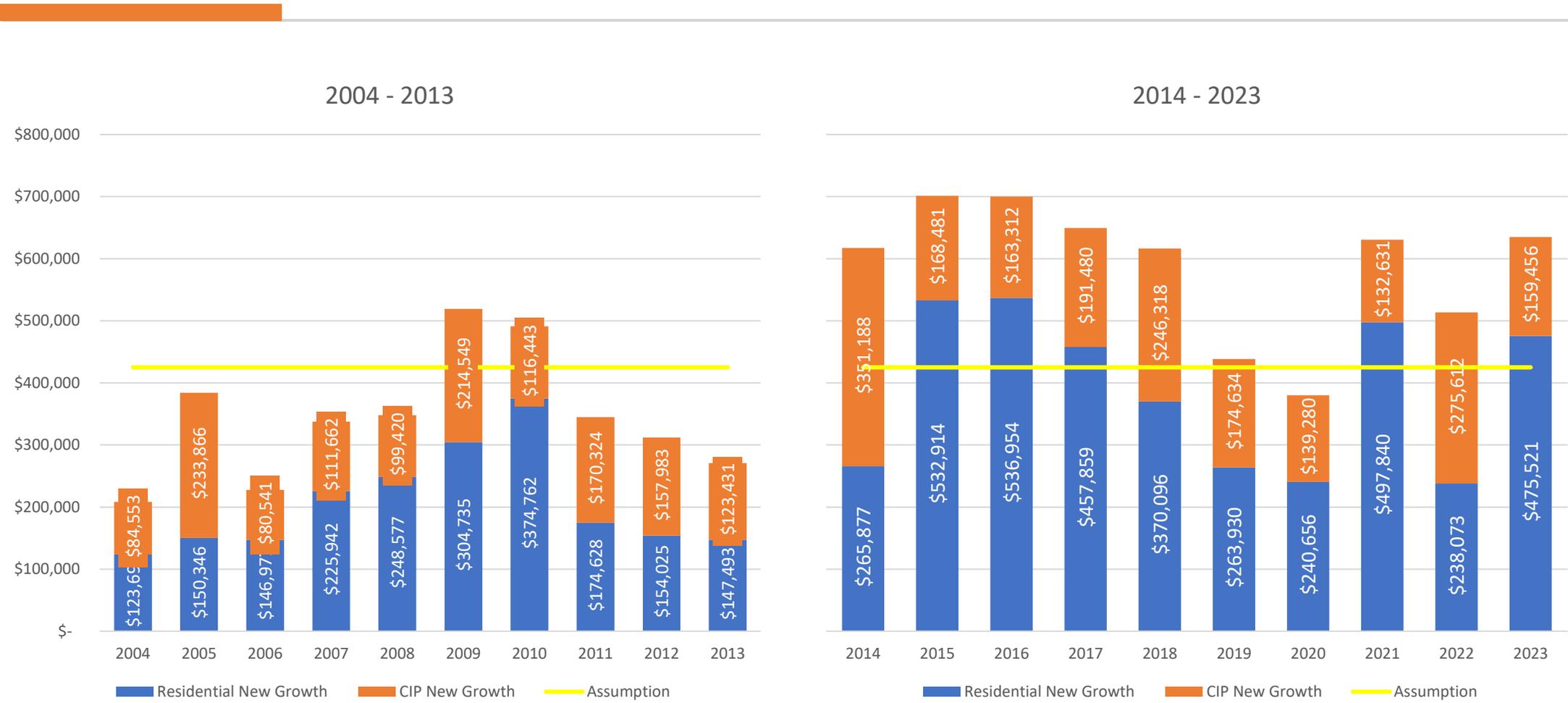
## Massachusetts Municipalities: Ratings Distribution

As of Sept. 9, 2022



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# Trends in New Growth



RESERVE FUND BALANCE	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023*
FREE CASH	\$4,038,376	\$3,161,170	\$4,430,176	\$4,716,580	\$3,164,503	\$3,630,045	\$2,170,544
GENERAL STABILIZATION FUND	\$3,529,485	\$5,058,310	\$5,905,117	\$6,750,956	\$6,650,956	\$7,185,169	\$6,135,724
CAPITAL STABILIZATION FUND	\$355,290	\$609,980	\$866,286	\$974,122	\$1,276,908	\$1,781,189	\$1,363,292
OPEB TRUST FUND	\$1,517,772	\$1,775,191	\$2,187,015	\$2,396,196	\$2,646,196	\$3,349,789	\$3,389,554

\*FY2023 represents FY2022 ± amounts transferred in/out.

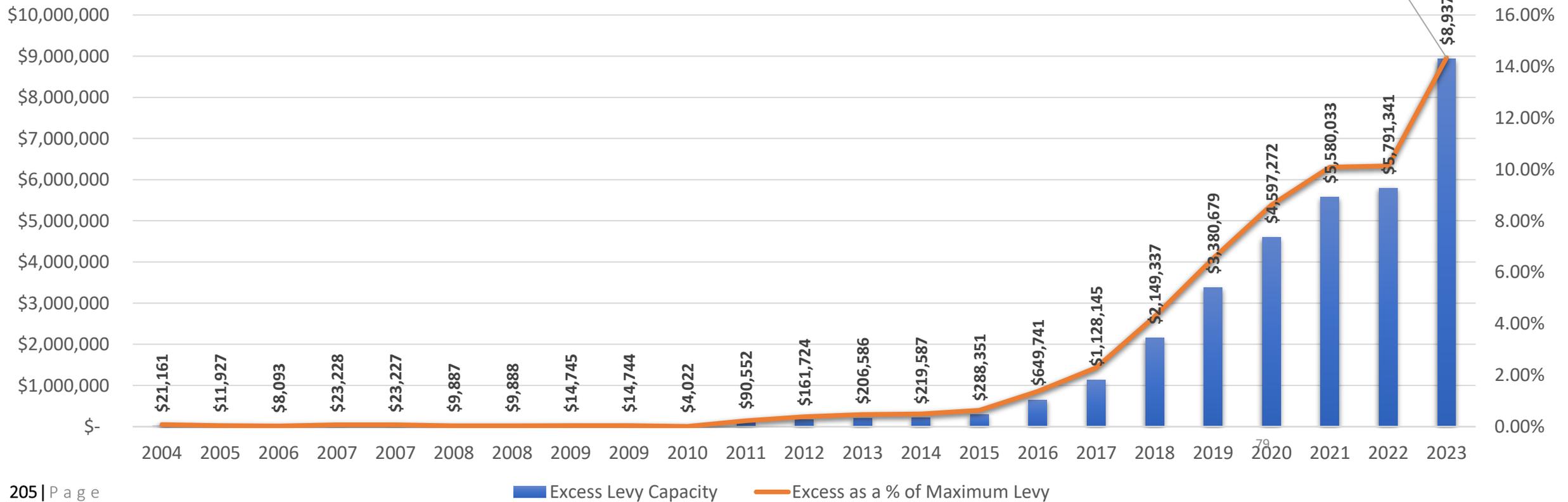
## Reserve Funds

- General Stabilization – Funded at a level of no less than 9%, preferably 10%  
Current Position: **8.78%**
- Capital Stabilization – Funded at a level of no less than 2%, preferably 4%  
Current Position: **1.95%**
- Free Cash – Funded at a level of no less than 3%, preferably 5%  
Current Position: **3.10%**

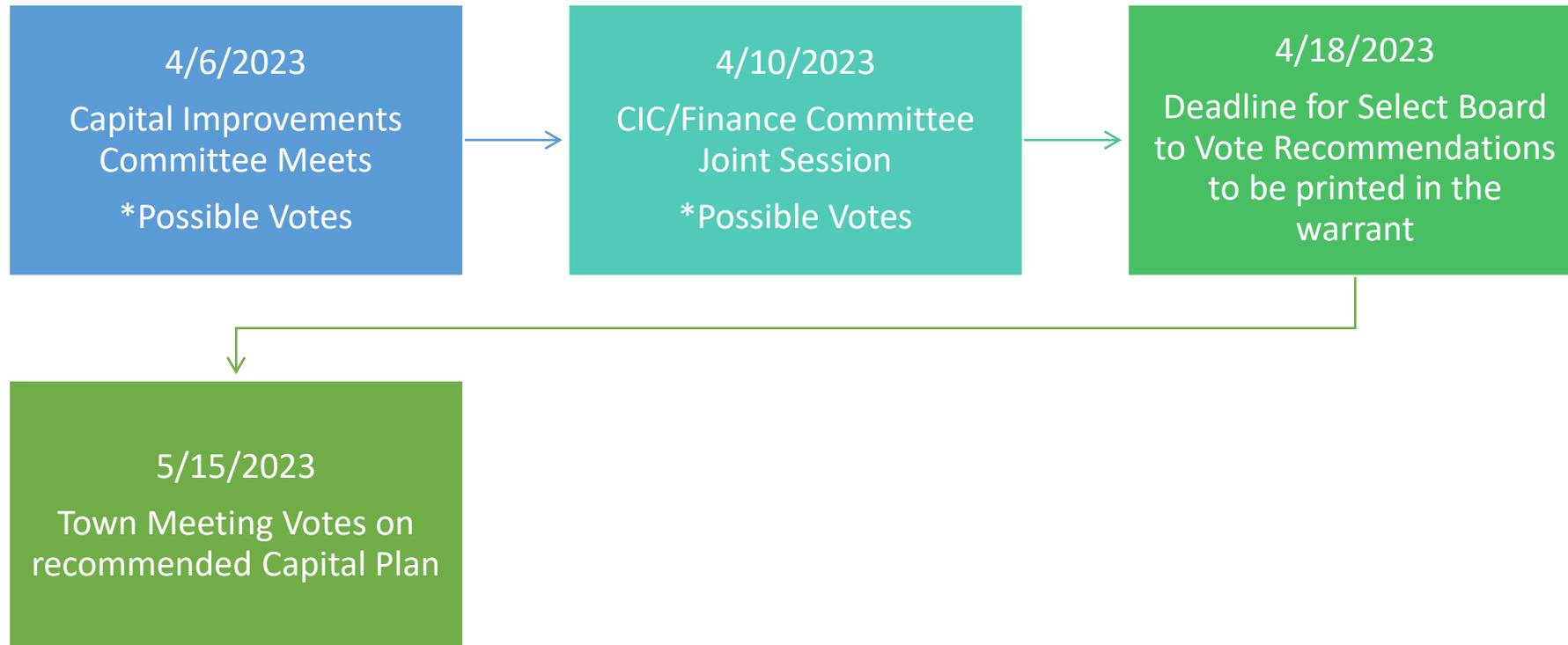
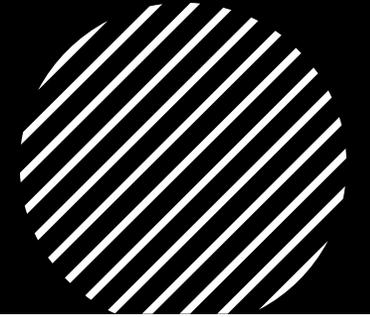
# Excess Levy Capacity



Actual, FY 2004 - FY 2023



# Next Steps





Section 9



# Debt Analysis Summary

Town of Swampscott



<b>General Fund</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>
General Fund Existing Debt Service	6,502,652	6,037,443	5,516,053	5,288,810	5,164,190	4,917,772	4,900,417	4,525,451	4,415,043	4,370,597
General Fund Projected Debt Service, Authorized & Short-Term	543,780	1,068,205	1,345,982	1,354,882	1,362,789	1,209,791	1,190,685	1,190,685	1,190,685	1,190,685
General Fund Projected Debt Service, Proposed Projects	-	265,684	614,016	1,173,941	1,364,402	1,840,520	3,319,143	4,767,052	4,713,396	4,678,459
<b>Projected Totals</b>	<b>7,046,432</b>	<b>7,371,332</b>	<b>7,476,051</b>	<b>7,817,633</b>	<b>7,891,381</b>	<b>7,968,082</b>	<b>9,410,246</b>	<b>10,483,188</b>	<b>10,319,124</b>	<b>10,239,742</b>
<b>Debt Exclusions Only</b>										
Building Construction - High School (MSBA Loan)	401,699	394,651	387,604	380,557	373,509	366,462	359,415	-	-	-
Building Construction - High School	275,400	260,100	-	-	-	-	-	-	-	-
Building Construction - Police	121,700	119,700	117,700	115,550	113,250	110,950	108,650	106,250	103,750	101,250
Building Construction - Police	203,219	197,313	191,188	184,844	178,281	-	-	-	-	-
Building Construction - High School	421,769	419,394	421,894	418,756	419,306	419,556	419,506	418,725	422,188	420,163
Building Construction - High School	349,194	351,994	349,494	351,844	348,894	350,794	352,394	353,331	348,581	348,669
Building Construction - Elementary School	3,020,200	3,015,450	3,018,200	3,017,950	3,019,700	3,018,200	3,018,450	3,015,200	3,018,800	3,019,800
Building Construction - Elementary School (Authorized)	-	\$ 148,000	\$ 128,000	\$ 218,419	\$ 218,419	\$ 218,419	\$ 218,419	\$ 218,419	\$ 218,419	\$ 218,419
Middle School Major Renovation (Proposed)	-	-	-	-	-	51,019	51,019	51,019	51,019	51,019
Middle School Major Renovation (Proposed)	-	-	-	-	-	25,510	51,019	51,019	51,019	51,019
Middle School Major Renovation (Proposed)	-	-	-	-	-	-	1,530,578	1,530,578	1,530,578	1,530,578
Middle School Major Renovation (Proposed)	-	-	-	-	-	-	-	1,530,578	1,530,578	1,530,578
<b>Projected Totals</b>	<b>4,793,180</b>	<b>4,906,601</b>	<b>4,614,079</b>	<b>4,687,919</b>	<b>4,671,359</b>	<b>4,560,910</b>	<b>6,109,450</b>	<b>7,275,119</b>	<b>7,274,932</b>	<b>7,271,494</b>
<b>Sewer Fund</b>										
Sewer Fund Existing Debt Service	522,761	506,970	496,891	490,494	472,952	459,498	436,067	426,874	348,544	345,253
Sewer Fund Projected Debt Service, Authorized Projects	-	34,743	34,743	34,743	34,743	34,743	34,743	34,743	34,743	34,743
Sewer Fund Projected Debt Service, Proposed Projects	-	-	-	-	-	-	-	-	-	-
<b>Projected Totals</b>	<b>522,761</b>	<b>541,713</b>	<b>531,634</b>	<b>525,238</b>	<b>507,696</b>	<b>494,241</b>	<b>470,810</b>	<b>461,617</b>	<b>383,287</b>	<b>379,996</b>
<b>Water Fund</b>										
Water Fund Existing Debt Service	520,250	358,500	356,750	320,000	220,000	220,000	110,000	110,000	-	-
Water Fund Projected Debt Service, Authorized Projects	-	30,430	30,430	30,430	30,430	30,430	30,430	30,430	30,430	30,430
Water Fund Projected Debt Service, Proposed Projects	-	37,500	239,147	239,147	239,147	239,147	239,147	239,147	239,147	239,147
<b>Projected Totals</b>	<b>520,250</b>	<b>426,430</b>	<b>626,327</b>	<b>589,577</b>	<b>489,577</b>	<b>489,577</b>	<b>379,577</b>	<b>379,577</b>	<b>269,577</b>	<b>269,577</b>
<b>General Fund Exclusions</b>										
Non-Excluded Debt	2,253,252	2,464,731	2,861,972	3,129,714	3,220,022	3,407,173	3,300,796	3,208,069	3,044,192	2,968,248
Excluded Debt	4,793,180	4,906,601	4,614,079	4,687,919	4,671,359	4,560,910	6,109,450	7,275,119	7,274,932	7,271,494
<b>Projected Totals</b>	<b>7,046,432</b>	<b>7,371,332</b>	<b>7,476,051</b>	<b>7,817,633</b>	<b>7,891,381</b>	<b>7,968,082</b>	<b>9,410,246</b>	<b>10,483,188</b>	<b>10,319,124</b>	<b>10,239,742</b>
<b>Major/Highlighted Projects - Projected Debt Service</b>										
Elementary School	3,020,200	3,163,450	3,146,200	3,236,369	3,238,119	3,236,619	3,236,869	3,233,619	3,237,219	3,238,219
Land Acquisition	397,192	416,125	472,977	472,977	472,977	472,977	472,977	472,977	472,977	472,977
Clarke School Major Renovation	-	7,800	30,159	69,500	142,500	357,260	357,260	357,260	357,260	357,260
Middle School Major Renovation	-	-	-	-	-	76,529	1,632,616	3,163,194	3,163,194	3,163,194
Town-Wide Traffic Improvements	-	42,492	93,375	213,594	221,094	279,989	279,989	279,989	279,989	279,989
<b>Projected Totals</b>	<b>3,417,392</b>	<b>3,629,867</b>	<b>3,742,711</b>	<b>3,992,441</b>	<b>4,074,691</b>	<b>4,423,374</b>	<b>5,979,712</b>	<b>7,507,039</b>	<b>7,510,639</b>	<b>7,511,639</b>
<b>General Fund Budget</b>										
General Fund Budget	69,876,998	71,699,538	73,558,529	75,454,699	77,388,793	79,361,569	81,373,801	83,426,277	85,519,802	87,655,198
10% Guideline	6,987,700	7,169,954	7,355,853	7,545,470	7,738,879	7,936,157	8,137,380	8,342,628	8,551,980	8,765,520
5% Guideline	3,493,850	3,584,977	3,677,926	3,772,735	3,869,440	3,968,078	4,068,690	4,171,314	4,275,990	4,382,760
7% Guideline	4,891,390	5,018,968	5,149,097	5,281,829	5,417,216	5,555,310	5,696,166	5,839,839	5,986,386	6,135,864
<b>Total Debt Service</b>										
Total Debt Service	7,046,432	7,371,332	7,476,051	7,817,633	7,891,381	7,968,082	9,410,246	10,483,188	10,319,124	10,239,742
	10.08%	10.28%	10.16%	10.36%	10.20%	10.04%	11.56%	12.57%	12.07%	11.68%
	(58,732)	(201,378)	(120,199)	(272,163)	(152,502)	(31,925)	(1,272,866)	(2,140,561)	(1,767,144)	(1,474,222)



Appendix



# Financial Policies Manual

Town of Swampscott



# TOWN OF SWAMPSCOTT MASSACHUSETTS

## FINANCIAL POLICIES MANUAL



Adopted June 2, 2021



## PREFACE

The Town of Swampscott is committed to safeguarding public funds, protecting local assets, and complying with financial standards and regulations. To that end, these financial policies provide guidance for local planning and decision making. The policies are intended to outline objectives, provide direction, and define authority to help ensure sound fiscal stewardship and management practices. Each should be periodically reviewed and updated as necessary.

With these policies, the Town of Swampscott, through its Select Board, Finance Committee, School Committee, and employees, commits to the following objectives:

- Sustaining a consistent level of service and value for residents and businesses
- Safeguarding financial integrity and minimizing risk through a system of internal controls
- Ensuring the quality and maintenance of capital assets
- Conforming to general law, uniform professional standards, and municipal best practices
- Protecting and enhancing the town's credit rating
- Promoting transparency, communication, and public disclosure
- Assuring accurate and timely reporting

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## FINANCIAL PLANNING

### ANTIFRAUD/RISK ASSESSMENT

#### PURPOSE

To protect the Town's assets and reputation from loss, misappropriation and abuse, this policy provides guidelines to provide for adequate insurance, risk management, and safeguards against fraudulent activities or any appearance thereof. Policy objectives include:

- To create an environment in which employees and citizens can report any suspicion of fraud;
- To communicate the Town's intent to prevent, report, investigate, and disclose to proper authorities suspected fraud, abuse, and similar irregularities;
- To provide management with guidelines and responsibilities regarding appropriate actions in conducting investigations of alleged fraud and similar improprieties;
- To provide guidelines for appropriate levels of insurance coverage designed to protect against risk of loss; and
- To provide regular risk assessment and monitoring procedures designed to target areas in which risk of loss is present and develop procedures designed to mitigate risk.

#### APPLICABILITY

This policy pertains to risk of loss through accident, fraud, abuse, or similar irregularity against the Town. It applies to all elected and appointed Town officials and employees and to any other persons acting on behalf of the Town, such as vendors, contractors, volunteers, casual employees, and grant subrecipients.

#### POLICY

The Town is committed to protecting its revenue, property, information, and other assets from unacceptable loss, whether by accident or through negligence or willful actions of parties at the expense of the town. Town officials, employees and other persons acting on behalf of the Town must always comply with applicable policies, laws, and regulations. The Town will not condone any violation of law or ethical business practices and will not permit any activity that fails to withstand the closest possible public scrutiny. The Town intends to fully, objectively, and impartially investigate any suspected acts of fraud or other similar irregularities regardless of the position, title, length of service, or relationship with the government of any party who may be the subject of such investigation.

Regardless of the vigilance of Town officials, occasions may arise where losses occur due to malicious intent, inadvertence, accident, or so called, acts of God. In these instances, it is necessary for the Town to provide for appropriate levels of insurance coverage at taxpayer expense to insure against such loss.

#### A. Definitions

**Any person acting on behalf of the Town** shall mean any person responsible for or to Swampscott's government and placed in that position by some official relationship with the Town.

**Abuse** can occur in financial or nonfinancial settings and refers to, but is not limited to:

- Improper use or misuse of authority
- Improper use or misuse of Town property, equipment, materials, records, or other resources
- Waste of public funds

**Fraud or other irregularity** refers but is not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account
- Forgery or alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of Town activities
- Disclosing confidential or proprietary information to outside parties
- Accepting or seeking anything of material value from consultants, contractors, vendors, or persons providing services or materials to the Town
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment
- Any claim for reimbursement of expenses not made for the exclusive benefit of the Town
- Any computer-related activity involving the alteration, destruction, forgery, or manipulation of data for fraudulent purposes
- Any omissions and misrepresentations made in bond offering documents, presentations to rating agencies, and annual financial reports

#### B. Antifraud Responsibilities

Every employee has the responsibility to assist the Town in complying with policies and laws and in reporting violations. The Town encourages the support and cooperation of all employees in meeting the Town's commitment and responsibility to such compliance.

Town officials and department heads are responsible for instituting and maintaining a system of internal controls to reasonably ensure the prevention and detection of fraud, misappropriations, and similar irregularities. Management should be familiar with the types of improprieties that could occur within their areas of responsibility and be alert for any indications of such conduct.

The Town Administrator has primary responsibility for investigating all activity defined in this policy and will, to the extent practical, notify the Select Board of reported allegations of fraudulent or irregular conduct upon commencing the investigation. In all circumstances where there are reasonable grounds to indicate fraud may have occurred, the Town Administrator, subject to the advice of Town Counsel, will contact the Swampscott Police Department and/or the District Attorney's office. Upon concluding the investigation, the Town Administrator will report results to the Select Board and others as determined necessary.

#### C. Disclosure

If the Town's investigation concludes that there was a violation of any federal criminal law involving fraud, bribery or gratuity potentially affecting a federal award, the Town Administrator will disclose such in writing to the federal awarding agency in compliance with the Office of Management and

Budget's Omni Circular. Similarly, if there are findings of bond offering information falsification, the Town Administrator will disclose this in writing to the bondholders.

#### D. Risk Assessment and Monitoring

When internal controls are initially implemented, they are designed to adequately safeguard assets. However, over time, these controls can become ineffective due to changes in technology, operations, etc. In addition, changes in personnel and structure, as well as the addition of new programs and services, can add risks that previously did not exist. As a result, the Town must periodically perform a risk assessment to anticipate, identify, analyze and manage the risk of asset loss. Risk Assessment (which includes Fraud Risk Assessment) is one element of internal control.

The Town Administrator shall bi-annually, at a minimum, identify certain management-level town officials who have extensive knowledge of the town's operations as a Risk Assessment Team. This Team should conduct interviews and lead group discussions with personnel and town volunteers who have knowledge of the town's operations, its environment, and its processes. The Risk Assessment Team shall consider the Town's vulnerability to loss and should address operations that involve heightened levels of risk. The Risk Assessment Team shall also conduct periodic assessments that should consider the following:

- What assets are susceptible to loss or misappropriation?
- What departments, activities or programs receive cash receipts?
- What departments, activities or programs have movable inventory?
- What operations are the most complex?
- How could assets be stolen?
- Are there any known internal control weaknesses that would allow loss to occur and remain undetected?
- How could potential misappropriation of assets be concealed?
- What prior internal control issues could continue to be problematic?
- What existential threats to public assets exist, such as environmental threats, exposure, or other threats exists to public assets that could lead to losses?
- What level of insurance against such losses is appropriate?

Once the areas vulnerable to risks have been identified, a review of the Town's systems, procedures, and existing controls related to these areas should be conducted. The Town should consider what controls (if any) need to be implemented to reduce risk.

After risk has been assessed, periodic monitoring of identified risk areas must be performed in order to evaluate the controls that have been implemented.

#### E. "Whistleblower" Protection Procedures

The Town Administrator will create a set of procedures to be appended to this policy or incorporated by reference. The procedures should cover all the following at minimum:

1. Procedure and methods for reporting suspicions of fraud, abuse and other irregularities
2. Assignment of responsibilities in response to reported suspicions

3. Employee protections from retaliation
4. Security of investigation documents
5. Treatment of anonymous allegations and false allegations (intentional and unintentional)
6. Personnel disciplinary actions
7. Responsibilities around media contact
8. Training, education and awareness
9. Disclosure requirements and protocols

**REFERENCES**

[M.G.L. c. 149 § 185](#)

DRAFT

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## ASSESSING POLICIES

### PURPOSE

To ensure the Town timely and appropriately charges taxes to property owners in support of the annual budget, this policy sets forth the roles, responsibilities, and deadlines associated with the tax recapitulation (“tax recap”) process. A timely and accurate annual tax recap helps ensure the Town complies with state statutes, prevents workflow disruptions in its financial offices, and avoids any temporary borrowing costs associated with cash shortfalls.

