



Town of Swampscott
Finance Committee Meeting Minutes
Monday, March 20th, 2023 - 7:00 PM
Virtual meeting

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FINANCE COMMITTEE MEMBERS PRESENT

Eric Hartmann (Chair), Naomi Dreeben, Joan Hilario, Suraj Krishnamurthi, Cinder McNerney, Adrian Rodriguez, Erik Schneider, Sunit Shah.

FINANCE COMMITTEE MEMBER ABSENT

Matthew Kirschner (Vice-chair)

SCHOOL COMMITTEE MEMBER PRESENT

Glenn Paster (Chair), John Giantis (Vice-chair)

OTHER TOWN STAFF

Michael McClung, Town Moderator; Peter Spellios, Selectboard member; Pam Angelakis, School Super Intendent; Cheryl Herrick-Stella, School Director of Finance; Amy Sarro, Director of Admin. & Finance; Patrick Luddy, Town Treasure/Collector; Trang Vu, Assistant Town Accountant

The meeting was called to order at 7:08 PM

Public comment

None

Review FY2024 Budget

The Committee welcomed new member Adrian Rodriguez.

Chairman Hartmann mentioned that the first half of the meeting is to focus on the School department budget for FY2024. He encourages the Committee members to fully understand the ramifications of the school budget and what it means to this year's plan and potential impacts on future plans.

The School Superintendent and Director of Finance gave a brief presentation of Swampscott Public Schools FY2024 budget.

Ms. Angelakis mentioned the mental health impacts on education and other challenges that school, and students have experienced in pandemic. There are a number of nurse visits that were related to panic attacks, depression and dysregulation, increased number of incident reports, discipline referrals, bullying reports. Online and hybrid learning took too long and did not work for many students. It set back a whole generation of students academically, socially, and emotionally. As a result, since the pandemic, the school has had to increase mental health staff by five and the need for therapy animal. Other related issues include severe staff shortages in every position, continued enrollment issues due to family leaving MA, high rates of absenteeism for students and staff, educator burnout.

Ms. Stella commented that many districts in the Commonwealth are facing increases that they hadn't seen before. There are 72 districts across the state that have reported the average budget increase for school in FY24 is 6.06% (median increase 5.45%). There is only one district that has less than 2.6%. She pointed out that Swampscott is not the only one that is dealing with these issues.

On the discussion around closing the budget gap, Cheryl Herrick-Stella mentioned that they have to make a reduction of \$644,000 in total under the new budget agreement. Additionally, they continue to look at ESSER III and how best to utilize that in next budget year; work with the Director of Technology who is constantly trying to save money; look at ways where they can increase the enrollment for tuition in where they have capacity. She then gave a quick update of ESSER III. For FY2024 budget, there are two positions that move from ESSER to the appropriated FY2024 budget. One is the Tech Specialist and the other is an FTE for a guidance counselor. She expects some potential future positions funded through ESSER to be moved to the general fund budget in the future: Director of SEL, Career Counselor (0.5 FTE), Teaching fellows.

Amy Sarro commented that in a meeting in the past with the School Finance team, it was brought up that the positions that were funded under CAREs and ESSER would never go on the appropriate budget. Responded to this, Ms. Angelakis commented that there are some positions intended not to be moved to operating budget but not all of them.

Ms. Stella then gave a summary of School budget cycle on what had happened and future steps.

- On February 16th, the School Committee approved a budget of \$33,323,089, which is an increase of \$584,742 over Town Administrator approved budget allocation (4.41% total budget increase).
- On March 13th, the FY2024 budget agreement was approved by the Town Administrator and Superintendent. This includes \$130,000 moving from the school operating budget to the capital plan and \$310,000 moving from the school operating budget to a special education stabilization fund. The school department will reduce their budget back to the original budget number given by Town Hall.
- Next steps, the School Committee will vote to approve a budget of \$32,738,347 on March 23rd, which includes Town appropriation of \$31,006,033 and Nahant tuition of \$1,732,314. The state budget is also continuously monitored.

Ms. Stella also pointed out that a net school aid increase of \$334,262, as a part of the agreement with the town, would be used to fund the school employees' health insurance increase.

Some other challenges that School department continue to face presented by the Director of Finance are:

- Tuition will continue to increase with the new base number at the 14% increase.
- Technology costs not funded through capital will require additional conversation on how best to fund.
- Creating a plan to continue to fund the stabilization fund as needs of student continue to increase.
- Limited available federal and state funds to help offset the costs.
- METCO program continues to outpace grant award.
- Increased staff absences/leaves.

Naomi Dreeben questioned how the stabilization fund was going to be replenished. Superintendent Angelakis commented that they are working on a separate agreement with the details and hope it will be worked out in the next couple weeks.

