



Town of Swampscott
Finance Committee Meeting Minutes
Wednesday, April 20th, 2022 - 7:00 PM
Virtual Meeting

FINANCE COMMITTEE MEMBERS PRESENT

Tim Dorsey (Chair), Mary Ellen Fletcher (Vice-chair), Naomi Dreeben, Eric Hartmann, Joan Hilario, Matthew Kirschner, Cinder McNerney, Erik Schneider.

FINANCE COMMITTEE MEMBERS ABSENT

Suraj Krishnamurthi,

OTHER TOWN OFFICIALS PRESENT

Sean Fitzgerald, Town Administrator; Amy Sarro, Director of Admin. & Finance; Patrick Luddy, Treasurer/Collector; Trang Vu, Assistant Town Accountant.

The meeting was called to order at 7:03 PM

Approval of Minutes

On **MOTION** (Eric Hartmann) and **SECONDED** (Joan Hilario), it was voted to approve meeting minutes on March 23, March 28, and March 30, 2022, amended by Finance Committee by **ROLL CALL**.

ROLL CALL: MaryEllen Fletcher (YES), Erik Schneider (YES), Cinder McNerney (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Tim Dorsey (YES).

Discussion of FY2023 Budget

Amy Sarro gave an update about the state aid recommendation. There was an increase in chapter 70 receipts of \$60,000, an increase in the Charter school tuition reimbursement of \$171,000, and an increase in assessment of \$136,000. The net increase to the town state aid is \$96,247.

Cinder McNerney asked if the net increase will be recurring and counted on as revenue going forward. Amy Sarro responded that this number will change based on the school enrollment census.

Sean Fitzgerald mentioned that he was going to have a meeting with School Superintendent this week to discuss how to mitigate some costs relating to school assessments and to make recommendation on the state aid net increase. He also restated the significant increase in health care costs this year and how it impacts town finance.

The committee planned to meet on Monday, April 25th to make final motion before the warrant is printed.

Amy Sarro briefly talked about some changes in the FY2023 budget after the Town Administrator made new recommendations on some line items.

There was discussion around the amendment of "Employee recognition/assistant" line. Erik Schneider would like to know more clarification on how the fund is used, the recipients, authorities.

Amy Sarro commented that this line is most likely for anniversaries, milestone awards & employee assistance. The town is working to come up with a detailed policy to have childcare assistant for eligible employees. The other line, "Performance management" is awarded based on the town annual evaluation, including self-evaluation, department heads evaluations.

Sean Fitzgerald added that Town Administrator would authorize expenditures but would also allow the HR director and the town Finance director to make some recommendations. He also expects to develop a few programs which focus on employee's welfare, training to assist them with issues in the workplace.

MaryEllen Fletcher asked if we should move the amount of this line to "Salary Reserve" until the town has a certain policy. Tim Dorsey, Eric Hartmann, Joan Hilario supported to have this line item knowing that the town has made commitment on developing these programs' structure and policy.

Mr. Fitzgerald responded to Cinder McNerney questions that funds for employee performances recognition have been tracked carefully and he hopes to have support from Finance Committee to invest in these programs to help the town more attractive in recruitment and retention.

Amy Sarro commented on Matthew Kirschner's question that she found other municipal communities give out bonuses with different mechanisms. Town of Swampscott starts this with self-evaluation, Department head level, and Town Administrator for final review and assessment.

There was a discussion around the number of "Regional Vocational Technology school" budget. Amy Sarro confirmed that these are our estimated numbers based on the enrollment and 2% increase since they have not done with their own budget. Mary Ellen Fletcher asked for clarification if the town has representative within the regional vocational tech school. Mr. Fitzgerald encouraged the finance committee to meet with the representative at some point to analyze the town's budgetary relationship with the regional school district.

Tim Dorsey recommended to go through and vote on some Warrant articles.

On **MOTION** (MaryEllen Fletcher) and **SECONDED** (Cinder McNerney), it was **VOTED** to **SUPPORT ARTICLE 2** – Approve bills of prior fiscal year by **ROLL CALL**.