### APPLICABILITY

This policy applies to the Select Board in its policymaking and management responsibilities and to the Board of Assessors in its role as principal overseer of the tax recap process. It also applies to the related job duties of the Town Administrator, Town Accountant, Assessing Director/Assistant Assessor, Treasurer/Collector, and Town Clerk.

### BACKGROUND

The property tax levy is Swampscott’s largest source of revenue, which therefore makes the tax recap a vital component of the Town’s fiscal operations. The Assessing Department oversees two core phases: property valuation and tax rate setting. However, the full process begins with town meeting, involves many other local officials, and requires careful management, teamwork, and cooperation.

The tax recap forms and schedules present the Town’s annual budget plan for the fiscal year. They summarize all appropriations made by town meeting since the previous year’s tax rate was set and identify all non-property-tax revenue sources, such as state aid, local receipts, and reserves. The difference between these sources and the total budgeted appropriations must be raised through the property tax levy.

By completing the tax recap and submitting it to the Division of Local Services (DLS) for approval, the Town establishes its property tax levy and sets the tax rate for the year. The Town may issue actual tax bills only after DLS reviews the recap and approves the tax rate.

### POLICY

At the Town Administrator’s direction, Swampscott’s financial team will annually complete the tax recap process no later than [November 30]. The Town Administrator will develop a realistic plan and timetable to meet these deadlines and keep the Select Board and Finance Committee apprised of progress.

#### A. Preparation and Town Meeting

A successful tax recap process starts with a balanced annual budget, valid funding sources, and proper town meeting actions, which will be accomplished as follows:

- The Select Board, in coordination with Town Counsel, will assure the production of a properly written town meeting warrant that will allow town meeting voters, under the Town Moderator’s oversight, to properly authorize annual budget appropriations funded by specific revenue sources (e.g., raise and appropriate, free cash, stabilization, etc.).
- The Select Board will ensure that any annual increase in the tax levy does not exceed the maximum allowed under Proposition 2½.

- The Town Accountant and Select Board will verify that the proposed budget is balanced.
- The Town Accountant will prepare a schedule of funds available for appropriation by town meeting.
- The Finance Committee will then conduct a comprehensive review of the budget as presented and approve said budget before presentation at town meeting.
- The Treasurer and Bond Counsel will ensure any debt issuance authorizations are proper.
- The Select Board will ensure that any proposal for a general override or a debt, capital, or special purpose stabilization fund exclusion is properly presented in the town meeting warrant and, if passed, put to a town-wide referendum.

Whereas the budget is typically adopted at the spring annual town meeting, all appropriations and borrowings approved at this and any special town meetings not recorded in the previous tax rate must be included in the current tax recap process.

#### B. Recording Legislative Actions

To allow time for any required corrective measures, the following tasks will be completed within two weeks after town meeting:

- The Town Clerk will record and certify the voting minutes of all town meetings held since the last tax rate was set.
- The Town Accountant will review the Town Clerk's certified town meeting minutes to ascertain all the voter-authorized appropriation amounts for the tax recap period.
- When the Town Clerk and Town Accountant are in agreement on the summarized appropriation totals by revenue category, the Town Clerk will enter the amounts into the DLS Gateway system (page 4 of the tax recap).
- From the certified town meeting authorizations, the Town Accountant will complete the following Gateway forms:
  - enterprise estimated revenues and appropriations (Schedule A-2)
  - enterprise receipts and appropriations (Schedule A-2)
  - free cash used (Form B-1)
  - available funds used (Form B-2)
- When applicable, the Town Accountant will include free cash voted to reduce the current tax rate on page 2 of the tax recap.
- When applicable, the Treasurer will prepare the debt exclusion report, including any use of reserved bond premiums (Form DE-1), and report any reserved bond premium amounts used as funding sources (Form B-2).

#### C. Tax Recap Entries done after the Fiscal Year-end Closing

Within two weeks of closing the books for the fiscal year, the Town Accountant will do the following to complete the tax recap:

- Report all deficits or other expenditures that must be funded, including debt and snow and ice (page 2 of the tax recap).
- Record the actual amounts received for each type of local receipt (page 3, column (a) of the tax recap).
- Enter estimated local receipts using the revenue projections from the budget approved at annual town meeting (page 3, column (b) of the recap).

- Enter the actual enterprise revenues for the prior fiscal year (Schedule A-2)

#### D. Property Value Certification

Assessors must value all taxable real and personal properties and classify them into one of four classes (residential, open space, commercial/industrial, or personal) based on their use as of January 1. To do this, the Assistant Assessor will:

- Complete the property sales report (Form LA-3) for all sales over \$1,000 and submit it to DLS for approval.
- Analyze market conditions and set final property values in compliance with DLS certification standards.
- Report the total assessed valuations for real and personal properties by class in Form LA-4 (which Gateway then automatically imports into page 1 of the tax recap).
- Report fiscal year tax base growth used to determine the levy limit under Proposition 2½ in Form LA-13 (automatically imported into the Levy Limit Worksheet).
- Update any prior-year omitted and revised assessments that included growth in Form LA-13A (automatically imported into the Levy Limit Worksheet).

The Assistant Assessor will submit the above forms to DLS for review and certification.

#### E. Tax Rate Setting

After DLS has certified property values, the Select Board will hold a public hearing to decide tax policy. At this classification hearing, the Select Board may vote for a single tax rate, which thereby allocates the tax levy proportionately across all property classes, or for a shift of the tax burden between the four classes. Leading to this hearing, the following must be done:

- The Assistant Assessor and Town Accountant prepare an overlay analysis (Form OL-1).
- The Board of Assessors estimates and votes the amount of overlay to raise.
- The Board of Assessors prepares a financial analysis of the various tax alternatives.
- The Town Clerk publishes an advance notice of the hearing and reports this on Form LA-5.
- The Select Board votes on residential, small commercial, and open space exemptions.
- The Select Board acknowledges excess levy capacity (Form LA-5).

#### F. Review and Submittal to DLS

The Board of Assessors, working through the Assistant Assessor, is responsible for submitting all forms and supporting documents to DLS for tax rate approval. To do this:

- The Assistant Assessor and Town Accountant will review all schedules, verify signatures, and verify that all proper documents are attached.
- The Town Accountant will ensure that all budget authorizations are represented and accurately reconcile to the amounts reported in the tax recap schedules.

#### G. Tax Commitment Creation

After DLS notifies the Town that the tax rate has been approved, the Assistant Assessor will create a tax commitment list and warrant duly signed by the Assessing Board members and refer it to the Collector to generate the actual tax bills.

#### H. Excise Tax Assessment

Assessment of Excise Taxes are also administered by the Assessing Department of the Town of Swampscott. Excise tax data is received periodically from the Mass. Registry of Motor Vehicles based on vehicle registration data. When data files are received from the Mass. RMV, the Assessing Department shall upload the data into the Town's Excise Tax Billing & Collection System as soon as practicable and bills will be issued to taxpayers shortly thereafter.

Many individuals are eligible for certain statutory exemptions, and the Assessing Department will receive applications for such exemptions. Also, taxpayers are entitled to either partial or full abatements when they sell or dispose of vehicles once the registration is canceled with the Mass. RMV. The Assessing Department will administer such abatement requests and process them on a timely basis to ensure that taxpayers' excise tax bills accurately reflect registration data maintained with the Mass. RMV.

#### **REFERENCES**

[M.G.L. c. 40, § 56](#)

[M.G.L. c 40A, § 11](#)

[M.G.L. c 41, § 115A](#)

[M.G.L. c. 59 § 5C](#)

[M.G.L. c. 59, § 21C](#)

[M.G.L. c. 59, § 25](#)

[M.G.L. c. 60A § 1](#)

DLS Training Publication: [New Officials Financial Handbook](#) and [Assessors Course 101 Handbook Chapter 5: Setting the Tax Rate](#)

## **BUDGET DEVELOPMENT / FINANCIAL FORECASTING**

### **PURPOSE**

To assess the range of choices available to budget decision makers when determining how to allocate resources, this policy establishes guidelines for creating multiyear projections of revenues and expenditures as part of the annual budget process and long-term fiscal planning. This policy also provides a framework within which the development of the annual operating budget will take place.

Forecasting helps local officials understand the long-range implications of pending near-term decisions. In so doing, a multiyear forecast helps guide forward-looking budget processes that enable the community to avert potential deficits, promote long-term financial health, and strategize for capital investment and community development.

### **APPLICABILITY**

This policy applies to the Select Board, Town Administrator, and Finance Committee in their budget analysis and decision-making responsibilities.

### **POLICY**

To determine the Town's operating capacity for the immediate and future fiscal years, the Town Administrator or his designee will annually create a detailed forecast with ten-year projections of revenues and expenditures. The Finance Committee, Select Board, Capital Improvement Committee, and School Committee will use the forecast to support their decision making for the upcoming year's operating and capital budgets and for the Town's multiyear capital improvement plan. When preparing forecasts, the Town Administrator will analyze historical revenue and expenditure trends, develop a set of assumptions tailored to each revenue and expense category, and then use those assumptions to formulate the projections.

The Town Administrator will review the initial forecast and then provide it to the Select Board and Finance Committee for their review and comment. In addition, the Town Administrator will promptly revise the forecast projections whenever circumstances change and provide updated forecasts to the Select Board and Finance Committee.

Before creating an initial forecast as part of a new budget process year, the Town Administrator will review the performance accuracy of prior-year forecasts and any evolving factors related to the underlying assumptions to consider how projections in the new forecast may need to be adjusted. Factors to consider include changes in laws, regulations, inflation rate, interest rate, town goals, and policy decisions.

#### **A. General Fund Budget Development**

##### **a. Guidelines for Revenue Assumptions**

The following principles shall guide the formulation of revenue assumptions:

- Projections of the property tax levy for budget purposes shall be confined to increases of 2.0% per year, plus the mean average of the past five years' actuals of new growth revenue, but in no instance shall projected new growth exceed \$425,000.

- The above policy that is clearly below the provisions governing the levy limit, what should the policy be as it pertains to the excess levy capacity that inevitable results?
- In the event the Town Administrator determines the aforementioned constraint is insufficient to meet the budgetary needs of the town in any given fiscal year, the Town Administrator may request the Select Board vote to authorize a budget that exceeds the above constraints, provided the tax levy is computed within the expected Proposition 2 ½ limitations.
- Local aid projections will correspond with economic cycles, while Chapter 70 educational aid will reflect trends in school choice, enrollments, tuition, and charter assessments.
- Estimates for local receipts (e.g., motor vehicle excise, inspection fees, etc.) will not exceed 90 percent of the prior year's actual collections without firm evidence that higher revenues are achievable.
- Grant revenues will be reviewed annually to determine their sustainability.
- The Town will build and maintain reserves in compliance with its Financial Reserves policy.

b. Guidelines for Expenditure Assumptions

Annually, the Town Administrator, will determine a particular budget approach for forecasting expenditures, either a zero-based budget, maintenance (level service), level funded, or one that adjusts expenditures by specified increase or decrease percentages (either across the board or by department).

- A maintenance budget (level service) projects the costs needed to maintain the current staffing level and mix of services into the future.
- A level-funded budget appropriates the same amount of money to each municipal department as in the prior year and is tantamount to a budget cut because of inflationary pressure on prices as well as increases in mandated costs and other fixed expenses.
- A zero-bases budget is a method of budgeting in which all expenses must be justified for each new fiscal year. The process of zero-based budgeting starts from a "zero base," and every function within an organization is analyzed for its needs and costs. Budgets are then built around what is needed for the upcoming fiscal year regardless of whether each budget is higher or lower than the previous year.

The following principles shall guide the formulation of expenditure assumptions:

- The Town's current level of services will be evaluated annually to determine the approach to budget development.
- Historical trends in the growth of operating expenses and employee benefits will prevail.
- Projections will factor cost-of-living adjustments for the salaries/wages of regular employees.
- The Town will annually meet or exceed the Department of Elementary and Secondary Education's net school spending requirements.
- The Town will pay its annual pension contributions.
- The Town will pay all existing debt service obligations and adhere to its Capital Planning and Debt Management policies.

B. Guidelines for FTE Review

Annually, the Town Administrator, will determine the staffing needs of the town for the upcoming fiscal year through a Full-Time Equivalency (FTE) Analysis. This analysis will analyze existing staffing

levels, review anticipated retirements or other expected position vacancies, and determine whether the projected staffing levels will be sufficient to service the needs of the town.

The Financial Forecast will include a reference to the FTE Analysis.

In the event projected staffing levels are, in the opinion of the Town Administrator, insufficient to service the town's needs, the Town Administrator will notify the Select Board and the Finance Committee of the need for additional staff and a plan for covering the salary and benefit expenses associated with such additional staff.

### C. Annual Operating Budget Timeline

There is a summarized annual operating budget calendar provided in Appendix B that illustrates in sufficient detail the expected timeline that the Town Administrator will be expected to comply with in developing the annual operating budget.

The key dates that are expected to be met are as follows:

- 4<sup>th</sup> Friday of January each year:
  - Preliminary Town Administrator's Budget to be released to Select Board and Finance Committee members for comment to be returned to the Town Administrator.
- 1<sup>st</sup> Select Board Meeting in February each year:
  - Town Administrator will be expected to present the recommended operating budget for the upcoming fiscal year and should be available for questions/comments.
- Last Select Board meeting in February each year:
  - Town Administrator will be expected to present the final recommended operating budget for the upcoming fiscal year.
- Finance Committee budget review; March – April each year:
  - Town Administrator should expect to be available to the Finance Committee for its annual review of the recommended operating budget
  - All other financial warrant articles should be shared with the Finance Committee on a timely basis to allow for adequate review prior to town meeting.
- 3<sup>rd</sup> Monday/Tuesday in May; Annual Town Meeting each year:
  - Town Administrator should expect to be able to answer questions/provide comments at town meeting each year on the operating budget.

### D. Revolving Funds

See Revolving Funds section under Operations.

### E. Enterprise Funds

#### a. Guidelines for Revenue Assumptions

The following principles shall guide the formulation of revenue assumptions:

- Projections of enterprise fund revenue shall be conducted at least annually and shall be developed to ensure that each enterprise fund operates on at least a break-even basis.
- The Town will build and maintain reserves in compliance with its Financial Reserves policy.

b. Guidelines for Expenditure Assumptions

Annually for the Enterprise Funds, the Town Administrator, will determine a particular budget approach for forecasting expenditures, either maintenance (level service), level funded, or one that adjusts expenditures by specified increase or decrease percentages (either across the board or by department). A maintenance budget projects the costs needed to maintain the current staffing level and mix of services into the future. A level-funded budget appropriates the same amount of money to each municipal department as in the prior year and is tantamount to a budget cut because of inflationary pressure on prices as well as increases in mandated costs and other fixed expenses.

The following principles shall guide the formulation of expenditure assumptions:

- The Town's current level of services will be evaluated annually to determine the approach to budget development.
- Historical trends in the growth of operating expenses and employee benefits will prevail.
- Projections will factor cost-of-living adjustments for the salaries/wages of regular employees.
- The Town will annually meet or exceed the Department of Elementary and Secondary Education's net school spending requirements.
- The Town will pay its annual pension contributions.
- The Town will pay all existing debt service obligations and adhere to its Capital Planning and Debt Management policies.

**REFERENCES**

[M.G.L. c. 44, § 20](#)

[M.G.L. c. 44, § 53A](#)

[M.G.L. c. 44, § 53A½](#)

[M.G.L. c. 44, § 63](#)

[M.G.L. c. 44, § 63A](#)

DLS Best Practice: [Revenue and Expenditure Forecasting](#)

Government Finance Officers Association article: [Structuring the Revenue Forecasting Process](#)

## CAPITAL PLANNING

### PURPOSE

To effectively maintain the Town's infrastructure and protect the value of its capital assets, this policy outlines guidance for planning, reviewing, and coordinating capital improvements. Adherence to this policy will help the Town meet its capital needs despite limited resources.

### APPLICABILITY

This policy establishes a framework for long-term capital improvements, sets guidelines and expectations for all Town departments in planning for and requesting capital projects, and outlines consensus budgetary goals for the Select Board, Finance Committee and Capital Improvement Committee (CIC). It also applies to related job duties of the Town Administrator and other officials charged with development of the capital plan.

### POLICY

The Town will maintain its physical assets by providing funding in the operating budget to protect its capital investments and minimize future maintenance and replacement costs. To provide and preserve the infrastructure needed for achieving the highest levels of public services and quality of life possible within available financial resources, the Town will maintain an annually updated, five-year plan for capital improvements. The Town will emphasize preventive maintenance as a cost-effective approach to capital reinvestment and replace exhausted goods as necessary.

In accordance with the Town Charter and Bylaws, the CIC is charged to oversee the Town's capital improvement program. This involves identifying and prioritizing projects, analyzing funding, and creating a long-term financial plan achievable within the Town's budget limitations. The CIC is appointed by the Town Moderator and consists of 5 registered voters of the Town. The Town Administrator, Director of Public Work, and at the discretion of the Town Moderator one other 1 additional town employee serve as ex-officio, nonvoting, members of the CIC.

#### A. Definition of a Capital Improvement

A capital improvement is a tangible asset or project estimated to cost over \$20,000 and to have or to extend three or more years of useful life. These include:

- Real property acquisitions and construction
- Long-life capital equipment
- Major renovations of existing capital items that extend their useful lifespans, as distinguished from normal operating expenditures
- Major improvements to physical infrastructure, including streets, sidewalks, sewer systems, and stormwater drains
- Planning, feasibility studies, and designs for potential capital projects
- Items obtained under long-term capital leases
- Bulk purchases of similar items, like software or furniture, with expected useful lifespans of five or more years and aggregated cost exceeding the \$20,000 capital threshold.

### B. Capital Asset Inventory

To support a systematic acquisition and replacement schedule, the Town Administrator, or his designee, will maintain and annually update a detailed inventory of all capital assets, which shall include dates built, acquired or last improved, original costs, current conditions, expected and remaining useful lifespans, depreciated values, extent of use, and any scheduled replacement or expansion dates. To do this, Department Heads will provide, on an annual basis, an inventory of capital assets of each department for comparison to the fixed asset listing provided by the town's auditors. These submissions will then be used to update the capital asset inventory and submit a copy to the CIC, Finance Committee, Select Board, and Town Administrator.

### C. Evaluation of Annual Capital Project Requests

The Town Administrator or his designee will solicit new capital project requests from all department heads, boards, and committees at a point prior to the annual operating budget process. These capital project requests will then be compiled, along with capital projects planned from prior year capital planning, into a recommended Capital Plan.

This recommended plan will be submitted to the CIC, which shall conduct a public process to review the projects submitted. The CIC shall prioritize the project requests by applying the scoring methodology spreadsheet recommended by The Collins Center. The following criteria, as outlined in the scoring spreadsheet, therefore provides the objective framework upon which the CIC shall base its analysis of the project requests:

1. Eliminates a hazard to public health and safety
2. Required by state or federal laws or regulations
3. Supports adopted plans, goals, objectives, and policies
4. Stabilizes or reduces operating costs
5. Makes better use of a facility or replaces a clearly obsolete one
6. Maintains or improves productivity or existing standards of service
7. Uses outside financing sources, such as grants
8. Directly benefits the Town's economic base by increasing property values
9. Provides new programs having social, cultural, historic, economic, or aesthetic value

### D. Multiyear Capital Improvement Plan

The capital improvement plan (CIP), including the upcoming fiscal year's capital budget and a minimum of a five-year projection of capital needs and expenditures that details their estimated costs, descriptions, and anticipated funding sources will be updated annually. The CIC will then submit a report of the plan to the Select Board for consideration and approval. Subsequently, the Board will submit its approved recommended capital budget for the upcoming fiscal year to the annual town meeting for adoption by the Town. The CIC's report and the Selectmen's recommended capital budget will be published and made available in a manner consistent with the distribution of the Finance Committee report. The CIC will deposit its original report with the Town Clerk.

### E. Capital Financing

To aid the CIC in making its final decisions, the Town Treasurer will annually prepare and submit to the committee a fund utilization forecast detailing the funds available for financing capital projects over the course of the time covered by the CIP.

The CIP shall be prepared and financed in accordance with the following principles:

- Short-term debt may be used to fully finance purchases with useful lifespans of 3-5 years.
- In accordance with Swampscott's debt policy, the Town will restrict long-term debt funding to projects with lifespans greater than 5 years.
- Before any long-term, bonded capital project is recommended, the project's annual operating costs and debt service costs shall be identified.
- Special revenue sources (e.g., grants, revolving funds) shall be evaluated as funding options whenever practical.
- Major capital projects, such as new construction or major renovations to existing facilities, may be accomplished through capital or debt exclusions.
- Infrastructure or facility maintenance budgets built into the general operating budget will not be reduced to fund other departmental budgets.
- To the extent feasible, all capital projects associated with the Town's enterprise funds operations (i.e., Sewer, Water & Cable TV) shall be financed from user fees and other enterprise fund revenue.

### REFERENCES

[M.G.L. c. 44, § 20](#)

[M.G.L. c. 44, § 33B](#)

Division of Local Services (DLS) Best Practices: [Presenting and Funding Major Capital Projects](#) and [Special Purpose Stabilization Funds](#)

DLS Financial Management Guidance: [Capital Improvement Planning Manual](#) and [Capital Improvement Planning Guide – Developing a Comprehensive Community Program](#)

## DEBT MANAGEMENT

### PURPOSE

To provide for the appropriate issuance and responsible use of debt, this policy defines the parameters and provisions governing debt management. Policy adherence will help the Town to responsibly address capital needs, provide flexibility in current and future operating budgets, control borrowing, sustain capital investment capacity, and maintain or enhance the Town's bond rating so as to achieve long-term interest savings.

### APPLICABILITY

This policy applies to the budget decision-making duties of the Select Board, Town Administrator, Finance Committee, Capital Improvement Committee. Further, it applies to the debt management responsibilities and budget analysis and reporting duties of the Town.

### POLICY

Under the requirements of federal and state laws, the Town may periodically issue debt obligations to finance the construction, reconstruction, or acquisition of infrastructure and other assets or to refinance existing debt. The Town will issue and manage debt obligations in such a manner as to obtain the best long-term financial advantage. Debt obligations, which include general obligation bonds, revenue bonds, bond anticipation notes, lease/purchase agreements, and any other debt obligations permitted to be issued under Massachusetts law.

#### A. Debt Financing

In financing with debt, the Town will:

1. Issue long-term debt only for purposes that are authorized by state law and ~~qualify for tax-exempt bonds~~ and only when the financing sources have been clearly identified.
2. Use unexpended bond proceeds to the greatest extent possible to reduce the amount of borrowing on all debt-financed projects.
3. Confine long-term borrowing to capital improvements and projects that have at least 5 years of useful life or whose useful lifespans will be prolonged by at least 5 years.
4. Consistent with state law, refrain from using debt to fund any recurring purpose, such as current operating and maintenance expenditures.
5. Consider using revenue bonds, special assessment bonds, or other types of self-supporting bonds instead of general obligation bonds whenever possible.

#### B. Debt Limits

The Town will adhere to these debt parameters:

1. Total debt service, including debt exclusions and any self-supporting debt, shall be limited to no more than 10 percent of general fund revenues, with a target balance of 5 to 7 percent.
2. As dictated by state statute, the Town's debt limit shall be five percent of its most recent equalized valuation.

### C. Structure and Terms of Debt

The following shall be the Town's guidelines on the structure and terms of all debt:

1. The term of any debt shall not exceed the expected useful life of the capital asset being financed and in no case shall it exceed the maximum allowed by law.
3. The Town will limit bond maturities to no more than 20 years, except for major buildings, land acquisitions, and other such purposes where the useful life of the capital asset will exceed 20 years.
4. Any vote to authorize borrowing will include authorization to reduce the amount of the borrowing by the amount of the net premium and accrued interest.
5. The Town will work closely with its financial advisor to follow federal regulations and set time frames for spending borrowed funds to avoid committing arbitrage, paying rebates, fines and penalties to the federal government, and jeopardizing any debt issuance's tax-exempt status.

### D. Bond Refunding

To achieve potential debt service savings on long-term, tax-exempt debt through bond refunding the Town will:

1. Issue debt with optional call dates no later than 10 years from issue.
2. Analyze potential refunding opportunities on outstanding debt as interest rates change.
3. Use any net premium and accrued interest to reduce the amount of the refunding.
4. Work with the Town's financial advisor to determine the optimal time and structure for bond refunding.

### E. Bond Credit Rating

To obtain and maintain a favorable bond rating, the Town will:

1. Maintain good communications with bond rating agencies, bond counsel, banks, financial advisors, and others involved in debt issuance and management.
2. Follow a policy of full disclosure on every financial report and bond prospectus, including data on total outstanding debt per capita, as a percentage of per capita personal income, and as a percentage of total assessed property value.

### F. Reporting

1. The Town Treasurer will report to the Select Board, Finance Committee, and Town Administrator on the Town's debt status at least annually.
2. The Town will include an indebtedness summary as part of a report on receipts and expenditures in Swampscott's Annual Town Report.
3. The Town will file the annual audit and official disclosure statement within 180 days of the end of the fiscal year.