Cinder McNerney expressed her concern about negative reports related to the quality of Swampscott Public Schools. Ms. Angelakis commented that the reason our enrollment declined was that we went online in pandemic while private schools stayed open and that was consistent across the state. But we have stayed steady after that. Since September 2022, we have brought 22 students back to middle school alone because of some programs we are currently offering such as robotics and linguistics. The school has managed many successful programs including drama clubs, who just made it into state final, music band, etc.... The Superintendent mentioned that we were impacted by pandemic but are trying to make up ground from these two and half years academically, emotionally, and socially.

Responded to Ms. McNerney, the School Director of Finance mentioned that we have about \$225,000 available in FY2024 and a large portion of that will be used for the Director of Social Emotional Learning salary.

Something to look forward into future budget years, as presented by Cheryl Herrick Stella are continued support for technology that meets the capital definition to be in the capital plan; transportation-looking to increase when the new school is open; continued collaboration with the Town on needs and funding sources; special education costs continue to rise and not keeping pace with a 2.0%+425,000 new growth financial guideline; balancing sticking to the financial policy guideline while trying to grow programs to encourage increased enrollment.

Joan Hilario commented that the establishment of the Capital Stabilization for Special Education is one that the Finance Committee has been discussing for several budget cycles now. It is good news that it is finally being acted upon.

After discussion about the school department’s budget, the Committee continued to go through FY2024 line by line.

Police Department

Eric Hartmann asked for more information about Deputy Chief position which is added to this FY2024, and the decrease in *Lieutenants Salaries and Patrolmen* lines. Amy Sarro mentioned that this is a non-union position who backs up the chief in his absence. It will be open to the union members to apply. For the decrease, she mentioned that because of the assumption that one of the lieutenants would become the Deputy Chief and the vacancies in Patrolmen.

Under “Educational Incentives”, Ms. Sarro commented that with the most recent CBA, it switched to a flat dollar amount of incentives instead of a percentage of their base salary depending on the level of education degree they have.

Responding to Mr. Rodriguez’s question about *Overtime Investigation*, Amy Sarro commented that this line is for the detectives who are called in on overtime. It was added for transparency a few years ago instead of having only one overtime line.

For the increase in *Overtime training* questions by MR. Hartmann, Amy Sarro mentioned that the increase compared to last year because they come back to in-person training while the year before they did in virtually. It allowed the officers to do the training on shift. This is the overtime paid for the person who backfills the officer who goes on training.

Fire Department

The biggest changes in the Fire budget in FY2024 are the addition of an *Administrative Assistance* who is non-union and *Hazardous Material Stipend*.

Amy Sarro confirmed to Eric Hartmann’s question about *Shift Differential* and *Weekend Differential* that all 32 members of Fire union will receive 5% of their salary for each differential.

Joan Hilario questioned the decrease in *Equipment Maintenance* and *Protective Clothing*. Amy Sarro commented that since we have newer equipment, the maintaining cost goes down. The fire department will hire fewer people next year so the expense for clothing will also be reduced.

Ms. Sarro mentioned that the *Lynn Dispatch contract* will be finalized before the Town meeting and will have the official number for the committee by then.

Building Department

Related to Ms. Hilario’s question about the *Local Inspector*, Amy Sarro mentioned that this is a part-time position and the decrease for FY2024 reflects the normal appropriation since we had a vacancy for Building Inspector last year and needed more support.

Cemetery

For the decrease in Cemetery budget, Amy Sarro commented that we had a high number of retirements and new staff who came in lower on the salary table.

Naomi Dreeben brought up a concern about a study that showed that Swampscott has had significant loss in the tree canopy, and we are not planting enough to keep up with the amount of loss. She suggested that the committee should give the DPW some feedback about increasing the proposal of *Shade trees*.

Other Departments’ budget that the Committee went through but there was no question:

- Emergency Management
- Parking Clerk
- Constables
- Harbormaster

Old and new business

The Committee discussed the plan to start having meetings twice a week until the end of April if needed. Mr. Hartmann mentioned having a meeting with the Capital Improvement Committee.

Amy Sarro gave a summary of possible financial articles in the Town Meeting warrant.

The plan for next Monday proposed by Eric Hartmann is an overall update about Debt service and continue going over FY2024 operating budget.

Erik Schneider asked if there is any update on ARPA funding.

On **MOTION** (Joan Hilario) and **SECONDED** (Cinder McNerney), it was **VOTED** to adjourn the meeting at 9:08 PM by **ROLL CALL**.
ROLL CALL: Erik Schneider (YES), Naomi Dreeben (YES), Suraj Krishnamurthi (YES), Sunit Shah (YES), Adrian Rodriguez (YES), Eric Hartmann (YES).

True Attest,

Trang Vu

Assistant Town Accountant

Approved by vote of the finance committee 06/22/2023