ROLL CALL: Eric Hartmann (YES). Matthew Kirschner (YES), Joan Hilario (YES), Naomi Dreeben (YES), Erik Schneider (YES), Tim Dorsey (YES).

On **MOTION** (Cinder McNerney) and **SECONDED** (Joan Hilario), it was **VOTED** by **ROLL CALL** to **SUPPORT ARTICLE 5** – Approve transfer of Water Enterprise fund retained earnings.

ROLL CALL: Eric Hartmann (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Erik Schneider (YES), MaryEllen Fletcher (YES), Tim Dorsey (YES).

The amount of \$20,000 transferred from the Retained Earnings of the Water Enterprise fund to the account of Current Revenue would leave us at 27% of the operating budget, higher than the 20% guideline.

On **MOTION** (MaryEllen Fletcher) and **SECONDED** (Cinder McNerney), it was **VOTED** by **ROLL CALL** to **SUPPORT ARTICLE 6** – Approve transfer of Sewer Enterprise fund retained earnings.

ROLL CALL: Eric Hartmann (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Joan Hilario (YES), Erik Schneider (YES), Tim Dorsey (YES).

The amount of \$63,000 transferred from the Retained Earnings of the Sewer Enterprise fund to the account of Current Revenue would equal 28% of operating budget, higher than the minimum of 20% in Town Financial guideline.

On **MOTION** (MaryEllen Fletcher) and **SECONDED** (Cinder McNerney), it was **VOTED** by **ROLL CALL** to **SUPPORT ARTICLE 7** – Appropriation from Transportation Infrastructure fund.

ROLL CALL: Eric Hartmann (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Joan Hilario (YES), Erik Schneider (YES), Tim Dorsey (YES).

On **MOTION** (MaryEllen Fletcher) and **SECONDED** (Eric Hartmann), it was **VOTED** by **ROLL CALL** to **SUPPORT ARTICLE 8** -Foster care transportation reimbursement.

ROLL CALL: Cinder McNerney (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Joan Hilario (YES), Erik Schneider (YES), Tim Dorsey (YES).

On **MOTION** (Eric Hartmann) and **SECONDED** (MaryEllen Fletcher), it was **VOTED** by **ROLL CALL** to **SUPPORT ARTICLE 9** – General bylaws – Revolving funds.

ROLL CALL: Cinder McNerney (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Joan Hilario (YES), Erik Schneider (YES), Tim Dorsey (YES).

On **MOTION** (MaryEllen Fletcher) and **SECONDED** (Joan Hilario), it was **VOTED** by **ROLL CALL** to **SUPPORT ARTICLE 10** – Appropriation for Chapter 90 roadway improvements.

ROLL CALL: Cinder McNerney (YES), Eric Hartmann (YES), Matthew Kirschner (YES), Naomi Dreeben (YES), Erik Schneider (YES), Tim Dorsey (YES).

The Committee decided to vote on Article 3, 4 and 11 on Monday meeting after having more information.

Cinder McNerney commented that Article 19 voted would create a conflict of interest and undermine the independence of the Finance Committee. The Committee agreed to vote on this Article on Monday meeting.

On **MOTION** (Eric Hartmann) and **SECONDED** (Naomi Dreeben), it was **VOTED** by **ROLL CALL** to indefinitely postpone **ARTICLE 18** – Citizens Petition Article -Repair and/or replace middle school windows.

ROLL CALL: Cinder McNerney (YES), Erik Schneider (YES), Joan Hilario (YES), Matthew Kirschner (YES), MaryEllen Fletcher (YES), Tim Dorsey (YES).

Old and new business

Tim Dorsey summarized the plan to have committee members draft the Finance Committee letter before next meeting.

Public Comment

None.

On **MOTION** (MaryEllen Fletcher) and **SECONDED** (Eric Hartmann), it was **VOTED** to adjourn the meeting at 9:04 PM. **ROLL CALL:** Naomi Dreeben (YES), Erik Schneider (YES), Cinder McNerney (YES), Joan Hilario (YES), Matthew Kirschner, Tim Dorsey (YES).

True Attest,

Trang Vu

Assistant Town Accountant

Approved by vote of the finance committee 06/06/2022