**REFERENCES**[M.G.L. c. 41, § 59](#)[M.G.L. c. 41, § 61](#)[M.G.L. c. 44, § 4](#)[M.G.L. c. 44, § 6](#)[M.G.L. c. 44, § 6A](#)[M.G.L. c. 44, § 7](#)[M.G.L. c. 44, § 8](#)[M.G.L. c. 44, § 17](#)[M.G.L. c. 44, § 19](#)[M.G.L. c. 44, § 20](#)[M.G.L. c. 44, § 21A](#)[26 USC § 148](#)

DLS Best Practice: [Understanding Municipal Debt](#)

DLS Borrowing Guidelines: [Asset Useful Life - Borrowing Limits](#)

DLS Informational Guideline Releases 17-21: [Borrowing](#) and 17-22: [Premiums and Surplus Proceeds for Proposition 2½ Excluded Debt](#)

Government Finance Officers Association Best Practice: [Refunding Municipal Bonds](#)

Internal Revenue Service Guidance: [Arbitrage Guidance for Tax-Exempt Bonds](#)

## FINANCIAL RESERVES

### PURPOSE

To help the Town stabilize finances and maintain operations during difficult economic periods, this policy establishes prudent practices for appropriating to and expending reserve funds. With well-planned sustainability, Swampscott can use its reserves to finance emergencies and other unforeseen needs, to hold money for specific future purposes, or in extreme circumstances, to serve as revenue sources for the annual budget. Reserve balances and policies can also positively impact the Town's credit rating and consequently its long-term cost to fund major projects.

### APPLICABILITY

This policy pertains to the short- and long-range budget decision-making duties of the Select Board, Town Administrator, and Finance Committee.

### POLICY

The Town is committed to building and maintaining its reserves so as to have budgetary flexibility for unexpected events and significant disruptions in revenue-expenditure patterns and to provide a source of available funds for future capital expenditures. Adherence to this policy will help the Town withstand periods of decreased revenues and control spending during periods of increased revenues.

In total for the two general fund categories of reserves under this policy, the Town will strive to maintain a minimum funding level of 12 to 15 percent of the annual operating budget.

#### A. Free Cash

The Division of Local Services (DLS) defines free cash as the remaining, unrestricted funds from operations of the previous fiscal year, including any unexpended free cash. DLS must certify free cash before the Town can appropriate it, and it must be appropriated before June 30.

As much as practicable, the Town will limit its use of free cash to funding one-time expenditures (such as capital projects, snow and ice deficits, or emergencies), as opposed to recurring operating costs.

The Town shall set a goal of maintaining its year-end unappropriated free cash balance in the range of 3 - 5 percent of the annual general fund budget. The Town may appropriate any excess above this target range to build reserves, offset unfunded liabilities, or make capital purchases. Further, the Town will carefully and critically analyze using free cash as a revenue source "to reduce the tax rate," since this is equivalent to it being used to fund current operations.

#### B. Stabilization Funds

A stabilization fund is a reserve account allowed by state law to set aside monies to be available for future spending purposes. Although [M.G.L. c. 40, § 5B](#) allows a community to establish one or more stabilization funds to accumulate funds for specific purposes, Swampscott currently has a general stabilization fund and a capital stabilization fund.

The Town will endeavor to maintain a minimum balance of 9 to 10 percent of the current operating budget in the general stabilization fund. Appropriations from the general stabilization fund should only be used to mitigate emergencies, or for other unanticipated events that cannot be supported by current general fund appropriations. Whenever possible, withdrawals of funds should be limited to the amount available above the 9 percent minimum reserve target level.

The Town will endeavor to maintain a minimum balance of 2 to 4 percent of the current operating budget in the capital stabilization fund. Withdrawals from the capital stabilization fund should only be used to make emergency repairs or to replace capital assets that are unexpectedly damaged or destroyed when insurance proceeds are insufficient to provide adequate emergency repairs or replacement. Whenever possible, withdrawals of funds should be limited to the amount available above the 2 percent minimum reserve target level.

If any necessary withdrawal drives the balances below the minimum level, the withdrawal should be limited to one-third of the general stabilization fund balance. Further, the Town Administrator will develop a detailed plan to replenish the fund to the minimum level within the next two fiscal years.

#### C. Enterprise Fund Retained Earnings and Receipts Reserved Surplus

The Sewer, Water and Cable TV finances are managed under enterprise funds. Accounting for the revenues and expenditures of these operations separately from the general fund allows the Town to effectively identify each operation's true service delivery costs—direct, indirect, and capital—and set user fees at a level sufficient to recover them. Under this accounting, the Town may reserve each department's generated surplus (referred to as retained earnings), rather than closing the amount to the general fund at year-end.

For the enterprise funds, the Town will maintain reserve amounts at 20 percent of total budget at a minimum, but this reserve target may be significantly higher if major infrastructure improvements are necessary. These reserves will be used primarily to fund major, future capital projects, but may also be used to provide rate stabilization. To maintain the target reserve levels for each enterprise requires the Select Board and Town Administrator to periodically review, and when necessary, adjust user rates.

#### D. Overlay Surplus

The purpose of the overlay reserve is to offset unrealized revenue resulting from uncollected property taxes, abatements, and exemptions. It can be used for other purposes only after it is determined to have a surplus. Therefore, unlike the other two types of reserves, this policy does not set a consistent, specific funding target for it. Rather, each year as part of the budget process, the Board of Assessors will vote to raise an overlay amount on the annual tax recapitulation sheet based on the following:

- Current balance in the overlay account
- Three-year average of granted abatements and exemptions
- Abatement liability of cases pending before, or on appeal from, the Appellate Tax Board
- Timing of the next DLS certification review (scheduled every five years)

At the conclusion of each fiscal year, the Board of Assessors will submit to the Town Administrator and Select Board an update of the overlay reserve with data that includes, but is not limited to, the gross balance, potential abatement liabilities, and any transfers to surplus. If the overlay balance exceeds the amount of potential liabilities, the Select Board may request that the Board of Assessors vote to declare it as surplus and available for use in the Town's capital improvement plan or for any other one-time expense.

**REFERENCES**

[M.G.L. c. 40 §5B](#)      [M.G.L. c. 59 §25](#)

DLS Best Practices: [Free Cash](#) and [Special Purpose Stabilization Funds](#)

DLS Informational Guideline Releases 17-20: [Stabilization Funds](#) and 17-23: [Overlay and Overlay Surplus](#)

Government Finance Officers Association Best Practices: [Fund Balance Guidelines for the General Fund](#)

## INDIRECT COST ALLOCATION/ENTERPRISE FUNDS

### PURPOSE

To apportion all the indirect costs associated with the Town's enterprise funds in an equitable manner that reflects their true shared costs, this policy provides guidelines for calculating and allocating those costs.

Under authority established in [M.G.L. c. 44 §53F½](#), the sewer, water and cable tv enterprises are managed and accounted for separately from the general fund, and each has its own financial statements. Consolidating these programs' direct and indirect costs, debt service, and capital expenditures into segregated funds allows the Town to demonstrate to the public the true, total cost of providing these utilities.

### APPLICABILITY

This policy applies to the budgetary functions of the Town Accountant, Director of Public Works, and Cable TV Coordinator. Further, it encompasses the enterprise-related administrative functions of the Town Accountant, Treasurer/Collector, Human Resources and Town Administrator Departments.

### POLICY

As part of the annual budget process, the Town Accountant will calculate the indirect costs to the general fund of the enterprise fund operations and review the calculations with the DPW Director, Cable TV Coordinator and Town Administrator, who will provide them to the Select Board for approval. Based on the results, the Town Accountant will record transfers between the relevant funds by June 15 each year. The Town Accountant will maintain written procedures detailing the costs and calculation methodologies.

#### A. Cost Categories

The calculation of indirect costs will consider each enterprise's personnel expenses budgeted in the general fund. Also accounted for will be certain administrative services performed on behalf of the enterprises by other departments, namely:

- Accounts payable and general ledger services provided by the Accounting Department
- Receipt processing, banking, investment, tax title, and payroll services provided by the Treasurer/Collector Department
- Human Resources and benefits administration services provided by the Human Resources Department
- Executive Administration, procurement and risk management services provided by the Town Administrator department

For these expenses and those listed below, the Town Accountant will calculate indirect costs based on the most recent fiscal year's appropriations and using either the actual, proportional, estimated support, or transactional methodology, as each is outlined below:

The following expenses will be included (as appropriate) in the calculations for each enterprise:

- Benefits for active and retired employees, including insurances, Medicare tax, unemployment, and workers’ compensation
- Pensions
- Vehicle insurance
- Property insurance
- Independent audit services
- Actuarial services
- Legal services
- Information technology expenses
- Other costs that may be considered, agreed to, and documented

B. Explanation of Calculation Methodologies

1. **Actual cost**, as the term implies, involves the identification of specific costs attributable to the enterprise based on documented schedules or bills payable, including debt service and insurance premiums.
2. The **proportional** method is a straightforward calculation of each enterprise’s net-of-debt budget as percentage of the total combined net-of-debt budget of that enterprise and the general fund. The resulting percentage is then applied against the total budget (including employee benefits) of each town department that provides support to that given enterprise or against the total cost of the specific type of expenditure.
3. A department or official may be able to provide a reasonable **estimate of support** (i.e., an estimate of the average time spent to support a particular service). For example, the Town Accountant is estimated to spend an average of two hours weekly, or 10 percent of work time, on enterprise-related activities (e.g., creating warrants, bookkeeping). This percentage is applied against the department’s or official’s salary and benefits, including health and life insurance, Medicare, retirement and any workers’ compensation.

$$\frac{\text{Hours worked on enterprise activities per year by individual(s)}}{\text{Total hours worked per year by individual(s)}} \times \text{Salary and benefits of individual(s) working on enterprise activities} = \text{Indirect Departmental Salaries}$$

Any department’s or official’s expenses related to enterprise activities are charged directly to the enterprise budgets.

4. The **transaction-based** method is calculated based on the number of transactions attributed to a service as a percentage of the whole. An example would be the enterprise’s total number of receipts processed by the treasurer/collector’s office as a percentage of the total number of town-wide turnovers received. This percentage is applied against the Treasurer/Collector’s total budget, including health and life insurance, Medicare, retirement, and any workers’ compensation attributable to the department.

$$\frac{\text{Number of Enterprise transactions}}{\text{Total number of transactions processed by the department}} \times \text{Total budget plus benefits of the department processing the} = \text{Indirect Departmental Salaries}$$

enterprise  
transactions

C. Calculations by Cost Category [This section should be expanded when calculation methodologies are established for other categories.]

**1. Health and Life Insurances**

Indirect costs for health and life insurances will be calculated using the actual cost method by adding up the actual amounts paid by the Town for the participating Enterprise employees during the current fiscal year.

**2. Medicare**

The Town's Medicare cost represents the employer match of the Medicare tax charged to employees hired after April 1, 1986. Using the actual method and based on employee W-2s, the indirect costs will be calculated as 1.45 percent of the total gross wages paid by the Town on behalf of each eligible Enterprise employee during the preceding calendar (not fiscal) year.

**3. Retirement**

Indirect pension costs will be calculated using the actual method. The Town's total annual contributory retirement assessment payable to the Swampscott Retirement Board is multiplied by the respective proportion of actuarially determined retirement costs per each enterprise operation's biennially calculated valuation for the current fiscal year.

**4. Debt Service**

Debt Service costs will be based on the actual method. Each enterprise will be directly charged for the actual cost of that year's principal and interest payments associated with the enterprise and based on the town's debt management schedule.

**5. Administrative Services**

The indirect costs for enterprise-related administrative services performed by the Accounting, Treasurer/Collector, Town Administrator, and DPW Departments will be calculated using the estimate of support method. It will be based on each department's annual estimate of the time required to perform the services for the enterprise department. Postage costs associated with mailing enterprise bills will be based on the transaction method and will be based on a percentage of the Treasurer/Collector's total postage costs in cases where postage is not directly charged to the enterprise.

**6. Shared Facilities**

The building upkeep costs incurred by general fund departments will be calculated by the estimate of support method. It will be based on an estimate of the percentage of total building costs that enterprise fund operations incur on the general fund facilities and personnel costs.

**REFERENCES**

DLS Informational Guideline Release 08-101: [Enterprise Funds](#)

Government Finance Officers Association Best Practices: [Indirect Cost Allocation](#) and [Full Cost Accounting for Government Services](#)

## INVESTMENTS – GENERAL POLICY

### PURPOSE

To ensure the Town's public funds achieve the highest possible rates of return that are reasonably available while following prudent standards associated with safety, liquidity and yield, this policy establishes investment guidelines and responsibilities. In addition, the policy has been designed to comply with the Governmental Accounting Standards Board's requirement that every community define and disclose its investment risk management strategy.

This Investment Policy shall not apply to the Other Post-Employment Benefits Trust Fund, which is governed under a separate Investment Policy (see next section below).

### APPLICABILITY

This policy applies to the Treasurer's duties to manage and invest Town funds. If the Town contracts with any investment advisor(s), the Treasurer will provide this policy to them and verify compliance. The policy's scope pertains to all short-term operating funds and to all long-term reserve, investment, and trust funds, with the exception of the Town's retirement fund, which is managed and invested by the Swampscott Retirement Board.

### POLICY

The Treasurer will invest funds in a manner that meets the Town's daily operating cash flow requirements and conforms to state statutes governing public funds while also adhering to prudent investment standards. The Treasurer will manage all investments so as to achieve a fair market average rate of return within the context of all relevant statutory, safety, and liquidity constraints.

#### A. Investment Objectives

In priority order, the Treasurer's investment objectives shall be:

- **Safety:** Safety of principal is foremost, and the Treasurer will adhere to this policy's risk mitigation strategies for the purpose of preserving capital in the overall portfolio.
- **Liquidity:** The investment portfolio must remain sufficiently liquid to enable it to meet all reasonably anticipated operating requirements.
- **Yield:** The investment portfolio will be designed with the objective of attaining a fair market average rate of return throughout budgetary and economic cycles, in accordance with the Town's investment risk constraints and the portfolio's cash flow characteristics.

The Treasurer will ensure that all **short-term operating funds**, such as general funds, special revenue funds, bond proceeds, and capital project funds remain sufficiently liquid to pay all reasonably anticipated operating requirements and debt service.

For **trusts and other long-term funds** (e.g., OPEB Trusts, stabilization funds, cemetery perpetual care, and any similar funds set aside for long-term use), liquidity is less important than growth. The Treasurer may pool any individual funds that are invested in the same institution while also maintaining each fund in its own account so as to allow for the proper proportioning of interest and any realized and unrealized gains or losses. All trust funds are under the Treasurer’s control unless otherwise directed by their particular donor(s). The Treasurer, with the approval of the Town Administrator and the Select Board may adopt an investment policy statement separate and apart from this policy that applies to such trusts or other long-term funds, and such investment policy statement shall apply to such investment portfolios.

#### B. Conflict of Interest

The Treasurer is prohibited from making a deposit in any bank, trust company, or banking company for which he or she is or has been an officer or employee at any time in the last three years. The Treasurer will refrain from any personal activity that may conflict with the proper execution of the investment program or that could impair or appear to impair the ability to make impartial investment decisions. The Treasurer will disclose to the Select Board any large personal financial investment positions or loans that could be related to the performance of the Town's investments. Further, when contracting for any investment services, the Treasurer will adhere to requirements under [M.G.L. c. 30B](#) and the Town’s Procurement Conflict of Interest policy.

#### C. Investment Instruments

Under this policy, and in compliance with state statutes, the table below defines allowable investment instruments and guidelines.

<b>Instrument Type</b>	<b>Short-term Funds</b>	<b>Long-term Funds</b>
Depository accounts in Massachusetts state-chartered banks, including savings, checking and NOW accounts, and money market deposit accounts	No limitations	No limitations
Certificates of deposit (CDs) in Massachusetts state-chartered banks only	Unlimited amounts and maturity up to three years	No limits on amounts or maturity dates
The <a href="#">Massachusetts Municipal Depository Trust (MMDT)</a> , the State Treasurer’s investment pool for public entities.	No limitations and the pool is liquid	No limitations
U.S. Treasury or other U.S. government agency obligations	Unlimited amounts and up to one year from date of maturity	No limitations

Instrument Type	Short-term Funds	Long-term Funds
Bank-issued repurchase agreements (“repos”) secured by U.S. Treasury or other U.S. government agency	Maximum maturity of 90 days	Repos are by their nature short-term and therefore not appropriate for the growth objective of long-term funds.
Money market mutual funds	<ul style="list-style-type: none"> <li>▪ Must be registered with the Securities and Exchange Commission (SEC)</li> <li>▪ Must have the highest possible rating from at least one rating organization</li> <li>▪ These are liquid investments, so maturity term is not applicable</li> </ul>	<ul style="list-style-type: none"> <li>▪ Must be registered with the SEC</li> <li>▪ Must have the highest possible rating from at least one rating organization</li> </ul>
Common and preferred stock, investment funds, and any other type of investment instrument specified in the List of Legal Investments	Not allowed	<ul style="list-style-type: none"> <li>▪ The Town’s aggregate amount of long-term funds must exceed \$250,000 to invest in these.</li> <li>▪ Investment in mortgages, collateral loans, and international obligations is prohibited</li> <li>▪ Cannot invest more than 1.5% of a particular fund in the stock of any single banking or insurance company</li> <li>▪ Cannot invest more than 15% of total aggregated funds in banking or insurance company stocks</li> </ul>

**Note:** This policy confines the allowed depository accounts only to those offered by Massachusetts state-chartered banks, a provision that is more restrictive than state statutes and the Massachusetts Collectors and Treasurers Association’s sample investment policy statement. The reason is that the MA-chartered banks’ depository accounts are fully insured through a combination of the Federal Deposit Insurance Corporation and the state’s Depositors Insurance Fund. However, funds placed in these banks’ mutual funds or annuity products are not covered by either insurance, and the Treasurer must manage those and any other type of investments in accordance with other applicable provisions of this policy.

D. Risk Tolerance Guidelines

The Treasurer will employ the following strategies to mitigate the range of investment risks:

Type of Risk	Mitigation Strategy
<p><b>Credit risk</b> is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.</p>	<ul style="list-style-type: none"> <li>▪ Investments in any of the following are safe from credit risk: state-chartered banks' depository accounts (including CDs), obligations backed by the U.S. Treasury or other U.S. government agency, and the MMDT.</li> <li>▪ For any other investments, the Treasurer will only purchase investment grade securities highly concentrated in those rated A or better.</li> </ul>
<p><b>Concentration of credit risk</b> is the risk arising from all funds being invested in a single issuer.</p>	<p>The Treasurer will diversify the portfolio among multiple issuers/institutions (see Section E).</p>
<p><b>Custodial risk for deposits</b> is the risk that, in the event of the failure of a depository financial institution, the Town would not be able to recover deposits or to recover collateral securities in the possession of an outside party.</p>	<p>The Treasurer will negate this risk by only making deposits at MA-chartered banks.</p>
<p><b>Custodial risk for investments</b> is the risk that, in the event of a failure of the counterparty to a transaction, the Town would not be able to recover the value of an investment or to recover collateral securities in the possession of an outside party.</p>	<ul style="list-style-type: none"> <li>▪ The Treasurer will review the financial institution's financial statements and its advisor's background to ensure it has proven financial strength, capital adequacy, and an overall positive reputation in the municipal investment industry (see Section F).</li> <li>▪ If a security is to be held by a third party custodian, the Treasurer must approve that party and verify that the security is held in the Town's name and tax ID number, as evidenced by its CUSIP (Committee on Uniform Security Identification Procedures) code.</li> </ul>
<p><b>Interest rate risk</b> is the risk that interest rate changes will adversely affect an investment's fair market value.</p>	<p>The Treasurer will negotiate for competitive interest rates that are locked in for long terms.</p>
<p><b>Foreign currency risk</b> is the risk that an investment will lose value as the result of an unfavorable exchange rate.</p>	<p>The Treasurer will negate this risk by not investing in any instruments with foreign currency exposures.</p>

#### E. Diversification

The Treasurer will invest in a diverse portfolio to prevent overconcentration in any institution, issuer, or maturity type. Apart from money placed in the MMDT or obligations backed by U.S. government agencies, the Treasurer will invest no more than 25 percent the Town's long-term funds with a single financial institution. In addition, the Treasurer will ensure compliance with the various allowable percentage thresholds for specific investment instruments and issuers set forth in the List of Legal Investments.

#### F. Selection of and Relationship with Financial Institutions

When selecting from among MA-chartered banks to hold short-term funds, the Treasurer will consider their fee structure, service efficiencies, and account management control features. For investing long-term funds, the Treasurer will also assess the soundness, stability and reputation of prospective financial institutions and dealers/brokers. Brokers must be recognized, reputable dealers and members of the Financial Industry Regulatory Authority. The Treasurer will require any brokerage houses and brokers/dealers wishing to do business with the Town to provide the following:

- Audited financial statements
- Form ADV Part 2 showing the broker/dealer to be actively registered with both the SEC and Massachusetts Secretary of State's Office and providing information on the types of services offered, fee schedule, disciplinary information, conflicts of interest, and the educational and business background of management and key advisory personnel
- Statement that the broker/dealer has read and will comply with this policy

The Treasurer will also consult the [Veribanc](#) rating service (or other similar service) to select and monitor financial institutions. The Treasurer may invest in institutions rated green by Veribanc and will continue to review their ratings quarterly. If a bank's rating turns yellow, the Treasurer will request the bank provide a written explanation with an expected timetable for changing back to green. If the rating remains yellow for a second quarter, the Treasurer will consider liquidating all funds that are uninsured or uncollateralized. If any rating becomes red, the Treasurer will remove the money from the banking institution.

The Treasurer will review all banking and financial services at least annually to ensure their quality and the competitiveness of their fee structure and interest rates. The Treasurer will also send letters to banks in the local region requesting them to report all usage of the Town's tax identification number as a measure to ensure the number is used only by the Treasurer and no outside entities.

#### G. Standards of Care

The Treasurer must review, understand and comply with the state's Prudent Investor Act ([M.G.L. c. 203C](#)). The Treasurer shall be relieved of personal responsibility for any individual security's credit risk or market price changes, provided that its purchase and sale have been carried out in accordance with the Act and the provisions of this policy.

#### H. Reporting Requirements

The Treasurer will assess investment activity and keep the Select Board apprised of any major changes by providing a report of investment activity annually or more often as needed. The investment activity report shall incorporate all of the Town's investment funds and include the following information at minimum:

- List of all the individual accounts and securities held at the end of the period
- List of short-term investment portfolios by security type and maturity to ensure compliance with the diversification and maturity guidelines
- Summary of income earned on monthly and year-to-date bases
- Disclosure of the fees associated with managing each fund

- Brief statement of general market and economic conditions and other factors that may affect the Town's cash position
- Statements on the degree of compliance with the provisions of this policy

**REFERENCES**

[M.G.L. c. 30B](#)

[M.G.L. c. 29, § 38A](#)

[M.G.L. c. 44, § 54](#)

[M.G.L. c. 44, § 55](#)

[M.G.L. c. 44, § 55A](#)

[M.G.L. c. 44, § 55B](#)

[M.G.L. c. 110A, § 201](#)

[M.G.L. c. 167, § 15A](#)

[M.G.L. c. 203C](#)

Governmental Accounting Standards Board Statement 40: [Deposit and Investment Risk Disclosures](#)

Massachusetts Collectors & Treasurers Association: [Treasurer's Manual](#)

MA Division of Banks [List of Legal Investments](#) and database of [MA-chartered banks](#)

Massachusetts Depositors Insurance Fund [FAQs](#)

MA Secretary of State webpage, [Registration Inspections, Compliance and Examinations Section](#)

SEC webpage [Form ADV Information](#)

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## OTHER POSTEMPLOYMENT BENEFITS LIABILITY

### PURPOSE

To ensure fiscal sustainability, this policy sets guidelines for a responsible plan to meet the Town's obligation to provide other postemployment benefits for eligible current and future retirees. It is designed to achieve generational equity among those called upon to fund this liability and thereby avoid transferring costs into the future.

### APPLICABILITY

This policy encompasses OPEB-related budget decisions, accounting, financial reporting, and investment. It applies to the Select Board, Town Administrator, and Finance Committee in their budget decision-making duties, and it also applies to the OPEB-related job duties of the Treasurer and Town Accountant.

### BACKGROUND

In addition to salaries, the Town compensates employees in a variety of other forms. Many earn benefits over their years of service that they will not receive until after retirement. A pension is one such earned benefit. Another is a set of retirement insurance plans for health, dental, and life. These are collectively referred to as other postemployment benefits, or OPEBs. OPEBs represent a significant liability for the Town that must be properly measured, reported, and planned for financially.

### POLICY

The Town will periodically assess strategies to mitigate its OPEB liability. This involves evaluating the structure of offered benefits and their cost drivers while at the same time avoiding benefit reductions that would place undue burdens on employees or risk making the Town an uncompetitive employer.

#### A. Accounting for and Reporting the OPEB Liability

The Town Accountant will obtain actuarial analyses of the Town's OPEB liability every two years and will annually report the Town's OPEB obligations in financial statements that comply with the current guidelines of the Governmental Accounting Standards Board. The Town Administrator will ensure that the Town's independent audit firm reviews compliance with the accounting and reporting provisions of this policy as part of its annual audits and reports on these to the Select Board.

#### B. Trust Management and Investment Policy Statement

The purpose of this Investment Policy Statement (IPS) is to provide a clear understanding between the Town of Swampscott, (Town) and the Investment Manager regarding the objectives, goals, risk tolerance, and investment guidelines established for the OPEB (Other Post-Employment Benefits) Liability Trust Fund.

##### i. Scope

This IPS applies to all funds that are separately designated as long-term OPEB funds. The account will be established as a pooled investment portfolio unless otherwise stated. Any additional contributions to the account will be maintained in the same manner.

The Town may, at its sole option, add to the investment portfolio governed under this Policy Statement any other trust or scholarship funds held by the Town that may lawfully be invested in a

manner similar to the OPEB Trust, in which case any such other investments shall be invested and accounted for separately from the OPEB Trust.

#### ii. Introduction

Creating an investment policy is the most critical phase of the entire investment process. The effects of a properly drafted vs. ineffective investment policy statement can be more important than the effects of good or poor investment management. To be successful, an investment policy needs to be appropriate for its setting and intended purpose.

Under GASB 45, the discount rate should be the long-term expected yield on the investments to be used to pay benefits as they come due. These would be plan investments for a funded plan or a weighted average of expected plan and employer investments for a plan that is partially funded. Investments within an OPEB Trust will closely approximate pension fund-type investment securities.

The policy statement is also designed to withstand "trustee risk" - the possibility that, at some stress point (most frequently an extreme decline in the stock or bond markets), those who oversee the funds may react in a manner detrimental to the long-term health of the Trust Fund.

#### iii. Authority

Massachusetts General Law Chapter 32B, section 20 allows the town to set up a special trust fund, the Other Post-Employment Benefits (OPEB) Liability Trust Fund. The governmental unit's treasurer is the custodian of the fund. The Town of Swampscott accepted the provisions of the said Section 20 at the Annual Town Meeting held on May 15, 2017 (Warrant Article No. 9) and thereby designated the said treasurer to be both custodian and trustee of said OPEB Trust. Also, in accordance with said vote of Town Meeting, investment of fund monies by the treasurer must be consistent with the prudent person standard set forth in Massachusetts General Law Chapter 203C for private trust funds. Income earned on the investment of fund monies belongs to the fund.

#### iv. Objective

OPEB funds are long-term investments. Given a stated discount rate target, this long-term approach enables the Town to invest in assets that tend to have higher returns over many years but whose price volatility precludes their use by those with shorter time horizons. By keeping a long-term focus in mind always, we hope to weather the periodic downturns in the economy. However, with this focus in mind, the Town wishes to minimize investment risk to the extent it is prudent to do so.

The Town expects this long-term view to provide better results than will be earned by investment in short-term investments or by liquidation of securities during turbulent times. We also expect that investments will be managed to serve as a hedge against eroding trust fund values due to long-term inflationary trends.

#### v. Strategy

The investment allocation will be determined by the Treasurer in consultation with the Investment Manager and pursuant to the most recently executed investment portfolio strategy form to be retained herewith.

M.G.L. Chapter 203C, known as the Massachusetts Prudent Investor Act, generally states that a trustee shall invest and manage trust assets as a prudent investor would, considering the purposes,

terms, and other circumstances of the trust. In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution. A trustee's investment and management decisions respecting individual assets shall be considered in the context of the trust portfolio as a part of an overall investment strategy reasonably suited to the trust.

As stated in Section 3, “among circumstances that a trustee shall consider in investing and managing trust assets are such of the following as are relevant to the trust or its beneficiaries: 1) general economic conditions; 2) the possible effect of inflation or deflation; 3) the expected tax consequences of investment decisions or strategies; 4) the role that each investment or course of action plays within the overall trust portfolio; 5) the expected total return from income and appreciation of capital; 6) other resources of the beneficiaries; 7) needs for liquidity, regularity of income, and preservation or appreciation of capital; and 8) an asset's special relationship or special value, if any, to the purposes of the trust or to one of the beneficiaries.”

Also, as stated in Section 4, “a trustee shall reasonably diversify the investments of the trust unless, under the circumstances, it is prudent not to do so.”

#### vi. Specific Risks

- Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Investment Manager will purchase investment grade securities with a high concentration in securities rated “A” or better at time of purchase. Lower-quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds. There will be no limit to the amount of United States Treasury and United States Government Agency obligations.

- Custodial Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The Treasurer will engage only those institutions with proven financial strength, capital adequacy, and overall affirmative reputation in the municipal industry.

- Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a town’s investment in a single issuer. The Investment Manager will diversify the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. Securities of a single corporate issuer (except for the United States Government and its Agencies) will not exceed 5% of the portfolio value.

- Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Investment Manager will manage interest rate risk by managing duration in the account.

#### vii. Standards of Care

The standard of prudence to be used shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

viii. Diversification

• Equity

The equity portion of the portfolio should consist of a diversified mix of investments (individual equities, mutual funds and exchange-traded funds) suitable to achieve the objective of capital appreciation. Individual equity holdings in any one company should not exceed 5% of the market value of the portfolio.

• Fixed Income

Investments in fixed income securities will be made principally for income and capital preservation. Selection should be made from liquid, investment grade corporate debt, convertible debt and obligations of the United States Government and its agencies. Lower-quality investments may only be held through diversified vehicles such as mutual funds or exchange-traded funds.

Securities of a single corporate issuer (excluding the United States Government and its Agencies) will not exceed 5% of the portfolio market value.

No more than 20% of the portfolio's total market value will be invested in convertible securities.

Individual corporate debt and preferred stock issues must be rated BBB or better, as defined by Moody's and/or Standard & Poor's Rating Agency.

There shall be no investments in fixed income or interest rate futures, and no engagement in any other specialized fixed income ventures. The manager of a specific mutual fund and exchange-traded fund, however, may engage in fixed income and interest rate futures as part of an overall investment strategy.

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution with the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies.

ix. Performance Measurement and Evaluation

The Treasurer will meet with the Investment Manager at least annually to monitor the performance of the Fund and the compliance with these guidelines.

The Investment Manager will provide brokerage statements on a monthly basis and comprehensive investment performance reports on at least a quarterly basis, and the treasurer will share copies of said periodic statements and reports with the Town Administrator, Select board and Finance Committee upon receipt.

The Fund's performance will be measured by comparison with the stated objectives in comparison to respective benchmarks. To monitor the intermediate term performance of the Fund, the Treasurer will compare the Investment Manager's results to a blended benchmark to be determined in conjunction with the Investment Manager.

Rebalancing of the portfolios should happen at least annually or more frequently if appropriate.

The Investment Policy Statement will be reviewed at least every 3 years to ensure that it remains appropriate and complete

#### C. Mitigation

On an ongoing basis, the Town will assess healthcare cost containment measures and evaluate strategies to mitigate its OPEB liability. The Town Administrator will monitor proposed laws affecting OPEBs and Medicare and analyze their impacts and will regularly audit the group insurance and retiree rolls and terminate any participants found to be ineligible based on work hours, active Medicare status, or other factors.

#### D. OPEB Funding Strategies

To address the OPEB liability, decision makers will analyze a variety of funding strategies and subsequently implement them as appropriate with the intention of fully funding the obligation. The Town will derive funding for the OPEB Trust Fund from taxation, free cash, and any other legal form. To ensure that the Town's enterprise operations remain self-supporting the Select Board and Town Administrator will factor their department's proportional OPEB contributions into the setting of user fees.

Achieving full funding of the liability requires the Town to commit to funding its actuarially determined contribution (ADC) each year, which is calculated based on actuarial projections. Among strategies to consider for funding the ADC:

- Transfer unexpended funds from insurance line items to the OPEB Trust Fund.
- Appropriate amounts equal to the Town's Medicare Part D reimbursements.
- Determine and commit to appropriating an annual portion of free cash.
- Appropriate an annually increasing percentage of yearly revenues.
- Once the pension system is fully funded, on a subsequent annual basis, appropriate to the OPEB Trust Fund the amount equivalent to the former pension-funding payment or the ADC, whichever is less.

#### **REFERENCES**

[M.G.L. c. 32B, § 20](#) and [20A](#)

[M.G.L. c. 44, § 54](#) and [55](#)

[M.G.L. c. 203C](#)

GASB Statements 75: [Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions](#) and 74: [Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans](#)

Government Finance Officers Association Best Practices: [Ensuring Other Postemployment Benefits \(OPEB\) Sustainability](#) and [Sustainable Funding Practices for Defined Benefit Pensions and Other Postemployment Benefits \(OPEB\)](#)



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## **FINANCIAL OPERATIONS**

### **ACCOUNTS RECEIVABLE**

#### **PURPOSE**

To provide guidance for equitably enforcing collection of all receivables and set expectations for local taxpayers and applicable Town employees, this policy clearly defines when and how the Town will collect accounts receivables that are due to the town. It is in the best interest of the Town and its residents that bills be paid when due. The Town budget is set in anticipation of the collection of receivables, and bills that are not paid by some shift the cost burden onto others. The Town recognizes that individuals may go through periods of financial difficulty, but any person who becomes delinquent will be encouraged to find alternative resources to pay in full as soon as possible.

#### **APPLICABILITY**

This policy applies to the Collector's and Treasurer's relevant job duties, including the Treasurer's responsibility for managing collection of tax title receivables.

#### **PROPERTY TAX RECEIVABLES POLICY**

The Town intends to timely pursue all legal methods to collect taxes from delinquent property owners with the aim of achieving a property tax collection rate of ninety-eight percent (98%) by fiscal year-end. A tax delinquency is defined as a bill outstanding at least one year and one day after its final due date, and it represents a lien on property that remains in effect until all taxes, interest, and fees have been paid in full. The costs of all collection methods are added to the real estate tax bill and property lien. The Town will also periodically pursue foreclosure actions with the primary objective of receiving all monies due.

##### **A. Demands**

Final taxes are due to be paid as of May 1 each year (the due date for the second, semiannual tax bill). No later than June 1, the Collector will issue reminder notices to all assessed property owners who have failed to pay in full, have not been granted full exemptions, and do not have automatic stays on record due to bankruptcy filings, and shall send monthly reminder notices until tax taking procedures as outlined below begin. Taxpayers are responsible for notifying the Town in writing of any mailing address changes. The Town will add, pursuant to M.G.L. c. 60, § 15, a Demand Fee in the amount of \$10.00 to the amount due upon issuance of a Demand Notice.

##### **B. Tax Taking**

The Collector will begin the tax taking process within 180 days of the issuance of the 1<sup>st</sup> reminder notice with the issuance of a demand notice. State law allows the process to begin as soon as 15 days after the issuance of the demand notice, but, in every case, the Collector must complete the takings within 3½ years from the end of the fiscal year for which the taxes were assessed to secure, or perfect, the tax liens. The Collector shall carefully document the taking process to preserve the Town's rights for future actions.

The Collector will send at least one enforcement letter to delinquent property owners as a courtesy to potentially avoid a tax taking advertisement. If this does not result in full remittance by February 1<sup>st</sup> following the end of the fiscal year, the Collector will publish a Notice of Tax Taking in a local newspaper and post the notice in two or more convenient, public places. From this point forward

only cash, certified check, or cashier's check are acceptable forms of payment until a tax taking is completed and a properly executed Instrument of Taking is properly recorded in the Registry of Deeds.

Within 60 days of the tax taking announcements, the Collector will prepare an Instrument of Taking form for each delinquent property and record it at the Registry of Deeds, the recording of which perfects the tax lien. After receiving the recorded Instruments back from the Registry, the Collector will notify the affected property owners of the liens by sending each of them a letter and a photocopy of the Instrument. The Collector will provide copies of the List of Recorded Takings to the Treasurer and Town Accountant.

#### C. Subsequent Taxes

After the 1<sup>st</sup> reminder notice and before June 15 each year, the Collector will certify all unpaid taxes for parcels of real estate taken into tax title for nonpayment of taxes in prior years and not yet redeemed and put them in a Subsequent Tax Takings report. The Collector will provide copies of the report to the Treasurer and Town Accountant and retain one on file.

#### D. Interest, Fees, and License Revocation

All delinquent taxpayers are subject to charges, which the Collector will add to their accounts and tax bills. These include interest accrued to the date of tax taking, advertising fees, certified mailing costs, legal fees, and all recording fees.

The Collector will maintain a database of all individuals who are delinquent in paying taxes or other charges and provide it to the Town departments, boards, and committees that issue licenses and permits. These authorities will review this database to deny, suspend, or revoke delinquent taxpayers' licenses and permits.

#### E. Tax Title Payment Agreements

The Treasurer will pursue and establish payment agreements for parcels in tax title to allow delinquent taxpayers to pay off their tax liens over time. The Treasurer will actively monitor compliance with all such agreements, which will have the following features in common:

- Signed agreement between the Treasurer and taxpayer
- Upfront payment of at least 25 percent of the full balance owed
- Specific amount to be paid each month
- Incorporation of payments for the current tax bill
- Agreement term not exceeding five years
- Statement that defaulting on the agreement will immediately trigger foreclosure action by the Town

#### F. Redemption or Foreclosure

The primary policy goal of the foreclosure process is to receive the outstanding amounts owed. At least once every year, the Treasurer will review all tax title properties that are older than 180 days and do not have payment agreements or bankruptcy recordings. From these, the Treasurer will identify all properties of significant value to process for potential foreclosure in Land Court. To do this, the Treasurer will thoroughly verify the properties' enforcement histories before referring them to the tax title attorney, beginning with those with the largest amounts of taxes owed.

As manager of the service contract, the Treasurer will ensure the tax title attorney complies with the objectives laid out in this policy section. The Treasurer will work with the tax title attorney to prepare parcels in tax title status for foreclosure, beginning by providing each Instrument of Taking. The tax title attorney will research the tax title properties and also mail new collection enforcement letters to the taxpayers telling them of the importance of redeeming the property and warning of potential foreclosure action.

If a taxpayer or other party pays the outstanding amount on a tax title property, the Treasurer will prepare an Instrument of Redemption and file it at the Registry of Deeds, which removes the lien. Redemption can only be done prior to the property being foreclosed. If the obligation remains unpaid, the tax title attorney will proceed with foreclosure action in Land Court, possibly resulting in auctioning of the property.

In addition to Land Court foreclosure referrals, the Treasurer is responsible for completing foreclosures on any properties below the "Land of Low Value" threshold, which is annually updated each spring by the Division of Local Services (DLS).

#### G. Other Collection Remedies

In the event it is not legally possible to enforce a lien on real estate as provided above to collect any property taxes duly committed, the Collector may, in its discretion, initiate an action of contract in district or superior court subject to G.L. c. 60 §35, but in no case shall the Collector initiate any actions against taxpayers pursuant to G.L. c. 60 §§24 – 34A, inclusive.

#### **WATER/SEWER UTILITY RECEIVABLES POLICY**

Water/Sewer Utility Bills will be issued by the Town quarterly, including a flat base rate that represents the cost of providing the utility service, and a consumption rate for both water and sewer utilization based on the hundreds of cubic feet of water consumed at the property location as determined by the water meter installed at the property location. The amount of the flat base rate and the consumption rate to be used will be determined periodically by vote of the Select Board.

The Town intends to timely pursue all legal methods to collect water/sewer utility charges from delinquent property owners with the aim of achieving a collection rate of eight five percent (85%) by fiscal year-end. A delinquency is defined as a bill outstanding one day after its issuance. Overdue Water/Sewer charges will accrue interest at an annual rate of fourteen percent (14%) on overdue balances from the day following the due date until the balance is paid in full.

Pursuant to G.L. c. 40 § 42B-42C, unpaid water/sewer utility charges and accrued interest represent a lien on the property. If such amounts remains unpaid more than 270 days at the time the Board of Assessors is preparing the actual real estate tax list and warrant, such amounts shall be committed to the Board of Assessors to be added to the property tax bill as a special assessment and collected with the property tax as a part of such tax.

#### **MOTOR VEHICLE EXCISE TAX RECEIVABLES POLICY**

The Town intends to timely pursue all legal methods to collect excise taxes from delinquent vehicle owners with the aim of achieving a tax collection rate of eight five percent (85%) by fiscal year-end. A tax delinquency is defined as a bill outstanding thirty days after its issuance.

**A. Demands**

Under Massachusetts Law, Excise Taxes are to be paid within 30 days of the date bills are mailed. Within 2 weeks of the due date on an excise tax bills, the Collector will issue demand notices to all assessed vehicle property owners who have failed to pay in full, have not been granted full exemptions, and do not have automatic stays on record due to bankruptcy filings. Taxpayers are responsible for notifying the Town in writing of any mailing address changes. The Town will add, pursuant to M.G.L. c. 60, § 15, a Demand Fee in the amount of \$5.00 to the amount due upon issuance of a Demand Notice.

**B. Warrants to Deputy Tax Collector**

The Town will employ the services of a Deputy Tax Collector to collect taxes from taxpayers that do not satisfy their obligation to pay their excise taxes upon issuance of a demand notice, in accordance with the provisions of G.L. c. 60A, §2A, adding the fees provided for each step in the collection process as outlined in said §2A.

**C. Taxpayers to be marked for nonrenewal of Driver's License and Registration for nonpayment**

The Town will arrange with the Massachusetts Registry of Motor Vehicles for the nonrenewal of drivers licenses and automobile registrations for all taxpayers that have not paid their excise tax bill upon the proper notifications from the Deputy Tax Collector of the amount of the outstanding and past due excise tax obligation. The nonrenewal status will be cleared by the Collector only upon receipt of the outstanding tax obligation in full.

**PARKING VIOLATION RECEIVABLES POLICY**

The Town intends to timely pursue all legal methods to collect fees for parking violations from vehicle owners with the aim of achieving a parking violation collection rate of eight five percent (85%) by fiscal year-end. A delinquency is defined as a violation outstanding at least twenty-one days after its issuance.

**A. Notices of Unpaid Parking Tickets**

Parking Violations must be paid within 21 days or appealed to the Parking Clerk for a final determination of liability. Once this 21-day period has passed, the Town will send a notice to the vehicle's owner of record notifying them that the violation remains outstanding. If the balance remains unpaid more than 30 days from the issuance of this notice, the Town will arrange with the Massachusetts Registry of Motor Vehicles for the nonrenewal of driver's licenses and automobile registrations until the parking violation is paid in full.

**OTHER GENERAL ACCOUNTS RECEIVABLE**

All other general receivables that are owed to any department of the town shall be committed to the Treasurer/Collector for billing and collection. The Treasurer/Collector will maintain a central invoicing system into which all receivables of all town departments will be entered for tracking purposes. The Treasurer/Collector will determine, under the guidance of the Town Administrator, appropriate collection remedies for ensuring collection of all such general receivables.

**REFERENCES**[M.G.L. c. 60, § 6](#)[M.G.L. c. 60, § 16](#)[M.G.L. c. 60, § 50](#)[M.G.L. c. 60, § 53](#)[M.G.L. c. 60, § 54](#)[M.G.L. c. 40, § 57](#)[M.G.L. c. 60, § 61](#)[M.G.L. c. 60, § 62](#)[M.G.L. c. 60, § 62A](#)[M.G.L. c. 60, § 63](#)[M.G.L. c. 60, § 76](#)[M.G.L. c. 60, § 77](#)[M.G.L. c. 60, § 79](#)[M.G.L. c. 60, § 80](#)[M.G.L. c. 60A §2A](#)

Swampscott Bylaws, Article XVI: Denial, Revocation, Suspension of Local Licenses and Permits

DLS Best Practice: [Enforcing Collections](#)

DLS Guidance: [Local Tax Collection FAQs](#)

DLS Informational Guideline Releases 03-210: [Collection Costs and Procedures](#), 05-208: [Payment Agreements and Tax Receivable Assignments](#) and [Land of Low Value Foreclosure Valuation Limit](#) (updated annually)

Massachusetts Collectors & Treasurers Association: [Treasurer's Manual](#) and [Collector's Manual](#)

## **AMBULANCE SERVICES**

### **PURPOSE**

To clarify the Town's policy respecting procurement of and invoicing for Ambulance Services.

### **APPLICABILITY**

The Town currently provides Basic Life Support (BLS) and Advanced Life Support (ALS) Ambulance Services through a contractual arrangement with a professional Ambulance Service provider. Due to the nature of this contractual arrangement, these services are provided at no charge to the Town because the contracted service provider invoices patients, or their provider of medical insurance. The amounts charged to patients are determined by the Ambulance Service provider subject to the terms of the agreement between said service provider and the Town.

These contracted services are exempt from the provisions of usual procurement laws due to statutory exemptions. However, it is in the best interest of the Town and the community as a whole that this contract be properly managed and reviewed on a periodic basis to ensure that high quality paramedical and emergency medical (EMT) services are provided to the community at a reasonable cost.

Should the Town decide at some future point to purchase an ambulance and hire the appropriate personnel to provide these services directly, it will need to review this policy to determine appropriate billing policies, including the management of such accounts receivable.

### **PROCEDURES**

Notwithstanding the exemption of these services from regular procurement laws, the Town should ensure that these services are contracted at terms of no longer than five (5) year terms to ensure periodic assessment of the quality of services being provided, and the cost being charged for said services by the contracted service provider. The Town should also endeavor to procure such services on a competitive basis to the extent practicable using Request for Proposal (RFP) procedures and/or competitive bidding processes.

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## CREDIT CARD USE POLICY

### PURPOSE

The Municipal Credit Card Use Policy has been established permitting the use of Town-issued Municipal Credit Cards to authorized Town Personnel as determined by the Town of Swampscott. The purpose of this policy is to establish the proper Policy and Procedures for use of the Town credit cards by department heads or their designee. These procedures intend to accomplish the following :

- To ensure that procurement with credit cards is accomplished pursuant to the policy and procedures established by the Town of Swampscott.
- To enhance productivity, significantly reduce paperwork, improve internal controls, and reduce the overall cost associated with approved purchases as listed below
- To ensure appropriate internal controls are established within each department procuring with credit cards so that they are used for authorized purposes only
- To ensure that the Town bears no legal liability from inappropriate use of credit cards

The issuance of town credit cards is subject to approval by the Town Administrator, and the limit on each card shall be determined on a case by case basis based on operational needs as approved by the Town Administrator.

The Town-issued credit cards should only be used in instances where items cannot be procured and paid through the normal accounts payable warrant process as authorized by the Town Administrator.

### POLICY

- a) The credit card will not be used for personal purchases of any kind. Use of credit cards for personal purchases or expenses with the intention of reimbursing the Town is prohibited and will result in disciplinary action.
- b) No cash advances (ATM, traveler's checks, money orders, etc.) are allowed using the credit card.
- c) The credit card is not to be used to pay invoices or statements of any kind.
- d) All purchases made with credit cards shall be paid for within the grace period so that no interest charges or penalties will accrue.
- e) Any incentive program benefits derived by the use of Town credit cards will be the property of the town. Any such benefits shall be utilized solely for the benefit of the Town, in the discretion of the Town Administrator .
- f) All cardholders shall take all measures necessary to ensure the security of the credit card and the card number. Cardholders shall only give their card or their card number to other personnel to use on specifically authorized procurements by staff.
- g) Misuse of a Town credit card by an authorized employee may result disciplinary action against the employee, up to and including termination of employment.
- h) The cardholder will provide all information required by the financial institution issuing the card in order to receive a Town credit card, including social security information as required under applicable state and federal law.
- i) When using the credit card, the Town employee must ensure that the goods or services to be purchased are allowable expenditures. The Town reserves the right to collect payment for unauthorized expenditures from the employee.

- j) The credit card is not to be used for personal purchases with the intent of reimbursement afterwards. Random audits may be conducted for credit card activity and receipt retention as well as other internal accounting controls.
- k) It is the responsibility of the employee to immediately notify the Town Administrator or his designee of any lost or stolen credit card.
- l) The Town of Swampscott is a municipal government exempt from sales tax. Sales tax shall not be included with the cost of any purchase. Please be sure to have a copy of the Town's tax exempt certificate with you when making a purchase. Sales tax costs cannot be paid with Town funds. The individual making the purchase may be personally responsible for payment of sales tax.
- m) No individual credit card transaction shall exceed \$5,000 without the express approval of the Town Administrator, and charges may not be separated so as to avoid compliance with this requirement.

**PROCEDURE**

- a) Employees who need to use the credit card account must request permission from authorized Town Personnel. Employees must sign out the credit card (See Appendix C) and maintain physical possession of the card at all times. At no point should the credit card information be saved online or retained by an employee for future use.
- b) Itemized receipts must be returned to the authorized cardholder with the credit card within 24 hours of the purchase. If receipts are submitted late causing finance charges, the responsible party may be subject to disciplinary action.
- c) The credit card will be reconciled monthly for unauthorized charges and other discrepancies.
- d) Each authorized cardholder must sign an Agreement to Accept Town Credit Card prior to issuance of the credit card. Forms will be kept on file in the Town Accountant's Office.
- e) When using the Town credit card, the authorized cardholder shall:
  - i. Determine if the intended purchase is within the cardholder's credit card limits.
  - ii. Inform the merchant that the purchase is tax exempt. The tax exempt number is 04-6001318. Review the receipt before leaving the store and request a credit if taxes were charged in error.
  - iii. Obtain an itemized receipt for all purchases
- f) Upon separation of employment, cardholders shall surrender their Town credit card to the Town Administrator on or before their last day of work and prior to issuance of final compensation to the cardholder.

**AUDIT**

Random audits will be conducted for both card activity and receipt retention as well as statement review by the Accounting Department. The detailed activity is also reviewed annually by the town's independent auditing firm.

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## **EXPENSE REIMBURSEMENT POLICY**

### **PURPOSE**

To establish a policy that sets out procedures for a uniform method for approval, payment and accounting of reimbursements to employees for legitimate business-related expenses.

### **SCOPE**

This policy covers all employees, elected officials, and appointed officials, of the Town of Swampscott. The term employee will be used throughout the policy for all covered under the policy.

### **PROCEDURES**

Town employees are encouraged to identify and have the Town prepay all expenses (e.g. plane tickets, hotel accommodations, conference fees). In addition, Town employees are encouraged to have expenses (e.g. office supplies) directly billed to the Town. The Town has accounts set up with multiple vendors in order to minimize out of pocket expenses incurred by employees.

Employees are expected to secure approval from their department manager and/or the Superintendent of Schools for school employees or the Town Administrator for town employees prior to incurring business-related reimbursable expenses.

For certain town non-union employees, they may receive approval to use their discretion before incurring business-related expenses and may not be required by management to secure pre-approval for each expense. These approvals must be made in writing by the Town Administrator for town employees and be filed with the Town Accountant's Office.

### **Procedures for requesting and receiving reimbursement are as follows:**

- 1) The employee completes the employee expense reimbursement form
  - a. Name: Enter your name
  - b. Occurrence Date: Enter the date(s) when the expenses were incurred
  - c. Purpose: Enter purpose for incurring expense
  - d. Expenses – Complete the expense portion of the form. (Refer to the "Covered Expenses" portion of this policy, for reimbursement specifics)
  - e. Mileage – Complete this section by listing the total business-related mileage; Cents/Mile IRS/ Union Agreement allowable amount multiply the number of miles times the cents per mile to equal total amount due.
- 2) The employee attaches all original receipts to the employee expense reimbursement form. When an employee pays by personal check, a copy of the canceled check must also be attached to the reimbursement form. When the employee uses his/her credit card, the customer copy of the credit card receipt and a copy of the credit card statement showing the charge must also accompany the employee expense reimbursement form.
- 3) Employee signs and dates the employee expense reimbursement form and submits it to department manager or assigned representative for approval. Preference is that expenses are submitted no later than one month after the expenses have been incurred.
- 4) The department manager reviews the employee expense reimbursement form and the attachments to ensure that the expenses are business-related, and fall within the policies set forth by the Town prior to signing the form. If questionable expenses are included on the form, the department manager should ask the employee for clarification, gaining mutual agreement whether or not the expense falls within Town definition or reasonable,

reimbursable expenses. Approval is deemed given once the department manager signs and dates the form.

- 5) The department manager submits the employee expense reimbursement form to the town accountant with the Schedule of Bills Payable so that the employee can receive reimbursement of the business-related expenses in a timely manner. All Town employees expense reimbursements will be paid through regular payroll.

#### **COVERED EXPENSES**

The following expenses are considered reasonable employee reimbursable expenses:

- 1) **Business Mileage**  
Mileage incurred with a personal vehicle as part of business travel from town offices to an outside destination. Travel must be listed from the town offices, not from the person's home. If the person is traveling from their home to an outside business location, only the mileage incurred in excess of their normal commute to the town office may be reimbursable. Reimbursement will be made for the actual business travel at the current IRS rate per mile less \$0.10 or the amount set in the collective bargaining agreement of your union. Employees must log their origination point and destination point on the reimbursement form.
- 2) **In-State Travel expenses**  
Employees will be reimbursed for in-state travel related expenses only when the travel has been approved in advance by the department manager.
- 3) **Out-of-State Travel expenses**  
All out-of-state travel must be approved in advance by Town Administrator or the Superintendent of Schools.
- 4) **Business travel requiring overnight accommodations**  
Prior approval must be secured by the Superintendent of Schools for school employees and the Town Administrator for town employees before any travel outside of the normal business area is incurred. Expenses incurred for hotel/motel/etc. accommodations whenever overnight travel is required will be reimbursed for actual expenses incurred. Employees are expected to stay at "average rate" facilities utilizing a conference rate or a group rate when available. Employees will not be reimbursed for "wet-bar" expenses incurred in their room. An itemized hotel/motel receipt is required as documentation for all overnight accommodation reimbursement requests.
- 5) **Air Transportation**  
Employees are expected to secure the lowest available fares for airplane, train, or other vehicle transportation. Airplane travel should be at economy, coach, or other lower travel rates. The employee will be reimbursed for actual out-of-pocket expense and receipts must be attached to the expense reimbursement form. Airport parking and/or shuttle fees are reimbursable as long as receipts are submitted.
- 6) **Rental Cars**  
Employees are expected to use the most reasonable transportation services available to them. Rental cars should be limited to mid-class or smaller vehicles, unless the number of persons attending requires a larger vehicle. Receipts must be attached to the employee reimbursement form.
- 7) **Business Meals/ Luncheons**

The Town will reimburse employees for approved business meals. Approval must be received by department manager for in-state travel and by the Superintendent of Schools for school employees and the Town Administrator for town employees for out-of-state travel. Reimbursement will not be made for alcoholic beverages. Employees are expected to limit meals to a reasonable expense amount and should not include “high priced specialty meals”. Reimbursement will be based on actual expense incurred but not to exceed \$35 per day or the amount set in the collective bargaining agreement of your union. Employees are expected to use reasonable discretion in their selection of menu items, whether via room service or in other dining facilities. Itemized receipts must be attached to the expense reimbursement form.

8) Business and Office Supplies

The employee must have department manager approval to incur expenses of this nature, BEFORE any expenses are incurred. Itemized receipts must be attached to the employee expense reimbursement form for all purchases of this nature. The Town has accounts at a variety of businesses and office supply vendors (Amazon, Staples, and W.B. Mason) and encourages staff to use these vendors first, if possible. No expenses will be reimbursed to the employee from these vendors, they must utilize the Town accounts.

9) Training

Approved training that is not prepaid by the Town will be considered a reimbursable business expense. Receipts must be attached to the employee expense reimbursement form.

10) Postage

All postage expenses must be handled by the Town. If special postal services or delivery services not available at the Town or which require immediate off site service that is business-related, they will need prior approval before they will be reimbursed to the employee. Receipts must be attached to the employee expense reimbursement form.

11) Business-Related Expenses for Other Miscellaneous Items

From time to time other business-related expenses may be incurred that are not listed in this policy, such as parking, road tolls or fees, use of rental equipment, or use of a taxi service. The employee must secure prior approval from his/her department manager before incurring such an expense. The employee will be reimbursed for actual business-related expenses. Receipts must be attached to the employee expense reimbursement form.

### **NON-REIMBURSABLE EXPENSES**

The following expenditures incurred by an employee in the course and scope of their duties shall not be reimbursed:

- a. Massachusetts sales tax
- b. Alcoholic beverages including liquor, beer, and wine
- c. Flowers, spirituals and gifts for employees or others
- d. Charitable contributions
- e. Political contributions
- f. The personal portion of any trip
- g. Family expenses, including those of a partner when accompanying employee on Town business, child, or pet care

- h. Entertainment expenses, including theatre, shows, movies, sporting events, sightseeing tours, golf, spa treatments, etc.
- i. Non-mileage personal automobile expenses including repairs, insurance, gasoline, traffic citations
- j. Personal losses incurred while on Town business
- k. Expenses paid for by any other organization
- l. Valet services
- m. Mileage while traveling as a passenger in a privately owned car
- n. Personal travel insurance
- o. Medical or hospital expenses
- p. Theft, loss, or damage to personal property while on Town business
- q. Personal toilet articles, postage, reading material, personal telephone calls while on Town business

**Employee Misconduct**

Disciplinary or corrective action should be taken whenever it is determined that an employee falsified an employee expense reimbursement form, or failed to pay their bill after the Town reimbursement.

When it has been determined that an employee has knowingly and purposefully falsified an employee expense reimbursement form, the Town may take disciplinary action up to and including termination.

If the employee has violated a local, state, or federal law, proper authorities will be contacted.

**EXCEPTIONS**

Exceptions to this policy may be approved by the Select Board, Town Administrator, or the Superintendent of Schools. Exceptions should be made in writing and attached to the employee expense reimbursement form.

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## GRANT/GIFT ACCOUNT MANAGEMENT

### PURPOSE

To ensure Swampscott efficiently and appropriately manages its gift and grant-funded programs, this policy sets a framework for evaluating gift/grant opportunities, tracking gift/grant activity, and processing gift/grant revenues and expenditures. Effective gift/grant management helps promote the pursuit of gifts and grants that are in the Town's best interest, assure timely reimbursements to optimize cash flow, and guard against year-end account deficits. As a legal contract, every gift and grant agreement must be fulfilled in accordance with its prescribed terms and conditions, as well as all applicable federal, state, and local regulations. Failure in this regard exposes the Town to legal and financial liabilities and compromises future grant funding.

### APPLICABILITY

This town-wide policy applies to the grant project managers in each department applying for or receiving gift or grant funding.

### POLICY

All departments are encouraged to solicit gift or grant funding for projects and programs consistent with the Town's goals. All municipal applications for grants exceeding \$5,000 must receive preapproval by the Select Board and all educational applications by the School Committee. To be eligible for preapproval, there must be sufficient staff available to effectively administer the grant program and perform its required work scope, along with adequate matching requirements (both cash and in-kind).

No department shall expend grant funds until a fully executed grant agreement has been accepted and approved for expenditure by the Select Board (or the School Committee, when applicable). Further, no grant funds shall be used to supplant an existing expense for the purpose of diverting current funds to another use.

These same general principles shall be applied when soliciting and receiving gifts.

Operating departments through their department heads or designated grant project manager(s) have primary responsibility for seeking grant opportunities, preparing applications, and managing awarded programs. The Town Accountant is responsible for consulting with project managers on gift and grant budgetary matters, accounting for gifts and grants in the general ledger, monitoring gift and grant expenditures for consistency with applicable donor restrictions, award requirements, tracking the timeliness of reimbursement requests, and distributing monthly reports of expenditures to departments. The Town Accountant will also maintain a database of all gifts, grants and grant activity from inception to closure.

#### A. Grant Opportunity Assessment

Well in advance of a grant application's due date, the departmental project manager will assess the opportunity in consultation with the Town Administrator or the School Superintendent (or designee) as the case may be. Below are the factors to be considered, at minimum.

Programmatic:

- Alignment of the gift/grant's purpose with the Town's and department's strategic priorities
- Department's capacity to administer the grant through to closeout
- Office space, facilities, supplies, or equipment required
- Ongoing impact of the grant program after it is completed
- Compliance and audit requirements, particularly as they may differ from the Town's

Financial:

- Total anticipated project cost
- Expenditure requirements and anticipated cash flow schedule
- Required cost matching shares and sources, including cash and in-kind
- Staffing requirements, including salary and benefit increases for multiyear grants
- Administration and indirect recapture amounts
- Program income potential

In this stage, the project manager will also develop a continuation plan to address the potential future loss of grant funding, which may include alternative funding proposals or plans for reducing or terminating program positions or components after grant closeout.

**B. Grant Application and Award Acceptance**

Prior to filing any grant application, or agreeing to accept any gift, that is greater than \$5,000, the project manager will submit a meeting agenda item requesting preapproval from the Select Board with a report summarizing the grant and how it complies with this policy with a copy to the Finance Committee, and Capital Improvement Committee for capital projects, if applicable. The Town Administrator will then make a determination as to whether any preapproved application should be submitted to the Town Counsel for a legal review. Following this, the project manager will submit the grant application to the grantor and forward a copy to the Town Administrator.

When a project manager receives notice of any gift or grant award, he or she will submit it as a meeting agenda item for the Select Board to formally accept by signatures and thereby approve the expending of gift or grant funds. The project manager will then send copies of the signed agreement to the grantor.

Upon formal approval of the expense budget of and gift or grant, the Town Accountant will create a new general ledger account to record the grant activity separately from regular expenses. When notified of any amendment or adjustment by the grantor, the project manager will immediately forward the information to the Town Accountant, who will adjust the grant's budget in the general ledger.

**C. Grant Financial Management**

At the start of a new grant, the Town Accountant and project manager will discuss its requirements and the timing of reimbursement requests (e.g., at the time of expenditure, monthly or quarterly), when applicable.

The project manager will ensure all expenditures made are allowable and consistent with each grant award's requirements. The project manager will submit project invoices to the Accounting Department in accordance with usual accounts payable procedures, and includes accurate general ledger expense codes for the grant and the department head's signature. The project manager will

also ensure the proper payroll account codes for grant-funded employees are reported on the department's submission to the Treasurer as part the regular payroll process.

Because required retirement system remittances and/or general fund benefit reimbursements vary by grant, the Town Accountant will calculate these for each grant and notify project managers of the resulting amounts to include on the AP submissions.

To minimize the use of advance town funds, every project manager will request reimbursements as often as the grant's guidelines allow and always no later than June 30th. In doing so, the project manager will prepare all required reports and requests as detailed in the agreement and submit these to the grantor. Immediately following each submittal, the project manager will send an email notification of the reimbursement request to the Town Accountant and Treasurer.

The Town Accountant will monitor each grant's deficit balance to assure it is temporary and receives reimbursement within the grant's allowable timeline and always prior to year-end. The Treasurer will match reimbursements received electronically or by check with their requests and credit the proper revenue lines.

#### D. Grant Closeout

Upon completion of the project work or grant period, whichever comes first, the project manager will verify that all grant requirements have been met and will send to the Town Accountant a grant closeout package that includes a final report and either a final reimbursement request or notification of the amount to be refunded to the grantor.

Upon receipt of the closeout package, the Town Accountant will put the general ledger's grant account into inactive status and will reconcile the project manager's report with the general ledger's record of grant activity. The project manager will subsequently submit the final reimbursement request to the grantor or, if a refund is due, the Town Accountant will add the refund amount to the AP warrant.

Within 30 days of any grant closeout or the year-end closure, whichever is earlier, the Town Accountant will determine if the grant account has been over-expended and will either apply the expense to the operating budget or propose an appropriation from other available funds.

#### E. Audit

All gift and grant activities are subject to audit by the grantors, the Town Accountant, and Swampscott's independent auditor. The Town Accountant will maintain all grant documents and financial records for seven years after their closeouts or for the lengths of time specified by the grantors, whichever period is longer.

#### **REFERENCES**

[M.G.L. c. 40, § 5D](#)

[M.G.L. c. 41, § 57](#)

[M.G.L. c. 44, § 53A](#)

Public Employee Retirement Administration Commission: [Memo #12/2003](#)

Mass.gov webpage: [Municipal Grant Finder](#)

US grant search website: [grants.gov](#)

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## PROCUREMENT CONFLICT OF INTEREST

### PURPOSE

To ensure integrity in the procurement and contract processes, to educate Town employees, consultants, uncompensated outside parties, and any other person involved in decisions to award contracts about potential conflicts of interests, and to establish a process for the screening of conflicts of interest.

### APPLICABILITY

The policy pertains to all the Town's procurement and contract processes governed under the provisions of the state's Uniform Procurement Act associated with, but not limited to: specification development, preparation and issuance of solicitations, evaluation of solicitations and submissions, and other evaluations that lead to Town contract awards. The policy applies to the Town Administrator's duties as the Town's chief procurement officer. It further applies to all Town employees, officials, and others working on the Town's behalf who are involved with any procurement and contract process and to the prospective contractors.

### POLICY

The Town is committed to ethical business practices, professional integrity, and compliance with all procurement laws and regulations. Swampscott will provide fair opportunities to participants in competitive processes for the award of Town contracts. Process integrity will be reinforced by the practices outlined here to ensure confidentiality during the bid evaluation process and to assess and address conflicts of interest in all competitive solicitations. The Town will investigate all allegations of conflict of interest or misconduct brought to the attention of Town staff.

#### A. Confidentiality during the Bid Evaluation Process

Town staff, consultants, and outside evaluators who are participants in a bid evaluation process are required to sign confidentiality agreements, which bind them not to share any information about responses received and the evaluation process until the Town issues a Notice of Intended Award.

The departmental purchasing employee must:

1. Identify all participants of an evaluation process who receive proposals or other documents used in the evaluation process, including any non-evaluating observers.
2. Ensure that these participants sign confidentiality agreements.
3. Submit the confidentiality agreements to the Town Administrator.

The Town Administrator (or designated Chief Procurement Officer) must:

1. Verify that signed confidentiality agreements for all participants in the evaluation process, including non-evaluating observers, are submitted.
2. Maintain signed confidentiality agreements on file.

#### B. Conflicts of Interest Defined

To ensure decisions are made independently and impartially, Town employees and officials are expected to avoid any conflicts of interest and also avoid the appearance of conflicts of interest. A conflict of interest, or the appearance of one, must be disclosed whenever a vendor, employee, or officer has, or can reasonably anticipate having, an ownership interest, a significant executive position, or other remunerative relationship with a prospective supplier of goods or services to the

Town or knows that a family member or other person with whom they have a personal or financial relationship has such an interest.

In reference to any federal grants, the federal Office of Management and Budget's Omni Circular states that a conflict of interest arises when: *"the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract."*

It further states that: *"The officers, employees, and agents of the non-federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts."*

The Omni Circular further requires that for any federal grant involving a parent, affiliate, or subsidiary organization that is not a state or local government, the Town must also maintain written standards of conduct covering organizational conflicts of interest. An organizational conflict of interest means that due to a relationship with a parent company, affiliate, or subsidiary organization, the Town is unable or appears to be unable to be impartial in conducting a procurement action involving the related organization.

Any person with a conflict as described above shall not participate in the preparing of specifications, qualifying vendors, selecting successful bidders on products or services in which they have an interest, or approving payment to those interests. The only exception to this arises if the person makes full disclosure of a potential conflict and receives an advance, written determination from the [State Ethics Commission](#) that the interest is not so substantial as to be deemed likely to affect the integrity of the services the Town may expect from that individual.

#### C. Disclosure and Review

Department heads and other officials are required to ascertain and disclose to the Town Administrator any potential conflict of interest affecting procurement transactions before any contract is signed, commitment made, or order placed. The following measures will be taken to ensure the Town avoids any conflicts of interest in procuring Town contracts:

1. Employees, officials, and others who regularly participate in contract activities on behalf of the Town must disclose relevant, personal financial interests as required by state and federal laws and to annually review those statements in conjunction with this policy and other ethical standards.
2. Other persons involved in procurements must review this policy and other ethical standards and provide information in order to determine if there is a conflict of interest. Such persons shall include, but are not limited to, authors of specifications; paid and unpaid evaluators; and paid and unpaid consultants who assist in the procurement process.
3. If a possible conflict of interest is identified, it must be documented and reviewed with Town Counsel.

The departmental purchasing employee must:

1. Identify employees, consultants, outside uncompensated parties, and any other persons who will be involved in a procurement or contract activity, such as specification development, preparation and issuance of solicitations, evaluation of solicitations or submissions, or other evaluations that will lead to an award of contract.
2. Provide conflict of interest forms to the identified participants.
3. Submit the completed forms to the Town Administrator prior to commencing any procurement or contract activity.

The Town Administrator must:

1. Review the submitted forms for potential conflicts of interest.
2. Discuss any potential conflicts of interest with the Town Counsel and document the resulting determinations.
3. Provide the Select Board with the documented result.
4. If a conflict or the appearance of one exists, take appropriate actions, including but not limited to, removal of the employee, consultant, or outside uncompensated party from the procurement activity or cancelation of the solicitation.
5. Notify the Town Accountant of the review results.

#### D. Compliance Reviews

The Town Accountant may conduct random reviews of compliance with this policy.

#### **§200.318 General procurement standards.**

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization,

the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.213 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight

in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 43309, July 22, 2015

#### **REFERENCES**

[M.G.L. c. 30B](#)

[M.G.L. c. 41, § 57](#)

[M.G.L. c. 268A](#)

[2 CFR § 200.318](#)

State Ethics Commission's webpage [Disclosure Forms for Municipal Employees](#)

Inspector General's webpage [Procurement Assistance](#)

U.S. Office of Management and Budget, December 2013 [Omni Circular](#)

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## PROCUREMENT POLICY

### PURPOSE

The objective of this policy is to ensure that all procurements and dispositions made by Town Departments are made in compliance with state law and town by-laws and that the Town is procuring supplies, services and real property at the best value and as efficiently as possible.

### APPLICABILITY

The policy pertains to all the Town's procurement and contract processes governed under the provisions of the state's Uniform Procurement Act associated with, but not limited to: specification development, preparation and issuance of solicitations, evaluation of solicitations and submissions, and other evaluations that lead to Town contract awards. The policy applies to the Town Administrator's duties as the Town's chief procurement officer. It further applies to all Town employees, officials, and others working on the Town's behalf who are involved with any procurement and contract process and to the prospective contractors.

### AIMS AND OBJECTIVES

This Procurement Policy was developed in order to outline the procurement process for all Town employees under the jurisdiction of the Select Board, define the roles of the Chief Procurement Officer and the Town Departments, and ensure that purchases and contracts are solicited, awarded and administered properly and uniformly, efficiently and cost effectively.

### PERIODIC REGIONALIZATION REVIEW

Whenever a contract or service is pending renewal, the appropriate Department Head or Project Manager shall conduct an analysis as to whether or not regionalization is the more advantageous alternative at that time.

#### A. CHIEF PROCUREMENT OFFICER/CONTRACT SIGNING AUTHORITY

##### 1. Chief Procurement Officer

Pursuant to the Swampscott Town Charter (Ch. 106 of the Acts of 2016, Section 6, Ch. 6, §6-1 (xii)) "the town administrator, or the town administrator's designee, shall be the chief procurement officer for the town." However, it is noted that this authority granted to the Town Administrator does "not include[e] food for schools, schoolbooks and other instructional materials, supplies and equipment unless otherwise specifically requested by the school committee."

Subject to such authority, the Assistant Town Administrator for Administration & Finance is hereby designated as the Chief Procurement Officer of the Town as that office is defined by state law, including the provisions of G.L. Ch. 30B and other such procurement laws as they may be amended from time to time. The Chief Procurement Officer shall be responsible to administer a Purchasing Office within the Office of the Town Administrator and systems for managing procurement of goods and services for all departments of the Town (except the School Department) in accordance with applicable state laws, and these policies and procedures.

When requested in writing by the School Committee, or the Superintendent of Schools; and with the express written consent of the Town Administrator, the Chief Procurement Officer may also provide any procurement related services to the School Department to the extent requested by the School Committee, or the Superintendent of Schools, and agreed to by the Town Administrator.

## **2. Contract Signing Authority – all Municipal (non-School) Departments**

In accordance with the Swampscott Town Charter (Ch. 106 of the Acts of 2016, Section 6, Ch. 5, §5-1(e)) “The [select board] shall be the signatory authority for all contracts within its jurisdiction as provided for in the General Laws, town by-laws, by vote of the town meeting or otherwise.” However, in accordance with the General By-Laws of the Town of Swampscott (Swampscott General By-Laws, Article IV, Section 10 (b)) “A contract in proper form shall thereupon be prepared and, with the specifications, submitted to the [Select board], *or, upon delegation by the [Select board], to the Town Administrator*, and shall not be valid until countersigned by said Board *or Administrator*.” (emphasis added)

Pursuant to the above cited authority, the authority to execute contracts or issue purchase orders under the jurisdiction of the Select Board pursuant to these policies and procedures is hereby delegated to the Town Administrator for all contracts or purchase orders with a value of \$500,000 or less, provided the Town Administrator provides a report to the Select Board advising the Board of any such contracts executed or purchase orders issued that exceed \$100,000.

The Town Administrator shall also sign such contracts or purchase orders that exceed a value of \$500,000, but only with the express approval of the Select Board given in open meeting by majority vote. Once a contract or purchase order is signed by the Town Administrator, such contract or purchase order shall be deemed binding on the Town of Swampscott. In the event of a vacancy in the office of Town Administrator, or any other instance where it is deemed by the Board to be advisable, the Select Board may by majority vote in open meeting temporarily delegate this authority to another town officer, or may execute any contract or purchase order that may otherwise be executed by the Town Administrator in accordance with this Section by voting in open session to authorize a majority of the members of the Board to execute such contract or purchase order, and when a majority of the members of the Board so sign, the contract or purchase order shall be deemed binding on the Town of Swampscott.

## **3. Contract Signing authority – School Department**

In accordance with G.L. Ch. 71, §59 “A superintendent employed...shall manage the system in a fashion consistent with state law and the policy determinations of that school committee.” Consistent with the broad authority granted a Superintendent of Schools under state law to manage the affairs of the School Department, the Superintendent shall be deemed by town officials under the jurisdiction of the Select board to be the contract signing authority for all contracts or purchase orders binding on the School Department for the procurement of goods and services for the benefits of the public schools. However, also consistent with that broad authority to manage the affairs of the School Department, the Superintendent may delegate such contract signing authority to another officer of the School Department by an instrument in writing signed by the Superintendent. Any contracts or purchase orders signed by the Superintendent (or the Superintendent’s designee), and any invoices approved in writing by the Superintendent (or the Superintendent’s designee) and submitted for payment shall be deemed a valid procurement by the School Department and invoices submitted shall be paid forthwith unless there is clear and convincing evidence that the procurement is inconsistent with state law or exceeds appropriation.

**B. PROCUREMENT LAWS: APPLICABILITY AND THRESHOLDS**

Most procurement will fall into one of two categories: (1) Supplies, Services and Real Property or (2) Public Construction. Below please find an outline of each applicable law:

**1. Supplies, Services and Real Property**

Massachusetts General Law, Chapter 30B applies to the procurement (purchase, lease or lease-purchase, or other means of acquiring) of all supplies and services, disposition of surplus supplies, and acquisition and disposition of real property, unless an exemption applies (*see Section a*).

**Supplies**

Supplies are defined as, “all property, other than real property, including equipment, materials and printing and services incidental to delivery, conveyance and installation of such property.”

**Surplus Supplies**

In order to dispose of unwanted items a Department must first offer the item(s) to all other Town Departments via email. If no other Department has a need for the item(s), a written request to dispose of the item(s) must be submitted to the Town Administrator for approval. After approval is received from the Town Administrator, a written request to dispose of the items shall be made to the Purchasing Department.

For supplies with a resale or salvage value greater than \$5,000 either a sealed bid or public auction process must be used.

**Services**

Services are defined as, “the furnishing labor, time or effort by a contractor.” The following are excluded from the definition of services:

- Collective bargaining agreements
- Employment agreements (*where the Town withholds payroll taxes*)
- Grant agreements (*meaning the procurement of grant agreements, not procurements using grant money*)

**Real Property**

Any agreement to rent, convey or otherwise acquire or dispose of an interest in real property is subject to Chapter 30B.

**M.G.L. c. 30B:**

Dollar Thresholds	Statutory Requirements
\$0-9,999	<ul style="list-style-type: none"> <li>• Sound business practices</li> <li>o Ensuring the receipt of a favorable price by periodically soliciting price lists or quotes</li> </ul>
\$10,000-49,999	<ul style="list-style-type: none"> <li>• Solicit 3 quotes</li> <li>• Award to lowest that meets requirements</li> <li>• Written Contract</li> </ul>

\$50,000+	<ul style="list-style-type: none"> <li>• Sealed competitive bidding (IFB/RFP/Approved Alternative)</li> <li>• Advertisement/Public Notice</li> <li>• Award to responsive and responsible vendor offering best price, or most advantageous proposal</li> <li>• Written Contract</li> </ul>
\$100,000+	<ul style="list-style-type: none"> <li>• Advertise in <i>Goods and Services Bulletin</i></li> </ul>

**a. Chapter 30B Exemptions**

Chapter 30B carves out several exceptions. If a department feels that a procurement intended to be made is exempt from Chapter 30B, **that Department must contact the Chief Procurement Officer IN ADVANCE** of the procurement to ensure that the exemption applies.

The following supply and service contracts are currently exempt from the requirements of Chapter 30B:

- (1) Public Construction contracts subject to the provisions of section thirty-nine M of chapter thirty, section 11C or section 11I of chapter 25A or sections forty-four A to forty-four J, inclusive, of chapter one hundred and forty-nine;
- (2) Public Building Design contracts subject to the provisions of sections thirty-eight A1/2 to thirty-eight O, inclusive, of chapter seven;
- (3) Intergovernmental agreement subject to the provisions of section four A of chapter forty;
- (4) Agreements with the commonwealth, except as pertains to subsection (i) of section 16;
- (5) Contracts for the purchase of materials, under specifications of the state department of highways (Mass. Dept. of Transportation, highway Division), and at prices established by the department, pursuant to advertising and bidding for such purpose, in connection with work to be performed under the provisions of chapter eighty-one or chapter ninety;
- (6) Contracts for the advertising of required notices;
- (7) An agreement between agencies, boards, commissions, authorities, departments or public instrumentalities of one city or town;
- (8) An agreement for the provision of special education pursuant to chapter seventy-one B and regulations promulgated pursuant thereto (*This exemption applies to direct student services delivered to children with special needs, such as transportation, counseling or education under an individual education program, as well as to any supplies used by children with special needs as part of an individual educational program. Other supplies and services, however, are not exempt simply because they are procured by the special education department. For example, office supplies or computers to be used for office administration would not fall under this exemption*);
- (9) A contract to purchase supplies or services from, or to dispose of supplies to, any agency or instrumentality of the federal government, the commonwealth or any of its political subdivisions or any other state or political subdivision thereof;
- (10) The issuance of bonds, notes or securities in accordance with procedures established by law;
- (11) Contracts and investments made in connection with deferred compensation programs for employees in accordance sections fifty-seven or fifty-seven A of chapter thirty-five or sections sixty-seven or sixty-seven A of chapter forty-four;
- (12) A contract for the procurement of insurance or surety bonds, including an agreement subject to the provisions of sections one to sixteen, inclusive, of chapter forty M or the provisions of

sections twenty-five E to twenty-five U, inclusive, of chapter one hundred and fifty-two; *(The procurement of an insurance contract is exempt from Chapter 30B. However, contracts to for insurance-related services, such as insurance consulting, claims administration, or third-party billing services, are not exempt.)*

(13) Contracts for the services of expert witnesses for use in an adjudicatory proceeding or litigation or in anticipation thereof;

(14) Any contracts or agreements entered into by a municipal gas or electric department governed by a municipal light board, as defined by section fifty-five of chapter one hundred and sixty-four or by a municipal light commission, as defined by section fifty-six A of said chapter one hundred and sixty-four; provided, however, that any such board or commission may accept the provisions of this chapter by a majority vote of its members;

(15) Contracts with labor relations representatives, lawyers, or certified public accountants; *(This exemption applies only to services that could reasonably be restricted exclusively to labor relations representatives, lawyers, or certified public accountants. Service contracts are not exempt simply because you select a labor relations representative, lawyer or certified public accountant to perform a service. For example, a contract to computerize an accounting system is subject to Chapter 30B even if the service contract is with a certified public accountant).*

(16) contracts with physicians, dentists, and other health care individuals or persons including nurses, nurses' assistants, medical and laboratory technicians, health care providers including diagnosticians, social workers, psychiatric workers, and veterinarians; *(Similar to (15) above, this exemption applies only to services that could reasonably be restricted exclusively to physicians, dentists, and other health care individuals or persons including nurses, nurses' assistants, medical and laboratory technicians, health care providers including diagnosticians, social workers, psychiatric workers, and veterinarians. Service contracts are not exempt simply because you select one of these professionals to perform a service.)*

(17) A contract for snow plowing by a governmental body;

(18) A contract or lease by a governmental body of its boat slips, berths, or moorings;

(19) A contract for retirement board services; provided, however, that the procurements shall take place under section 23B of chapter 32;

(20) A contract which is funded by proceeds derived from a gift to a governmental body or a trust established for the benefit of a governmental body;

(21) A contract for the towing and storage for motor vehicles;

(22) A contract to provide job-related training, educational or career development services to the employees of a governmental body;

(23) Deleted by 2016, 218, Sec. 5.

(24) A contract for ambulance services by a governmental body; *(However, the procurement of Ambulances is subject to Chapter 30B)*

(25) A contract to sell lease or acquire residential, institutional, industrial or commercial real property by a public or quasi-public economic development agency or urban renewal agency engaged in the development and disposition of said real property in accordance with a plan approved by the appropriate authorizing authority;

(26) A contract for the collection of delinquent taxes or for the services of a deputy tax collector;

(27) Contracts or agreements entered into by a municipal hospital or a municipal department of health;

(28) Contracts entered into by a governmental body on behalf of a hospital owned by such governmental body where such contract is funded by expenditures from an operations account, so-

called, or a special account, established pursuant to a special act that is maintained for the benefit of and designated with the name of such hospital;

(29) Contracts, agreements or leases entered into by a municipal airport commission established under the provisions of section fifty-one E of chapter ninety; provided, however, that such contracts, agreements or leases apply to aviation uses or the sale of aviation fuel;

(30) A contract for the collection, transportation, receipt, processing or disposal of solid waste, recyclable or compostable materials;

(31) An agreement for the purchase of photography services entered into by a public school;

(32) Energy aggregation contracts entered into by a political subdivision of the commonwealth for energy or energy related services arranged or negotiated by such subdivision on behalf of its residents;

(32A) Contracts with architects, engineers and related professionals;

(33) Energy contracts entered into by a city or town or group of cities or towns or political subdivisions of the commonwealth, for energy or energy related services; provided, however, that within 15 days of the signing of a contract for energy or energy related services by a city, town, political subdivision, or group of cities, towns or political subdivisions said city, town, political subdivision, or group of cities, towns or political subdivisions shall submit to the department of public utilities, the department of energy resources, and the office of the inspector general a copy of the contract and a report of the process used to execute the contract; provided, further, that for any such contract determined to contain confidential information under sub clause (r) of section 7 of chapter 4, the governmental body shall instead maintain a record of the procurement processes and awards for 6 years after the date of the final payment. The governmental body shall make such records available to the inspector general upon request; provided, however, that the inspector general shall not disclose said information; or

(34) A contract entered into between the state Department of Public Health and regional emergency medical services councils made in accordance with section 5 of chapter 111C.

### **b. Collective Purchasing**

Chapter 30B permits local jurisdictions to purchase goods and services under certain collective purchasing contracts.

#### **i. Statewide Contract Purchases**

The Operational Services Division (OSD) awards a variety of statewide contracts that local jurisdictions may use without conducting a separate Chapter 30B procurement process. If a department wishes to make use of a statewide contract that Department must provide the Chief Procurement Officer with a valid statewide contract number prior to entering a requisition, and the Department must ensure that the terms of the statewide contract are adhered to.

#### **ii. Cooperative Purchases**

Departments may only purchase goods or services from cooperative purchase associations with the direct prior approval of the Chief Procurement Officer and the Town Administrator.

### **c. Sole-Source Procurements**

A “sole-source” procurement is a procurement conducted without advertising or competition. In order to make a sole-source procurement, the Department must conduct a reasonable investigation showing that there is only one practicable source for the required supply or service. The Department must provide the Chief Procurement Officer with documentation explaining this determination prior to entering a contract.

Sole-source procurements for supplies and services valued at over \$50,000 are **not allowed unless** the Department is procuring:

- Software maintenance, library books or educational materials
- Utilities

**2. Public Construction**

Public construction procurements fall into one of two subcategories (a) Building Construction and (b) Public Works (non-building) construction.

**a. Building Construction**

Massachusetts General Law Chapter 149 governs all contracts for the construction, reconstruction, installation, demolition, maintenance, or repair of a building, unless the work falls under one of the following exceptions:

- A sewer or water supply building, whose sole function is to house pumps and related equipment (*instead subject to Chapter 30, Section 39M*)
- Energy-saving improvements to public buildings (*instead subject to Chapter 25A*)

Though the law does not define the word “building,” case law has indicated that it should be interpreted as “a structure with walls and a roof.” Building maintenance and repair includes painting, plumbing repair, elevator maintenance, boiler maintenance and security system maintenance.

**M.G.L. c.149:**

Dollar Threshold	Statutory Requirements
\$0-9,999	<ul style="list-style-type: none"> <li>• Sound business practices</li> <li>• Prevailing Wage</li> </ul>
\$10,000-49,999	<ul style="list-style-type: none"> <li>• Solicit written responses</li> <li>• Advertisement/Public notice</li> <li>• OSHA Training</li> <li>• Prevailing Wage</li> </ul>
\$50,000-150,000	<ul style="list-style-type: none"> <li>• Sealed Bids</li> <li>• Advertisement/Public Notice</li> <li>• OSHA Training</li> <li>• 5% Bid Deposit</li> <li>• 50% Payment Bond</li> <li>• Prevailing Wage</li> </ul>

Over \$150,000	<ul style="list-style-type: none"> <li>• Sealed Bids</li> <li>• Advertisement/Public Notice</li> <li>• DCAM certification for general bidders and filed sub-bidders</li> <li>• Filed sub-bidding (for work \$25,000 and over)</li> <li>• OSHA Training</li> <li>• Optional Prequalification</li> <li>• Filed sub-bidding (work \$25,000 and over)</li> <li>• 5% Bid Deposit (of total bid or sub-bid)</li> <li>• 100% Payment Bond</li> <li>• 100% Performance Bond</li> <li>• Prevailing Wage</li> <li>• Contractor Evaluation</li> </ul>
Over \$10,000,000	<ul style="list-style-type: none"> <li>• Solicit statements of qualification prior to soliciting sealed bids</li> <li>• Advertise the request for qualifications</li> <li>• DCAM certification for general bidders and filed sub-bidders</li> <li>• Filed sub-bidding (for work \$25,000 and over)</li> <li>• 5% Bid Deposit (of total bid or sub-bid)</li> <li>• 100% Payment Bond</li> <li>• 100% Performance Bond</li> <li>• Prevailing Wage</li> <li>• Contractor Evaluation</li> </ul>

**b. Public Works (non-building) Construction**

Massachusetts General Law Chapter 30, Section 39M governs all contracts for construction reconstruction, alteration, remodeling, or repair that do not include work on a public building. This type of work is generally called “horizontal construction” and includes: construction and repair of roads, bridges, water mains and sewers, and improvement to public land such as public parks, outdoor swimming pools and parking lots.

**M.G.L. c.30, §39M:**

Dollar Threshold	Statutory Requirements
\$10,000 and under	<ul style="list-style-type: none"> <li>• Prevailing Wage</li> </ul>
\$10,000-49,999	<ul style="list-style-type: none"> <li>• Sealed bids</li> <li>• Advertisement/Public Notice</li> <li>• OSHA Training</li> <li>• 5% Bid Deposit</li> <li>• Prevailing Wage</li> </ul>

<p>\$50,000+</p>	<ul style="list-style-type: none"> <li>● Sealed Bids</li> <li>● Advertisement/Public Notice</li> <li>● OSHA Training</li> <li>● 5% Bid Deposit</li> <li>● 50% Payment Bond</li> <li>● Prevailing Wage</li> </ul>
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**PART II. COMPETITIVE PROCUREMENT**

When a supply, service or parcel of real property valued at over \$50,000 or a public construction project valued at over \$10,000 must be competitively procured, the Chief Procurement Officer and Department shall work together to develop a formal solicitation for the contract.

The following section outlines the procedures and responsibilities of the Chief Procurement Officer and interested Department in regard to preparing, issuing, receiving, awarding and administering competitively procured contracts.

**A. PREPARING THE SOLICITATION**

**1 Department Responsibilities**

To initiate a competitive bidding process, the requesting Department shall provide the following to the Chief Procurement Officer in Microsoft Word, along with a general description of the procurement.

\*Note: Select board approval is required for any contract with a term of longer than three (3) years.

**a Request for Proposals Justification (if applicable)**

If the Department wishes to make use of the Request for Proposal process rather than an Invitation for Bids process for supply or service contracts, that Department must provide the Chief Procurement Officer with written documentation outlining specific reasons why an Invitation for Bids is not being used.

**b Estimated Value**

The three main Massachusetts procurement laws are broken down into sections based on dollar thresholds. The Department must provide the Chief Procurement Officer with an estimated value of the total procurement so that the Chief Procurement Officer may determine what procedures apply.

**c Minimum Requirements**

This document would contain any requirements that a bidder or proposer would absolutely have to meet in order to be considered. For example, certain licenses, access to equipment or a minimum amount of experience in would be considered minimum requirements.

**d Product Description/Scope of Services**

**Product Description**

Purchase Descriptions are typically used for the procurement of supplies. List or describe any supply in sufficient detail for vendors to understand what is being requested. Depending on the complexity of the item this may require particulars regarding size, dimension, quality, performance and warranties.

**Scope of Services**

A Scope of Services is a comprehensive description of any services required. This should include the details of the task, the personnel, material and resources required. An example would be, "All floors must be swept to remove visible dirt and debris."

**e Terms and Conditions**

This should include any delivery terms, a schedule for performance, the term of the contract (and any option to renew), or any other terms or conditions the Department would like to include.

**2 Purchasing Responsibilities**

The Chief Procurement Officer will review the documentation provided by the Department and request any further information.

The Chief Procurement Officer will prepare the complete solicitation documents, incorporating the information provided by the Department and ensuring compliance with applicable Massachusetts procurement laws. The Chief Procurement Officer will then provide a draft of the solicitation to the Department for review and comment.

If necessary, the Chief Procurement Officer will request a prevailing wage rate sheet to attach to the solicitation. The prevailing wage law requires contractors performing work for any public construction project to pay prevailing wages, which are special minimum wages established by the Department of Labor Standards (DOLS)

**B. ISSUING THE SOLICITATION****1 Department Responsibilities**

Once the solicitation is complete, the Department may wish to reach out vendors it knows can provide the supply, service or work required and alert that vendor as to when the solicitation will be available.

Once the solicitation has been made available, vendors often ask questions. Questions must be submitted to the Chief Procurement Officer in writing. The Chief Procurement Officer will then contact the Department and request a written response which the Chief Procurement Officer will convert into addenda issued to all vendors on record.

**2 Purchasing Responsibilities**

The Chief Procurement Officer will be responsible for ensuring that proper public notice of the solicitation is made. The Chief Procurement Officer will also post the solicitation on the Town of Swampscott's website, make hard copies available as requested and maintain a record of all vendors who have downloaded or picked up the solicitation. Any questions from potential contractors must be directed to the Chief Procurement Officer. The Chief Procurement Officer will forward the questions to the Department for answers. If necessary, the Chief Procurement Officer will prepare and issue addenda to potential contractors.

**C. RECEIVING AND EVALUATING RESPONSES****1 Department Responsibilities**

**Invitation for Bids**

If the solicitation conducted was an Invitation for Bids, the Department will be responsible for reviewing the submitted bids and determining if the bid is responsive to the Invitation for Bids. Any deviation from the Invitation for Bids must be noted as it may disqualify a bid.

**Requests for Proposals**

The Department shall be responsible for forming an evaluation committee. The evaluation committee shall be responsible for reviewing and ranking the non-price proposals. The Chief Procurement Officer may assist or be a member of the evaluation committee if necessary. The evaluation committee must prepare a written explanation of its ranking and why the selected proposer is the most advantageous.

**2 Purchasing Responsibilities****Invitation for Bids**

The Chief Procurement Officer shall receive all bids in response to an Invitation for Bids. At the time and date scheduled for bid opening, the Chief Procurement Officer shall open, read aloud and prepare a bid tabulation sheet, of the results. The Chief Procurement Officer will then turn the bids over to the Department for evaluation as described above.

**Requests for Proposals**

The Chief Procurement Officer shall receive all proposals in response to a Request for Proposals. At the time and date scheduled, the Chief Procurement Officer shall open the non-price proposals and create a register of proposals. The Chief Procurement Officer will then turn over the non-price proposals to the Department for the evaluation described above. Once the Chief Procurement Officer receives the written description of the ranking, the Chief Procurement Officer shall open the price proposals.

**D. LATE AND TIED BIDS**

A late bid or proposal is one that is delivered after the due date and time. If a bid or proposal is late, it must be rejected as non-responsive. Similarly, a correction or modification delivered after the due date and time may not be accepted and the bid should be evaluated as it was at the due date and time. If bids are tied, the Town must use a tie-breaking procedure that is simple, fair and objective, such as a coin toss. In the alternative, the Town may elect to conduct a "second heat" where vendors are informed of the tie and asked to submit a second price by a certain date and time.

**PART III. AWARDING AND EXECUTING CONTRACTS**

- 1 The Department must ensure that funds are properly appropriated before a contract is executed.
- 2 Once the Vendor/Contractor (lowest responsive and responsible bidder, most advantageous proposer, lowest quote etc....) has been identified the Chief Procurement Officer shall draft the contract. The contract number shall coincide with the applicable Bid or Proposal, or if no Bids or Proposals were solicited, the contract shall be the number of the Purchase Order created to pay the vendor.

If the Vendor/Contractor is supplying the contract, the Department shall arrange for the vendor to email the contract to the Chief Procurement Officer in Microsoft Word so that it may be adapted to the Town format.

- 3 The contract will then be turned over to Town Counsel for review of its form. Town Counsel will return the four (4) copies of the contract to the Chief Procurement Officer.
- 4 The Chief Procurement Officer will prepare a 'Notice of Intent to Award' and send it along with the four (4) copies of the contract to the chosen Vendor/Contractor.
- 5 When the contracts are returned to the Chief Procurement Officer, along with any applicable Certificates or Bonds required, the Chief Procurement Officer will then route the contract for the remaining Town officials to sign.
- 6 One copy of the fully executed contract shall be returned to the Vendor/Contractor along with a 'Notice to Proceed.' One copy shall remain on file with the Office of the Chief Procurement Officer, one copy will be provided to the Department and one copy will be placed on file at the Office of the Town Accountant.
- 7 Once the contract has been executed, the Department shall enter a requisition for a purchase order in the Contract amount, prior to the selected vendor beginning work (unless a Requisition was already entered as part of step 2).
- 8 The Department is responsible for monitoring the progress of the contract.
- 9 Any amendments, change orders, or extensions must be initiated by the Department and approved by the Chief Procurement Officer (as discussed in Part V).
- 10 The Purchasing Department shall maintain a record of current contracts and notify the Department when the Contract is set to expire.

#### **PART IV. REQUISITIONS AND PURCHASE ORDERS**

##### **A. REQUIREMENT TO PROCESS REQUISITIONS/PURCHASE ORDERS**

###### **1. General Rule**

A Purchase Order shall be required prior to purchasing and goods and services that exceed \$500.00. The process for obtaining a Purchase Order is to submit a Requisition to the Purchasing Department. Processing a Purchase Order will encumber the purchase in the line item identified as the funding source for the Purchase until an invoice is submitted and payment is processed. The method of processing a Requisition, and for converting a requisition into a Purchase Order, is outlined below; but the following are the general guidelines for what approvals must be sought in order to obtain a purchase order:

- Individual, separate, orders purchasing goods or services costing \$500 or less do not require a Purchase Order. However, it is not permitted to intentionally purchase items separately in order to circumvent obtaining a Purchase Order, and if it is clear to the Chief Procurement Officer that that such a practice is being utilized, then invoices will be returned until a Purchase Order is properly issued. Invoices for such goods and services can simply be submitted to

Accounting upon receipt with any other proper documentation required to effectuate payment to the vendor.

- Individual, separate, orders purchasing goods or services costing more than \$500 and less than \$10,000 require submitting a Requisition to the Purchasing Dept. and the Requisition will be converted to a Purchase Order upon approval by the Department Head. Goods and Services may NOT be purchased, nor can delivery be accepted, until a Purchase Order is issued. Invoices for such goods and services must reference the Purchase Order when they are submitted to Accounting for payment, along with any other proper documentation required to effectuate payment to the vendor. Invoices submitted to accounting that are more than \$500, without referencing a Purchase Order, will be returned to the Department and not paid until a Purchase Order is processed.
- Individual, separate, orders purchasing goods or services, as well as procurement contracts costing more than \$10,000 require submitting a Requisition to the Purchasing Dept. **with supporting documentation, including a proposed written contract.** All written quotes, bid documents, copies of advertisements, etc. shall be attached to the requisition at the time the requisition is submitted for approval. If a requisition is submitted without the proper procurement documentation it will be returned to the Department and a Purchase Order will not be issued, nor will invoices be paid, until a completed requisition with supporting documentation is submitted and an approved Purchase Order is issued.

## **B. REQUISITIONS**

Before a Requisition can be entered, the vendor's information must be added to the MUNIS system. The Purchasing Department is responsible for adding vendors to the system. In order to do so the Purchasing Department must have a copy of the vendor's W-9 form. Before requesting that a vendor be added, please ensure that their information is not already in the system, in order to avoid duplications. Vendors **WILL NOT** be added without a valid Social Security or Federal Tax Identification Number.

### **1. Requisition Entry**

Before a purchase can be made, the Department must enter a Requisition into the MUNIS system to be approved by the Chief Procurement Officer. In order for the Chief Procurement Officer to approve the Requisition there is certain information that must be included, as discussed below.

In the 'Main' tab of 'Requisition Entry' please use the 'General Description' box to enter a basic one- or two-word description of the item of service to be purchased, for example, "Landscaping Services" or "Office Supplies."

If the Requisition is being made pursuant to a contract already in place, please follow that description with a dash and the Contract Number. If the Contract was awarded based on a bid or proposal the number will look like this "O-23." If the Requisition is being made pursuant to a statewide contract, (Comm-Pass) please enter the statewide contract number, for example, FAC59. Use a similar procedure for purchases from any cooperative purchasing groups such as MHEC.

"OFFICE SUPPLIES-O-23"

If the Requisition is being made pursuant to a quotes process, follow the description with a dash and the word "QUOTES". When quotes were solicited, please attach either PDF copies of the Quotes or a Microsoft Word or Microsoft Excel document with the names of the three quoters and the amounts of the quotes. This can be accomplished by clicking the 'Attachments' link at the bottom of the 'Main' tab or the paper clip icon at the top. (Note: all information must be filled in before "Attachments" becomes clickable.)

#### "LANDSCAPING SERVICES-QUOTES"

Below the 'General Description' box you will find a button labeled 'General Notes'. In this window, please provide a more detailed account of the procurement, elaborating on the one or two word 'General Description' line. For example, if the 'General Description' was LANDSCAPING SERVICES-QUOTES," an adequate description would be, "The Department requires services to trim several trees. If the 'General Description' was "OFFICE SUPPLIES-O-23," then an adequate entry would be, "The Department will be purchasing 10 office chairs pursuant to contract 0-23." This section should also include the name of the individual who, if contacted by the Chief Procurement Officer, would be able to answer any questions about the procurement.

### **2. Requisition Approval**

A Requisition must be released by the authorized user before it may be approved. All requisition approvals shall be made by the Chief Procurement Officer, unless the Chief Procurement Officer has delegated that authority to another Town employee. If the Requisition is in the proper form, it should be approved within two (2) business days of the entry. If information is missing, the Department may be contacted by the Chief Procurement Officer, or the Requisition may be rejected and an explanation shall be provided to the Department.

### **C. PURCHASE ORDERS**

Once a Requisition has been approved, it can then be converted into a Purchase Order. The Purchasing Department is primarily responsible for converting approved Requisitions into Purchase Orders and Printing Purchase Orders to be distributed back to the Department. Invoices from vendors should be addressed to the Department for verification that the supply or service was delivered to the Department's satisfaction.

A Vendor **SHALL NOT** furnish any work or supplies prior to the receipt of a valid Purchase Order. Any service or supply provided without a valid Purchase Order may be deemed unlawful and may preclude payment.

## **PART V. TASK ORDERS, CHANGE ORDERS, AMENDMENTS AND EXTENTIONS**

### **A. TASK ORDERS**

The Town may have several on-call contracts for various services. In order to make use of such a contract, the requesting Department must complete a 'Task Order Form' which is available upon request from the Purchasing Department. A fully executed (signed by all original signatories of the contract) 'Task Order Form' must be completed for any work in excess of \$5,000. For work between \$500 and \$5,000 a 'Task Order Form' must be executed between the Department and the Contractor. For work less than \$500 no 'Task Order Form' is required.

### **B. CHANGE ORDERS**

### 1. Change Orders Pursuant to Chapters 149 and 30, § 39M

There is no statutory limit on change orders for public construction projects. However, relevant case law suggests that change order(s) for any given project should not exceed 20-30% of the original contract price. 'Change Order Forms' are also available from the Purchasing Department.

The contractor requesting the change order must supply the department with a written explanation of why the change is necessary, along with a detailed cost breakdown of the proposed change.

Before submitting the change order to the Chief Procurement Officer, the Department must ensure that:

- The change order is necessary;
- The requested increase in value or time extension is accurate; and
- The work or supplies proposed in the change order were not already covered by the initial agreement

The Department shall be responsible for entering a Requisition for the changed amount.

### 2. Contract Increases Pursuant to Chapter 30B

Change orders for contracts relating to supplies and services are not permitted under M.G.L. Chapter 30B. Chapter 30B does allow for an increase in the quantity of a supply or service provided if the following conditions are met:

- The unit prices remain the same or less
- The procurement officer documents in writing that an increase is necessary to fulfill the actual needs of the local jurisdiction and is more economical and practical than awarding another contract
- The parties agree to the increase in writing
- The cost of the increase does not exceed 25% of the total contract price.

Contracts for the purchase of gasoline, fuel, fuel oil, road salt and other snow control supplies are not subject to the 25% limit but are subject to the first three conditions.

### C. AMENDMENTS

Should a Department seek to amend a current contract, the Department must send a request to the Chief Procurement Officer via email, explaining the need for the Amendment. The Chief Procurement Officer shall prepare the Amendment documents and send them to the Town Solicitor for review. The Amendment will then be sent to the contractor for signatures. Once returned, the Amendment will be signed by the remaining Town officials. One copy of the fully executed amendment shall be returned to the contractor, one shall remain in the Office of the Chief Procurement Officer, one shall be returned to the Department and one shall be placed on file at the Office of the Town Accountant. If the Amendment involves an increase in payment, the Department **must** secure funding prior to requesting the Amendment.

### D. EXTENSIONS

If a department seeks to extend a current contract, the Department must send a request to the Chief Procurement Officer via email. The Chief Procurement Officer will ensure that an extension is

allowed pursuant to the terms of the original contract, and then prepare a 'Notice of Extension'. The 'Notice of Extension' shall be mailed to the contractor for approval and signatures.

## **PART VI. EMERGENCY PROCUREMENTS**

### **A. SUPPLIES AND SERVICES PROCUREMENTS UNDER M.G.L. CHAPTER 30B**

If the time required to fully comply with a Chapter 30B requirement would *"endanger the health or safety of the people or their property,"* the Chief Procurement Officer may make an emergency procurement. The procurement must comply with the law to the extent possible. For example, if the supply or service is between \$10,000 and \$49,999, the department may solicit two quotes instead of three or for a supply or service over \$50,000 solicit quotes instead of issuing a bid, or shorten the advertising period. However, it is important to note that this only applies to the procurement of services or supplies needed to meet the emergency.

When a department must make an emergency procurement, they must submit a record to the Chief Procurement Officer which (1) documents the basis for determine that an emergency exists, (2) names the vendor, (3) states the amount of the contract and (4) lists supplies or services purchased.

Departments may not artificially create an emergency by postponing normal purchases. Invoking the emergency procedures in the absence of a genuine emergency could invalidate the contract.

### **B. BUILDING CONSTRUCTION PROCUREMENTS UNDER M.G.L. CHAPTER 149**

For M.G.L. Chapter 149 projects, a department may dispense with the normal bidding process for work needed to, *"preserve the health or safety of people or property, or to alleviate an imminent security threat."*

The prior approval of DCAMM ('Division of Capital Asset Management and Maintenance) is required. DCAMM may waive the public notice or public bidding requirements for the work. If the nature of emergency prevents prior approval, the Town may contract for the necessary work and seek subsequent approval from DCAMM, but if the request is denied the work must stop. Note that even if the waiver is granted, other requirements such as the payment of prevailing wages are still in force.

Although formal bidding may not be required, you should solicit as many informal quotations as possible under the circumstances.

### **C. PUBLIC WORK CONSTRUCTION PROCUREMENTS UNDER M.G.L. CHAPTER 30, SECTION 39M**

For M.G.L. Chapter 30, Section 30M projects you may only dispense with the normal bidding process in cases of, *"extreme emergency cause by enemy attack, sabotage, other such hostile actions or resulting from an imminent security threat, explosion, fire, flood, earthquake, hurricane, tornado or other such catastrophe."* Only the work necessary for "temporary repair and restoration to services of any and all public work in order to preserve health and safety of person and property" may be performed under an emergency contract. The Town may do only what is necessary to for temporary repair and restoration in order to preserve health and safety of persons or property. This exception does not apply to making permanent reconstruction, alteration, remodeling or repair.

As with Chapter 149, although formal bidding may not be required, you should still solicit as many informal quotes as possible under the circumstances.

If the item of service being procured falls under \$10,000, please do not label the procurement and Requisition as an "Emergency". If a procurement does exceed those thresholds, and is a true emergency, please proceed as outlined above.

## **PART VII. DESIGNER SELECTION PROCEDURES**

- A. These procedures govern the selection of designers for any Town of Swampscott building project subject to the state designer selection law, M.G.L. c. 7C, §§ 44-58. Any other local laws or procedures governing the procurement of services will be inapplicable to these procurements.
- B. The Select board ("Approving Body") has the authority to conduct the designer selection process for the Town of Swampscott. The Approving Body may delegate any duties described herein to the extent such delegation is permissible by law.
- C. The Approving Body shall designate the individual or group of individuals (hereinafter referred to as "the <insert project name> Design Selection Committee") who will conduct the designer selection process. No member of the Committee shall participate in the selection of a designer for any project if the member, or any of the member's immediate family:
  - a. has a direct or indirect financial interest in the award of the design contract to any applicant;
  - b. is currently employed by, or is a consultant to or under contract to, any applicant;
  - c. is negotiating or has an arrangement concerning future employment or contracting with any applicant; or
  - d. has an ownership interest in, or is an officer or director of, any applicant.
- D. A Request for Qualifications (RFQ) for each contract subject to these procedures shall be advertised in a newspaper of general circulation in the locality of the building project, on the official website of the Town of Swampscott, in the *Central Register* published by the Secretary of the Commonwealth, on the COMMBUYS System maintained by the Operational Services Division, and in any other place required by the Approving Body, at least two weeks before the deadline for filing applications.
- E. The advertisement shall contain the following information:
  - a. a description of the project, including the specific designer services sought, the time period within which the project is to be completed, and, if available, the estimated construction cost;
  - b. if there is a program for the building project, a statement of when and where the program will be available for inspection by applicants;
  - c. when and where a briefing session (if any) will be held;
  - d. the qualifications required of applicants;
  - e. the categories of designers' consultants, if any, for which applicants must list names of consultants they may use;
  - f. whether the fee has been set or will be negotiated; if the fee has been set, the amount of the fee must be listed in the advertisement;
  - g. when and where the RFQ can be obtained and the applications must be delivered.

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- F. The RFQ shall include the current "Standard Designer Application Form for Municipalities and Public Agencies not within DSB Jurisdiction," which is available for download from the Massachusetts Designer Selection Board website at **Procedures for Municipalities and Public Agencies not within DSB Jurisdiction**. The Application Form may be amended to include additional information on a project-specific basis.
- G. The Committee shall evaluate applicants based on the following criteria:
- a. prior similar experience;
  - b. past performance on public and private projects;
  - c. financial stability;
  - d. identity and qualifications of the consultants who will work with the applicants on the project; and
  - e. any other criteria that the Committee considers relevant to the project.
- H. The Committee shall select at least three finalists. Finalists may be required to appear for an interview or provide additional information to the Committee, provided that all finalists are afforded an equal opportunity to do so.
- I. The Committee shall rank the finalists in order of qualification and transmit the list of ranked finalists to the Approving Body. No person or firm, including applicants' listed consultants, debarred pursuant to M.G.L. c. 149, § 44C, shall be included as a finalist on the list. The list must be accompanied by a written explanation of the reasons for selection including the recorded vote, if any. The written explanation and recorded vote, if any, shall be public records and shall be maintained in the contract file.
- J. If the fee was set prior to the selection process, the Approving Body shall select a designer from the list of finalists. If the Approving Body selects a designer other than the one ranked first by the Committee, the Approving Body shall file a written justification for the selection with the Committee and maintain a copy in the contract file.
- K. If the fee is to be negotiated, the Approving Body shall review the list of finalists and may exclude any designer from the list if a written explanation of the exclusion is filed with the Committee and maintained in the contract file. The Approving Body shall request a fee proposal from the first ranked designer remaining on the list and begin contract negotiations. If the Approving Body is unable to negotiate a satisfactory fee with the first ranked designer, negotiations shall be terminated and undertaken with the remaining designers, one at a time, in the order in which they were ranked by the Committee until agreement is reached. In no event may a fee be negotiated which is higher than the maximum fee set by the Approving Body prior to selection of finalists.
- L. If the Approving Body is unable to negotiate a satisfactory fee with any of the finalists, the Approving Body shall recommend that the Committee select additional finalists.
- M. The Approving Authority may allow a designer who conducted a feasibility study to continue with the design of a project. However, the Approving Authority may commission, at its discretion, an independent review, by a knowledgeable and competent individual or business doing such work, of the feasibility of the designer's work to insure its reasonableness and its adequacy before allowing the designer to continue on the project, provided the Approving Authority otherwise complies with the statutory requirements for selecting a designer under Chapter 7C of the General Laws, including those set forth in M.G.L. c. 7C, § 54(a)(i).
- N. Every contract for design services shall include the following:
- a. certification that the designer or construction manager has not given, offered, or agreed to give any person, corporation, or other entity any gift, contribution, or

- offer of employment as an inducement for, or in connection with, the award of the contract for design services;
- b. certification that no consultant to, or subcontractor for, the designer or construction manager has given, offered, or agreed to give any gift, contribution, or offer of employment to the designer or construction manager, or to any other person, corporation, or entity as an inducement for, or in connection with, the award to the consultant or subcontractor of a contract by the designer or construction manager;
  - c. certification that no person, corporation, or other entity, other than a bona-fide full-time employee of the designer or construction manager, has been retained or hired by the designer or construction manager to solicit for or in any way assist the designer or construction manager in obtaining the contract for design services upon an agreement or understanding that such person, corporation, or other entity be paid a fee or other consideration contingent upon the award of the contract to the designer; and
  - d. certification that the designer has internal accounting controls as required by M.G.L. c. 30, § 39R(c), and that the designer has filed and will continue to file an audited financial statement as required by M.G.L. c. 30, § 39R(d).

All fees shall be stated in design contracts, and in any subsequent amendments thereto, as a total dollar amount. Contracts may provide for equitable adjustments in the event of changes in scope or services.

- O. The Awarding Authority shall not enter into a contract for design services unless the Awarding Authority or the designer has obtained professional liability insurance covering negligent errors, omissions, and acts of the designer or of any person or business entity for whose performance the designer is legally liable arising out of the performance of the contract. The total amount of such insurance shall at a minimum equal the lesser of one million dollars or ten percent of the project's estimated cost of construction, or such larger amounts as the Awarding Authority may require, for the applicable period of limitations. A designer required by the Awarding Authority to obtain all or a portion of such insurance coverage at its own expense shall furnish a certificate or certificates of insurance coverage to the Awarding Authority prior to the award of the contract.
- P. Every contract for design services shall include a provision that the designer or its consultants shall not be compensated for any services involved in preparing changes that are required for additional work that should have been anticipated by the designer in the preparation of the bid documents, as reasonably determined by the individual responsible for administering the design contract.
- Q. In the event of an emergency that precludes the normal use of these designer selection procedures, the Approving Body may elect to authorize expedited procedures to address the emergency. The Approving Body shall document in writing the reasons for the emergency declaration, the proposed scope of work, the estimated cost of construction, the established fee for the needed design services, and any other relevant information. The Approving Body may select three finalists from any standing list of designers who have applied for projects of a similar nature or may otherwise select three designers to be considered as finalists for the project. The Approving Body shall rank the finalists in order of qualification and select the designer for the emergency work.
- R. The Awarding Authority shall publish the name of any designer awarded a contract in the Central Register.
- S. The following records shall be kept by the Awarding Authority:

- a. all information supplied by or obtained about each applicant;
- b. all actions taken relating to the project; and
- c. any other records related to designer selection.

All records shall be available for inspection by the state Designer Selection Board and other authorized agencies.

- T. The Awarding Authority shall evaluate designers' performance in contracts using the Designer Selection Board evaluation form(s) in accordance with M.G.L. c. 7C, § 48(h).
- U. Nothing in these Procedures shall be interpreted to require the establishment of a board or waive or reduce the requirement of any other applicable law or regulation.
- V. For any municipal design or construction project that includes funding provided by the Commonwealth, in whole or in part, (such as reimbursements, grants and the like), cities and towns must incorporate minority-owned business enterprise and women-owned business enterprise participation goals. If applicable the Awarding Authority shall take steps to assure that it complies with all Supplied Diversity Office Requirements.

#### **FEDERAL GRANTS**

All federal grant funds must adhere to the Federal Acquisition Micro-Purchase Policy for grants greater than \$1,000. The Federal policy is most stringent than the Commonwealth Procurement Policy.

#### **REFERENCES**

[M.G.L. c. 30B](#) [M.G.L. c. 149](#) [M.G.L. c. 39, s. 39M](#) [M.G.L. c. 7C, s. 44-58](#)  
[2 CFR 200.320](#)

Inspector General's webpage [Procurement Assistance](#)

U.S. Office of Management and Budget, December 2013 [Omni Circular](#)

## REVOLVING FUNDS

### POLICY

Revolving funds allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 §53E½ stipulates that each fund must be established by bylaw or ordinance and that a limit on the total amount that may be spent from each fund for a fiscal year must be established by legislative body vote. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits.

PROGRAM	AUTHORIZED REPRESENTATIVE OR BOARD TO SPEND	DEPARTMENT RECEIPTS	PURPOSE
Council on Aging	Council on Aging	User fees or charges from COA programs	To pay for salaries, supplies, equipment, and COA programs
Recycling – Blue Bins	Health Department	Fees or charges received in connection with sale of recycling blue bins	To purchase supplies and equipment
Recreation	Town Administrator	Fees or charges received from Recreation Department programs	To pay for supplies, salaries, and equipment
Public Library	Town Administrator	Fees or charges for use of Library public copier and computer printers	To purchase supplies and paper for the copier and computer printer
Athletic Field Maintenance	Town Administrator	Fees or charges received for rental or use of Town athletic fields	To pay for salaries, supplies, and equipment of the Town's athletic fields

### LIMITATIONS

Expenditures from each revolving fund set forth herein shall be subject to the limitation established by Town Meeting or any increase therein as may be authorized in accordance with M.G.L. c.44, §53E½

PROGRAM OR PURPOSE	FISCAL YEAR SPENDING LIMIT
Council on Aging	\$50,000
Recycling – Blue Bins	\$5,000
Recreation	\$275,000
Public Library	\$3,500
Athletic Field Maintenance	\$20,000

### REFERENCES

[M.G.L. c.44, s. 53 E1/2](#)

[Swampscott General By-Laws](#)

[Dept of Revenue - Revolving Funds](#)

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## RECONCILIATIONS

### PURPOSE

To ensure transactions are in balance, to mitigate fraud, and to safeguard general ledger accuracy, financial officers must conduct regular reconciliations of their accounting records, and these must be reconciled to the general ledger. Although each financial officer is responsible for maintaining independent records of his or her office's transactions, they are also collectively accountable for the overall accuracy of Swampscott's financial records. Failure to reconcile cash, receivables, and withholdings hampers the Town's ability to produce reliable reports, close its books, make timely submissions to the Division of Local Services (DLS), and complete audits. In addition, unresolved variances reduce the amount of certified free cash and may result in significant deficiency findings by the independent auditor.

### APPLICABILITY

This policy applies to the Town Accountant, Treasurer/Collector, their designees (if any), and all departments that use special revenue funds or have accounts receivable responsibilities (e.g., Water, Police, etc.).

### POLICY

At minimum on a quarterly basis, the Treasurer/Collector, and department heads with accounts receivable duties will internally reconcile their respective accounting records and subsequently reconcile them with the Town Accountant according to the guidelines and periodic time frames outlined in this policy.

#### A. Cashbook Reconciliation

To ensure an accurate accounting of all revenue activity, the Treasurer will maintain a cashbook that reflects up-to-date and accurate information for all cash and assets. To do so, the Treasurer will make certain that all cash receipts, disbursements, transfers, and interest are recorded in the cashbook within [five business days] of each transaction. The Treasurer will reconcile cashbook accounts to their corresponding bank accounts within [five days] of receiving monthly bank statements. These will include zero-balance vendor and payroll bank accounts, whose balances must equal the outstanding checks at the end of any month.

The Treasurer will identify all reconciling items, including deposits in transit, bounced and voided checks, and discrepancies between the cashbook and financial institutions, and will correct them when appropriate. The Treasurer will then forward the reconciled cashbook balances in an Excel report to the Town Accountant and, when necessary, forward an additional [Schedule of Receipts] for any adjustments made.

#### B. Payroll Withholdings Reconciliation

Payroll withholdings include federal and state taxes, child support and other wage assignments for legal obligations, deferred compensation, optional insurances, association dues, and other employer-sponsored options, which are all itemized in separate general ledger accounts. The Treasurer must verify and reconcile all withholdings recorded in Munis to the actual disbursements.

The Treasurer will report specific payroll deductions subject to vendor invoices, such as health insurance, to the Town Accountant for recording in the general ledger. To reduce the risk to the Town

for liabilities in excess of deductions, the Treasurer will conduct monthly reconciliations of those deductions and identify any discrepancies prior to remitting invoices for payment. The Treasurer will make any necessary payroll changes or adjustments and provide the details of these activities to the Town Accountant.

#### C. Accounts Receivable Reconciliation

Accounts receivable are outstanding monies owed to the Town, whether from committed bills (i.e., taxes, excises, water charges) or from uncommitted department invoices (e.g., police details). To ensure these assets are accounted for and balanced, the Collector and any department head with accounts receivable duties (each referred to here as “record-keeper”) will make certain that all cash receipts are recorded daily, maintain a control record for each receivable type and levy year, and verify the detail balance agrees with the receivable control.

The receivable control is a record of original entry in which the record-keeper reduces a commitment according to collections, abatements, and exemptions and increases it by refunds issued. To maintain accuracy, the record-keeper must review the detailed list of receivables, identify credit balances as prepaid amounts or investigate them for possible correction, and reconcile the control balance to the detail.

Whenever these records do not agree, the record-keeper must determine the discrepancy by:

- Verifying the various transactions (commitments, abatements, refunds, chargebacks) against their supporting documents
- Comparing the total amount of posted payments to the turnovers accepted by the Treasurer
- Determining whether any revenues were incorrectly recorded as payments to the commitment, such as interest and fees

The record-keeper will forward a copy of the internally reconciled accounts receivable balances to the Town Accountant. For the Collector, this is the Schedule of Outstanding Receivables.

#### D. Special Revenue Reconciliation

Governed by various state statutes, special revenue funds are specific revenues segregated from the general fund and earmarked for specific purposes. They include gifts and grants from governmental entities, individuals, and organizations; revolving funds; and receipts reserved for appropriation. To ensure these funds are balanced, department heads with responsibility for special revenue funds will verify that all revenues turned over to the Treasurer, expenditures authorized for payment by the Town Accountant, and properly authorized transfers are recorded for the period. These department heads will subsequently provide the Town Accountant with quarterly reconciliation reports on the funds.

#### E. General Ledger Reconciliation

To achieve the core objective of maintaining the general ledger’s integrity, the Town Accountant must regularly reconcile it with the separately maintained accounting records outlined in Sections A – D above. In addition, it is the Town Accountant’s responsibility to review all accounts analytically from time to time for reasonableness and to identify unusual activity.

The general ledger's cash accounts should reflect only those transactions reported to the Town Accountant by the Treasurer, so that in theory, the general ledger should be in balance with the cashbook. However, errors may occur due to omitting transfers or transactions or applying them in the wrong amounts or to the wrong accounts. Whenever the Town Accountant identifies a discrepancy between the general ledger and the cashbook, the following steps must be taken in conjunction with the Treasurer to determine the cause:

- If the total amount of revenue reported in the cashbook does not agree with the amount recorded in the ledger for that month, the Treasurer must verify that his monthly Schedule of Receipts reports agree by detailed amount and classification with the cashbook and correct any errors.
- Compare the total amount of warrants paid during the months of the quarter as recorded in the cashbook with the total recorded in the ledger for the same period. The last warrant paid must be the last one recorded; otherwise, a timing problem will create a discrepancy.
- If the records still do not agree, the Treasurer and Town Accountant must trace each entry to the ledger until the variance is determined.

All receivable records must also be reconciled monthly to the Town Accountant's general ledger. If a given receivable control has been internally reconciled, any discrepancy must be in the general ledger, so the Town Accountant must:

- Review the commitments, charges, payments, abatements, refunds, reclassifications, and adjustments in the general ledger, as appropriate for the control.
- Verify whether receipts are recorded to the correct type and levy year.
- Verify the dates that activities were recorded.

The Town Accountant's receivable accounts in the general ledger should reflect the transactions provided by each record-keeper. Therefore, the above steps must resolve any discrepancies between the receivable control and the ledger. If they do not, the record-keeper and Town Accountant must trace each ledger entry until they determine the reason for variance.

The Town Accountant will verify that all special revenue fund reconciliations match the general ledger. The responsible department head and Town Accountant must research any discrepancy and correct the record(s) as appropriate.

#### F. Time frames and Documentation

Employees subject to this policy will complete reconciliations of their internal accounting records early each month so that subsequent reconciliations to the general ledger take place no later than [the 15<sup>th</sup>] of the month following the one being reconciled. At each quarter-ending month, the Town Accountant will extend the cash reconciliation process to individually reconcile every general ledger account that directly corresponds to a specific bank account (e.g., stabilization funds, trust funds, guarantee bond deposits).

Each general ledger reconciliation will be documented by a worksheet cosigned by the two parties. If, at that time, any variance has not yet been fully resolved, this must be noted, along with a work plan and timetable for resolution. The Town Accountant will submit the collective set of reconciliation worksheets to the Town Administrator at each month's end.

**G. Audit**

All reconciliation activities are subject to audit by Swampscott's independent auditor.

**REFERENCES**

DLS Best Practice: [Reconciling Cash and Receivables](#)

Massachusetts Collectors & Treasurers Association: [Treasurer's Manual](#) and [Collector's Manual](#)

## RECEIPT TURNOVER

### PURPOSE

To safeguard Town assets and maximize cash flow, this policy provides guidelines for departments to turn over receipts to the Treasurer. Included are details of internal controls designed to provide reasonable assurance that the Town's revenues are properly and timely secured, recorded, and deposited in Town bank accounts.

### APPLICABILITY

This policy applies to the Treasurer, as the Town's cash manager, as well as to all individuals within each department assigned responsibility for handling payments. It further applies to the Town Accountant's duty to keep the general ledger up to date. It pertains to all cash, check, credit card, and other forms of payment received by all Town departments for taxes, excises, fees, charges, and intergovernmental receipts.

### POLICY

The head of each department that receives payments is responsible for instituting and employing internal controls designed to ensure that all receipts are recorded accurately, kept secure from loss or theft, and turned over timely to the Treasurer. The Select Board will ensure that surety bonds are maintained for all individuals responsible for handling payments to indemnify the Town from potential lost revenue. Each department will turn over at least weekly and sooner than that when receipts total [\$300] or more. At month-end, departmental staff will turn over all revenues no later than [11:00 am] on the last business day of the month. All cash management activity is subject to review by the Town Accountant and independent auditor.

#### A. Receiving Payments

Using prenumbered receipt books, assigned departmental staff must issue a receipt for every payment received, even when the payer attempts to refuse it. These departmental staff must also identify the forms of payment (check, cash, or credit card) in their receipt books. As the exception, employees in the Collector's office receiving taxes and other collections from the public need only issue receipts for cash payments.

#### B. Turning Over Revenues

Departmental staff will fill out a Schedule of Payments to the Treasurer form (i.e., the turnover form) and obtain the department head's signature on it. Every listed receipt should tie back to a receipt book entry and to the receipt summary reports maintained by the department head. Departmental staff will deliver the turnover package in person and at no time may leave any unattended turnovers in the Treasurer's office or elsewhere in Town Hall.

When the Treasurer has accepted the turnover, the department employee will receive a copy of the turnover form with the Treasurer's signature. The employee will retain this copy on file. On a daily basis, the Treasurer will scan and deliver electronically to the Town Accountant copies of the day's turnover forms. The Town Accountant will refuse to accept any turnover that does not have the Treasurer's signature.

The head of every department that receives payments will review the Town Accountant's monthly revenue reports to verify all turned over receipts have been accurately recorded in the appropriate general ledger accounts and report any discrepancies to the Town Accountant.

#### C. Receiving Turnovers

When presented with the turnover, the Treasurer will count the receipts in the presence of the employee doing the turnover. Any inaccuracies will be corrected on the form at that time and initialed by both parties. The Treasurer will then sign the form, scan it, make a copy, retain the original, and return the copy to the departmental employee.

Within 24 hours of accepting a turnover, the Treasurer will post the receipt data in the appropriate Munis module. At the close of each business day, the Treasurer will review the Munis postings, turnover documents, and receipts, update the cashbook, and create a deposit package. No less than weekly, the revenues will be deposited at the bank. Until the deposit is completed, the Treasurer will ensure that all receipts are secured at all times, either in a cash drawer, or, if being held overnight, in a safe.

Monthly, the Treasurer will generate a Schedule of Receipts report in Munis and submit it to the Town Accountant. After receiving this report, the Town Accountant will compare the turnover forms received from departments with the receipt data posted by the Treasurer in Munis and contact the Treasurer or appropriate departmental employee about any discrepancies. After verifying the information by this process, the Town Accountant then posts the receipt data to the general ledger.

#### D. Insufficient Funds

Upon notification from the bank of an insufficient check or an invalid or otherwise unpaid electronic funds transfer (EFT), the Treasurer will enter a negative deposit to the original revenue account in Munis and notify the department responsible for the turnover. The Treasurer will also make a reversal entry in the cashbook, assigning it to the appropriate bank account.

The Treasurer will notify the issuer in writing of the bounced check or rejected EFT. Payment of the original amount plus a [\$25.00] penalty is due in [10] days and must be in the form of cash, money order, or certified check.

It is the department head's (or designee's) responsibility to follow up on collecting the amounts owed. If the payment was for a license or permit, the department will suspend the license or permit until the original amount and penalty have been paid. If it was for a committed receipt (e.g., tax bill), the committed amount will be reinstated by the appropriate official and the usual collection procedures followed.

#### E. Reconciliation

In accordance with the Town's Reconciliations policy, the Treasurer will reconcile the cashbook with bank statements and provide a summary of cashbook balances to the Town Accountant monthly.

#### F. Audit

All cash management activity is subject to review by the Town Accountant and Swampscott's independent auditor.

**REFERENCES**

[M.G.L. c. 41, § 35](#)

[M.G.L. c. 41, § 57](#)

[M.G.L. c. 44, § 69](#)

[M.G.L. c. 60, § 57A](#)

Swampscott Reconciliations policy

Massachusetts Collectors & Treasurers Association's [Treasurer's Manual](#) and [Collector's Manual](#)

## REPORTING

### PURPOSE

To ensure the Town is accountable to its citizens for the use of public dollars and transparency related to the usage of those dollars in a uniform format and frequency.

Report	Provided To	Frequency of Reporting	Department Responsible
Capital Project Status Update	Select Board, Finance Comm, Capital Improvement Comm, Town Administrator, Dept Heads	Bi-Weekly	Town Accountant
Budget-to-Actuals	Select Board, Finance Comm, Town Administrator, Dept Heads	Quarterly	Town Accountant
Form 941	IRS	Quarterly	Payroll
Employment Wage Details	Dept of Unemployment	Quarterly	Payroll
Multiple Worksite Report	Bureau of Labor Statistics	Quarterly	Payroll
Property Tax Collection Survey	Census Bureau	Quarterly	Treasurer
Treasurer's Year-End Report	DOR - Gateway	Annual	Treasurer
Cash Reconciliation Report	DOR - Gateway	Annual	Town Accountant
Outstanding Receivables	DOR - Gateway	Annual	Town Accountant
Statement of Indebtedness	DOR - Gateway	Annual	Treasurer
Snow and Ice Data Sheet	DOR - Gateway	Annual	Town Accountant
Balance Sheet	DOR - Gateway	Annual	Town Accountant
Schedule A	DOR - Gateway	Annual	Town Accountant
A-1 Offset Receipts	DOR - Gateway	Annual	Assessor
A-2 Enterprise Funds	DOR - Gateway	Annual	Town Accountant
A-4 Community Preservation Fund	DOR - Gateway	Annual	Town Accountant
B-1 Free Cash	DOR - Gateway	Annual	Town Accountant
B-2 Other Funds	DOR - Gateway	Annual	Town Accountant
OL-1 Overlay	DOR - Gateway	Annual	Assessor
DE-1	DOR - Gateway	Annual	Treasurer
Tax Title	DOR - Gateway	Annual	Treasurer
Levy Limit	DOR - Gateway	Annual	Assessor
LA-5 Options & Certification	DOR - Gateway	Annual	Town Clerk, Board of Assessors, Select Board
Tax Rate Recap	DOR - Gateway	Annual	Board of Assessors
W-2	IRS	Annual	Payroll
1099 Forms	IRS	Annual	Town Accountant
Annual Provider Information Form	Dept of Revenue	Annual	Town Accountant

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## YEAR-END CLOSING

### PURPOSE

To ensure local officials have accurate financial data in adequate time to make necessary budgetary decisions, the Town must properly close its books promptly after the fiscal year ends. Failure to adhere to a timely schedule delays the completion of closing entries, trial balances, reconciliations, account analyses, and financial reporting. As an important reserve, the Town's annual free cash cannot be certified expeditiously and accurately unless applicable employees adhere to best practice year-end schedules and procedures. To meet these objectives, this policy specifies the tasks that must be completed, their associated deadlines, and the parties responsible.

### APPLICABILITY

This town-wide policy applies to the responsibilities of all department heads in managing and reporting on their budgets and assets. It further applies to the related year-end compilation, reconciliation, and/or oversight duties of the Town Administrator, Town Accountant, Treasurer, and Collector. Additionally, it pertains to the budget transfer authority of the Select Board and Finance Committee.

### POLICY

The Town Administrator will hold every department head accountable for timely and accurately completing the year-end tasks applicable to each as outlined in this policy. Annually no later than May 15, the Town Administrator will email this policy to all department heads as a reminder of year-end expectations. The Town Administrator will subsequently oversee the coordination of the various year-end task components under the time frames and procedures outlined below. All facets of the year-end closing detailed here will be accomplished no later than October 31 each year.

#### A. Review of Grant Balances, Other Special Appropriations, and Special Revenue Accounts

By May 15, the Town Accountant will distribute management reports of all grant, special appropriation, and special revenue accounts to the responsible department heads to solicit status updates on them. Each such department head will notify the Town Accountant in writing of any completed project with an unexpended balance so that she may close its account to fund balance (or to a special revenue source, if appropriate). Alternatively, if any completed project's account is in deficit, the department head will notify the Town Accountant in writing, provide funding source(s), and state when it will be resolved so that she can plan for closing the account.

The Town Accountant will carefully review any special appropriation account remaining open but inactive in the general ledger for more than two fiscal years to ensure it does not serve as an unauthorized special revenue funding source.

#### B. Year-end Encumbrances

By June 1, the Town Accountant will email all department heads advising them to submit all available invoices by June 30 and to provide notification of any pending obligations remaining from the fiscal year. With proper documentation, the Town Accountant will only encumber funds that have been committed to specific purchases (by purchase orders), services (by service agreements), projects (by contracts), or salary as of June 30.

### C. Capital Project Reviews, Capital Asset Updates, and Borrowings

As of March 1, the Town Accountant will review all capital project accounts to ensure that any internal borrowings done in anticipation of short- or long-term debt issuances have been covered. For any identified deficits:

- If debt had been authorized, the Town Accountant will notify the Treasurer to initiate a short-term borrowing in an amount sufficient to cover the deficit no later than June 30.
- If debt had not been authorized, the Town Accountant will refer the shortfall to the Town Administrator to either submit it for a debt authorization or appropriation from available funds by town meeting or for a line-item transfer by the Select Board and Finance Committee (see section D below).

By June 15, the Town Accountant will distribute via email a capital asset list to department heads along with next-step instructions. By no later than August 1, each department head with capital assets will respond by forwarding to the Town Accountant an asset update report with notes confirming the existing data, making additions, and/or noting appropriate deletions, along with narrative explanations. The Town Accountant will update the Town's capital asset inventory based on the returned information.

### D. Year-end Transfers

The Town Accountant will pay close attention to any appropriation deficits that may be rectified through line-item transfers and notify the Town Administrator. No earlier than May 1 and no later than July 15, the Town Administrator will put any necessary transfer request on the Finance Committee's meeting agenda, followed by the Select Board's meeting agenda, for their authorizations by majority votes.

### E. Closing the Books

No later than August 31, the Town Accountant will do the following to close the books:

- Conduct a reconciliation of each fund type in turn (including transfers between funds) and, when completed, close each fund in the general ledger.
- Zero out all open encumbrances from the prior fiscal year.
- Verify the new opening balances of all special revenue funds.
- Calculate the general fund's unreserved fund balance.

### F. Submissions to the Division of Local Services (DLS)

Submissions to DLS will comply with the time frames listed below.

Town Accountant:

- |   |              |
|---|--------------|
| ▪ Snow and ice data sheet                         | September 15 |
| ▪ Combined balance sheet and supporting documents | September 30 |
| ▪ Schedule A                                      | October 31   |

Town Accountant, Treasurer, and Collector:

- |                                       |              |
|---------------------------------------|--------------|
| ▪ Statement of indebtedness           | September 30 |
| ▪ Treasurer's year-end cash report    | September 30 |
| ▪ Cash reconciliation                 | September 30 |
| ▪ Schedule of outstanding receivables | September 30 |

#### REFERENCES

[M.G.L. c. 44, § 33B](#)

[M.G.L. c. 64, § 64](#)

[M.G.L. c. 59, § 5](#)

Swampscott policies on Tax Enforcement, Grants Management, and Reconciliations

DLS Informational Guideline Release 17-13: [Appropriation Transfers](#)

Governmental Accounting Standards Board Statement 1: [Objectives of Financial Reporting](#)

Government Finance Officers Association Guidance: [Timely Financial Reporting](#)

**SIGNATURE PAGE**

These policies are hereby adopted as of \_\_ day of \_\_\_\_\_, 2021.

**TOWN ADMINISTRATOR**

\_\_\_\_\_

**SELECT BOARD**

\_\_\_\_\_

\_\_\_\_\_

**FINANCE COMMITTEE**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**CAPITAL IMPROVEMENT COMMITTEE**

\_\_\_\_\_

\_\_\_\_\_

## APPENDIX A - GENERAL MUNICIPAL CALENDAR

### Abbreviations Defined

<b>DLS</b>	Division of Local Services
<b>BLA</b>	DLS Bureau of Local Assessment
<b>BOA</b>	DLS Bureau of Accounts
<b>CPA</b>	Community Preservation Act
<b>DESE</b>	Department of Elementary and Secondary Education
<b>EQV</b>	Equalized Valuation
<b>NSS</b>	Net School Spending

### July

1	Collector	<b>Mail Annual Preliminary Tax Bills</b> Per <a href="#">M.G.L. c. 59, § 57C</a> , mail annual preliminary tax bills by this date. The Collector may include the 1 <sup>st</sup> and 2 <sup>nd</sup> quarter bills in a single mailing.
1	Assessors and Accountant	<b>Begin Compiling Data for the Tax Rate Recapitulation Sheet (the recap)</b>
15	Accountant and Treasurer	<b>Deadline to Process all Prior-Year Unencumbered Expenditures</b> Per <a href="#">M.G.L. c. 44, § 56</a> , this is the deadline to record and pay all unencumbered expenditures incurred as of June 30.
15	<b>Pipeline Company; Telephone / Telegraph Co.</b>	<b>Deadline for a Pipeline Company or a Telephone/Telegraph Company to Appeal the Commissioner's Valuations</b>
20	BLA	<b>Notification of Changes in Proposed EQVs (even years only)</b>

### August

1	Taxpayer	<b>Deadline for Paying 1st Quarter Tax Bill</b> Per <a href="#">M.G.L. c. 59, § 57C</a> , this is the deadline to pay the 1st quarter preliminary tax payment without interest for bills that were mailed by July 1. If the bills were mailed between July 2 and August 1, this payment is due 30 days after the mailing date, and the 2nd quarter payment is due November 1. If the bills were mailed after August 1, the preliminary tax is due as a single installment on November 1 or 30 days after the bills were mailed, whichever is later.
1	Taxpayer	<b>Deadline for Submitting Annual Boat Excise Return</b>
10	Assessors	<b>Deadline for Appealing EQVs to the Appellate Tax Board (even years only)</b>

31 Accountant **Close Prior-Year Books by this Date**

## September

15 Accountant **Submit Snow & Ice Data Sheet**

15 Assessors **Submit Property Sales Report (recommended date)**

30 Accountant and Treasurer **Submit Balance Sheet and other Reports for Free Cash Certification**  
The Accountant, Treasurer, and Collector coordinate to submit a balance sheet to BOA, along with:

- Statement of Indebtedness
- Treasurer’s Year-end Cash Report
- Cash Reconciliation Form
- Schedule of Outstanding Receivables

## October

1 Collector **Mail Preliminary Tax Bills for 2<sup>nd</sup> Quarter**  
The Collector mails these bills if the 2<sup>nd</sup> quarter bills were not included in the July 1 mailings.

1 Taxpayer **Deadline for Applying to Have Land Classified as Agricultural/Horticultural Land or Recreational Land**  
Under [M.G.L. c. 61A, §§ 6 and 8](#) and [c. 61B, §§ 3 and 5](#), this is the deadline to apply to the Assessors to have land valued, taxed, and classified as agricultural/horticultural or recreational land in the next fiscal year. Taxpayers who miss this deadline have until 30 days after the mailing of the actual tax bills to apply to the Assessors.

1 Taxpayer **Deadline for Submitting Forest Land Certification and Management Plan**  
As set by [M.G.L. c. 61, § 2](#), this is the deadline to submit to the Assessors the State Forester’s certification and approved management plan to have land classified as forest land for 10 years beginning in the next fiscal year.

15 Assessors **Submit New Growth, Amended Tax Base Levy Growth, and Final Valuations Reports to BLA (recommended date)**

## November

1 Taxpayer **Deadline for Paying 2nd Quarter Tax Bill**  
Per [M.G.L. c. 59, § 57C](#), this is the deadline to pay the 2nd quarter tax payment without interest.

1 Selectmen and Assessors **Hold Classification Hearing (recommended date)**  
At this public hearing, the Select Board decides whether to apply uniform or different tax rates to the various classes of real and personal property after considering information presented by the Assessors.

- |    |            |  |
|----|------------|--|
| 30 | Assessors  | <b>Submit Tax Recap and all Schedules to BOA</b>   |
| 30 | Accountant | <b>Submit Schedule A to BOA</b><br>Failure to file Schedule A by this date may result in the withholding or forfeiture of state aid. |

## December

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- |    |                     |  |
|----|---------------------|--|
| 31 | Water Commissioners | <b>Deadline for Betterments to be included on Next Year's Tax Bill</b> ( <a href="#">M.G.L. c. 80, § 13</a> , <a href="#">c. 40, § 42I</a> and <a href="#">c. 83, § 27</a> )             |
| 31 | Assessors           | <b>Mail 3ABC Forms to Charitable Organizations and Forms of List to Personal Property Owners</b>   |
| 31 | Collector           | <b>Deadline for Mailing Actual Tax Bills</b><br>Mail actual tax bills by this date. The Collector may include the 3 <sup>rd</sup> and 4 <sup>th</sup> quarter bills in a single mailing. |

## January

---

- |    |                  |  |
|----|------------------|--|
| 31 | Pipeline Company | <b>Deadline for Pipeline Company to File Form of List with BLA</b> |
|----|------------------|--|

## February

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- |   |          |  |
|---|----------|--|
| 1 | Taxpayer | <b>Deadline to Pay 3<sup>rd</sup> Quarter Tax Bill</b><br>Per <a href="#">M.G.L. c. 59, § 57C</a> , this is the deadline to pay the 3rd quarter actual tax bill without interest unless the bills were mailed after December 31. If mailed after December 31, the actual tax is due as a single installment on May 1 or 30 days after the bills were mailed, whichever is later. |
| 1 | Taxpayer | <b>Deadline to Apply for Property Tax Abatement</b><br>According to <a href="#">M.G.L. c. 59, § 59</a> , abatement applications are due on February 1 unless actual tax bills were mailed after December 31. In that case, they are due May 1 or 30 days after mailing, whichever is later.  |

## March

---

- |   |                           |  |
|---|---------------------------|--|
| 1 | Personal Property Owner   | <b>Deadline to Submit Personal Property Form of List</b><br>The Assessors may extend this deadline to a date no later than the date abatement applications are due.  |
| 1 | Telephone / Telegraph Co. | <b>Deadline for Telephone / Telegraph Company to File Form of List</b><br>BLA may extend this deadline to a date no later than April 1.  |
| 1 | Charitable Organization   | <b>Deadline to Apply for Property Tax Exemption using Form 3ABC</b><br>The Assessors may extend this deadline to a date no later than the date that abatement applications are due.                              |
| 1 | Select Board              | <b>Request Determination of Overlay Surplus (recommended date)</b><br>Within 10 days of this request, the Assessors must determine if a surplus exists, and if so, vote to certify the surplus amount and notify |

the Accountant of the vote so that the amount can be transferred to the overlay surplus account.

Fourth Monday Town Clerk and Registered Voters

**Annual Town Election**

Per Town bylaws, Chapter I: Section 6, Swampscott holds its annual election of town officers on the fourth Monday in March.

## April

1 Collector

**Mail 4<sup>th</sup> Quarter Tax Bills**

The Treasurer/Collector mails these bills if the 4th quarter bills were not included in the December mailings.

1 Taxpayer

**Deadline to Apply for Property Tax Exemptions for Persons, Residential Exemptions, and Small Commercial Exemptions**

This is the deadline to apply to the Assessors if actual tax bills are mailed on or before January 1. If mailed after January 1, taxpayers have three months from the mailing date to file exemption applications.

14 Days before Town Meeting Constable

**Post Warrants for Annual Town Meeting**

Per Town bylaws, Chapter XX, the Town posts the warrant at the Town Hall, Town Office Building, G.A.R. Memorial Library, Post Office, and Laurel Grange at least 14 days prior to the annual town meeting.

## May

Second Monday Town Meeting

**Annual Town Meeting**

Per Town bylaws, Chapter I: Section 1, Swampscott holds its annual town meeting on the second Monday in May.

1 Accountant or Treasurer

**Notification of Amount of Debt Due in Next Fiscal Year**

As required by [M.G.L. c. 44, § 16](#), the Accountant or Treasurer/Collector must notify the Assessors of all debt due in the next fiscal year.

1 Town Clerk

**Certify Appropriations**

The Town Clerk should certify appropriations as soon as possible after town meeting (and no later than July 1, [M.G.L. c. 41, § 15A](#)) so that the Accountant can set up accounts for every department for the forthcoming fiscal year.

## June

1 Town Clerk

**Update the Local Officials Directory (LOD) in Gateway**

The Town Clerk annually updates the LOD with the names, position titles, and email addresses of local officials.

1 Assessors

**Notification of State-owned Land Valuations (even years only)**

1 Assessors

**Determine Valuation of Other Municipal or District Land and Notify Owner(s)**

In any community where land is owned by another community or district, the Assessors value the land for in-lieu-of-tax payments and send the property owner a notice of the valuation in the year following a revaluation year.

1	BLA	<b>Notification of Proposed EQVs (even years only)</b>
10	BLA	<b>Conclude Public Hearings on Proposed EQVs (even years only)</b>
15	BLA	<b>Determine and Certify Pipeline and Telephone/Telegraph Valuations</b>
15	Assessors	<b>Make Annual Preliminary Tax Commitment</b> Assessors should make the annual preliminary tax commitment by this date to ensure the ability to mail tax bills by July 1.
20	Assessors	<b>Final Date to Make Omitted or Revised Assessments</b> As required by <a href="#">M.G.L. c. 59, §§ 75</a> and <a href="#">76</a> , if any property was inadvertently excluded or mistakenly underassessed on the warrant for property taxes, it is the Assessor's duty to fix the mistake and assess the property correctly. The new assessment must be made by June 20 of the taxable year or by the 90th day after the date the tax bills are mailed, whichever is later.
30	Assessors	<b>Submit Annual Report of Omitted or Revised Assessments to BLA</b>
30	Taxpayer	<b>Deadline to Apply to Have Land Classified as Forest Land</b> Per <a href="#">M.G.L. c. 61, § 2</a> , this is the deadline to apply to the State Forester to have land certified as forest land.
30	Assessors	<b>Deadline to Submit Requests for Current Fiscal Year Reimbursements of Exemptions Granted Under the Various Clauses of <a href="#">M.G.L. c. 59, § 5</a></b> Assessors have until this date to submit a request to the DLS Databank for state reimbursement to offset the tax revenue lost from granted statutory exemptions. The state partially reimburses for these via the cherry sheet. If actual tax bills were mailed late, the submission deadline is extended to August 20.

## Additional Information

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<b>Cherry Sheet Estimates</b>	Beginning with the Governor's budget proposal in January and at subsequent stages in the state's budget development, the DLS Databank posts on its <a href="#">website</a> estimates of 1) local reimbursement and assistance program appropriations and 2) state and county assessments and charges for the forthcoming year.
<b>Estimated and Finalized NSS Requirements</b>	In January, DESE notifies school districts of NSS estimates for the forthcoming year based on the Governor's budget proposal. DESE notifies

districts of the final NSS requirements in July. Both notices are posted on DESE's [website](#).

**Local Aid Distributions**

The Office of the State Treasurer distributes local aid to communities on the last calendar day each month and posts the data on its [website](#).

**Due Date Exceptions**

According to [M.G.L. c. 4, § 9](#), if the date for any statutory action or payment falls on a Sunday or legal holiday, that action may be performed or payment made on the next business day. This rule also applies to any actions required by or payments due on a Saturday in communities that accepted [M.G.L. c. 41, § 110A](#) permitting public offices to remain closed on that day.

The due dates for any local property tax payment, abatement application, or exemption application are also extended to the next business day by [M.G.L. c. 59, §§ 57, 57C](#), and [59](#) when municipal offices are closed due to a weather-related or other public safety emergency.

## APPENDIX B – OPERATING BUDGET DEVELOPMENT/ANNUAL TOWN MEETING TIMELINE

Last Wednesday of November:	Budget Memo (non-payroll line items only) is sent to Departments, Board, and Committees (except School Dept.)
2 <sup>nd</sup> Friday of December:	Non-School Dept. requested budgets due to Budget Development Team (non-payroll line items only, plus business plan requesting added programs/staff)
3 <sup>rd</sup> Friday of December:	Budgets reviewed and returned (w/ payroll line items added by Budget Development Team), plus any requested added programs/staff high-lighted
2 <sup>nd</sup> – 3 <sup>rd</sup> Week of January:	Town Administrator/Department Head Budget Meetings
4 <sup>th</sup> Friday of January:	End of Budget Development – Preliminary Recommended Budget to be released
1 <sup>st</sup> Wednesday of February:	Town Administrator presents Preliminary (Draft) Town Budget to Select Board (not incl. School Dept.)
1 <sup>st</sup> Thursday of February:	Deadline for residents to submit petitioned articles for Annual Town Meeting to Town Clerk
2 <sup>nd</sup> Wednesday of February:	School Committee Finalizes School Dept. Budget
3 <sup>rd</sup> Wednesday of February:	Town Administrator presents final recommended budget to Select Board and Finance Committee
March – April:	Finance Committee conducts review of budget, capital, and other financial articles
3 <sup>rd</sup> Wednesday of March:	Deadline for Departments, Boards & Committees to submit department sponsored warrant articles (including capital articles) for consideration by Select Board
1 <sup>st</sup> Wednesday of April:	Select Board opens warrant for public comment – Draft Warrant is released
3 <sup>rd</sup> Wednesday of April:	Select Board receives and considers public comments - Closes warrant
Last Monday of April:	Deadline for Planning Board to hold final public hearing on zoning articles
Last Friday of April:	Finance Committee completes its recommendations and files its report on operating budget to be included with warrant booklet
2 <sup>nd</sup> Monday of May:	Deadline to post annual town meeting warrant and mail warrant booklets to town meeting members
3 <sup>rd</sup> Monday of May:	Town Meeting convenes at 7:15pm

### APPENDIX C – AGREEMENT TO ACCEPT TOWN CREDIT CARD

#### AGREEMENT TO ACCEPT TOWN CREDIT CARD

I, \_\_\_\_\_, hereby acknowledge receipt of a Town of Swampscott credit card,  
*(First and Last Name)*

number \_\_\_\_\_.  
*(Last 4 Digits of Credit Card)*

As a cardholder, I agree to comply with the terms and conditions of this Agreement and the provisions of the Town of Swampscott Credit Card Use Policy, as may be subsequently revised. I acknowledge receipt of the Policy and I have read and understand its terms and conditions. I understand the Town of Swampscott is liable to the financial institution for all charges made by me. As the holder of this credit card, I agree to accept responsibility for the protection and proper use of this card as outlined in the regulations. I understand the Town will audit the use of this credit card. I understand that I am responsible for retaining all receipts for processing to the Accounting Department and that failure to provide receipts may result in personal liability. I understand that I cannot use the credit card for personal use even if the intent is to reimburse the Town. I understand the use of the card does not circumvent the Town’s purchasing policy.

I further understand that improper use of this credit card may result in disciplinary action, up to and including termination of employment in accordance with applicable Town Personnel Policy. I agree to allow the Town of Swampscott to collect any amounts owed by me even if I am no longer employed by the Town.

If the Town initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay all legal fees incurred by the Town in such proceedings.

I understand the Town may terminate my rights to use this credit card at any time for any reason. I agree to return the credit card to the Town of Swampscott immediately upon request or upon termination of employment.

\_\_\_\_\_  
Cardholder

\_\_\_\_\_  
Date

\_\_\_\_\_  
Town Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Town Accountant

\_\_\_\_\_  
Date

**APPENDIX D – EXPENSE REIMBURSEMENT POLICY ACKNOWLEDGEMENT**

I have read and been informed about the content, requirements, and expectations of the Expense Reimbursement Policy (the “Policy”) for employees and elected officials of the Town of Swampscott. I have received a copy of the Policy or I have been told where I can access the Policy. I understand that the Policy may be updated from time to time for business reasons and that I will be informed of changes to the Policy.

I agree to abide by the Policy guidelines as a condition of my employment and my continuing employment with the Town of Swampscott. I understand that I may be subject to discipline for violations of the Policy.

If I have questions, at any time, regarding the Policy, I will consult with my immediate supervisor, the Town Accountant, or another member of the Finance Department.

By signing below, I acknowledge that I understand and agree with the above representations.

Please read the Policy carefully to ensure that you understand the Policy before signing this acknowledgment.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX E – DEPARTMENT HEAD POLICY ACKNOWLEDGEMENT**

I have read and been informed about the content, requirements, and expectations of the Swampscott Financial Policy Manual (the “Policy”) for employees and elected officials of the Town of Swampscott. I have received a copy of the Policy or I have been told where I can access the Policy. I understand that the Policy may be updated from time to time for business reasons and that I will be informed of changes to the Policy.

I agree to abide by the Policy guidelines as a condition of my employment and my continuing employment with the Town of Swampscott. I understand that I may be subject to discipline for violations of the Policy.

If I have questions, at any time, regarding the Policy, I will consult with my immediate supervisor, the Town Accountant, or another member of the Finance Department.

By signing below, I acknowledge that I understand and agree with the above representations.

Please read the Policy carefully to ensure that you understand the Policy before signing this acknowledgment.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_