



**Town of Swampscott**  
**Finance Committee Meeting Minutes**  
Thursday, May 12<sup>th</sup>, 2022 - 7:00 PM  
Virtual Meeting

**FINANCE COMMITTEE MEMBERS PRESENT**

Tim Dorsey (Chair), Eric Hartmann, Joan Hilario, Matthew Kirschner, Cinder McNerney, Erik Schneider.

**FINANCE COMMITTEE MEMBERS ABSENT**

Suraj Krishnamurthi, Naomi Dreeben

**OTHER TOWN OFFICIALS PRESENT**

Peter Spellios, Select Board member; 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

**Public Comments**

None.

**Approval of Minutes**

None.

**Discussion of FY2023 Budget and other meeting Warrant articles**

**Article 4:**

Amy Sarro confirmed that the Town recently ratified CBAs for DPW, Administrative, Library and Police unions. The only union that has not been completed is Fire department. She then presented the changes of new agreements and how they impact town budget.

**DPW union**

- New contract runs between July 1<sup>st</sup>, 2020- June 30<sup>th</sup>, 2023; 16 full-time employees.
- COLA – 3% (FY2021), 2% (FY2022), 2.5% (FY2023).
- Increase Stipends for D-2 license, added stipends for D-1 and Class A - \$3.745/year
- \$2,500 bonus upon ratification - \$ 40,000 cost.

Eric Hartmann asked the impacts of those changes to current budget. Amy Sarro mentioned that we had voted to appropriate the funds for the retros pay FY2021 and FY2022 back in Special town meeting in December 2021. For FY2023, additional pays have been appropriated in Salary Reserve line.

Sean Fitzgerald commented on how helpful automated time clocks and GPS devices installed in all town vehicles would be to manage routes, day-to-day time for staff, deploy assets.

Eric Hartmann asked when the town starts negotiating next contract for DPW, given there is only 1 year left.

Sean Fitzgerald responded that normally the town start negotiating between 12 and 18 months prior to the expiration of the contract if things are ordinary. Some negotiations might take longer than others depending on the situations and costs.

Amy Sarro responded to Erik Schneider's question on Automated time clock that the new system will automatically record time and attendance, help to reduce the administrative work in DPW office.

#### Administrative union

- New contract runs between July 1<sup>st</sup>, 2021- June 30<sup>th</sup>, 2024, 5 full-time and 1 part-time employees.
- COLA – 2% (FY2022), 2% (FY2023), 2% (FY2024); \$18,000 cost.
- Added Stipend for Notary Public - \$800/year cost.
- Improved Wage table for annual steps & improved Longevity table.
- \$1,500 bonus upon ratification, \$1,000 bonus on July 1<sup>st</sup>, 2022 - \$15,000 cost.
- Major enhancements: Elimination of Sick Incentives, Personal day incentives, automatic 7.5-hour holiday & 4<sup>th</sup> personal day.

#### Library union

- New contract runs between July 1<sup>st</sup>, 2022 – June 30<sup>th</sup>, 2025; 4 full-time & 12 part-time employees.
- COLA – 2% (FY2023), 2% (FY2024), 2% (FY2025) -\$47,000 cost.
- Improved wage table for annual steps, added 2 additional steps & improved Longevity table.
- \$750 bonus upon ratification - \$24,000 cost.
- Major enhancements: Elimination of Sick incentives, 4<sup>th</sup> personal day, all members follow the same vacation and longevity schedule.

#### Police Department

- New contract runs between July 1<sup>st</sup>, 2022- June 30<sup>th</sup>, 2025; 33 full-time members (2 vacancies).
- COLA – 2.75% (FY2023), 2.5% (FY2024), 2.5% (FY2025) - \$252,575 total cost.
- Added annual stipend for Body Camera - \$33,000/year cost.
- One-time bonus for non-union position - \$16,500 cost.
- Pandemic response bonus - \$49,500 cost.
- Improved stipends pay to minimum of \$1,200 – \$5,300 cost.
- Increased “Baby Quinn” - \$5,700 cost
- Major enhancements: Implement performance evaluation system, create a non-union Deputy Chief position.

Cinder McNerney asked if most Police departments have the performance evaluation system. Sean Fitzgerald commented that it's highly unusual. He believes this evaluation would help to pivot forward and modernize the department.

There was a discussion about mitigating the debt service on the bonds sold for new school. Amy Sarro confirmed that ARPA monies can't be used for debt service, OPEB and to lower tax rate.

Cinder McNerney questioned if Revenue replacement can fall to Free cash and used to mitigate some of the upfront impact the debt service. She would like to have discussions with committee members about that.

Tim Dorsey said the committee will have a conversation about stabilization reserves and how they could be used in the next 10 years during the summer.

Mr. Fitzgerald mentioned to have special town meeting to set tax rates and make sure that we can accomplish all of the goals that are outlined in the town's master plan in a way that keeps a steady handle on the impact to the taxpayers.

The committee then had a conversation around how the money in Salary Reserve would be assigned to other line items after CBAs are ratified and Town meeting's approval. Amy Sarro confirmed that CBAs line items will show actual increases for FY2023.

Cinder McNerney asked if we appropriate the amount of Free cash that's being used to balance the budget. Tim Dorsey commented that the town make decision a couple years ago to have this discussed within the time of the tax setting when the information on revenue is clearer with a newly certified free cash amount. Cinder McNerney mentioned that we used Fall town meeting to appropriate monies in the form of reduce tax levy, not to reduce the amount we needed to balance the budget. She also pointed out that the Revenue Summary in the warrant was showing \$1.25M transferring in from reserves in both the Town Administrator recommended and Finance Committee recommended columns, which was an error. The committee agreed that we would need to provide Town Meeting with an insert to show the correct presentation.

Select Board Peter Spellios confirmed that the budget is balanced without using free cash and the revenue presentation was just the recap last November when we appropriated Free cash to reduce tax levy.

Finance Committee will have a meeting before Town meeting at 6 PM on Monday.

On **MOTION** (Eric Hartmann) and **SECONDED** (Cinder McNerney), it was **VOTED** by **ROLL CALL** to **SUPPORT** article 4 – Collective Bargaining Agreements.

**ROLL CALL:** Erik Schneider (YES), Joan Hilario (YES), Matthew Kirschner (YES), Tim Dorsey (YES).

#### **Committee updates**

None.

#### **Old and new business**

None.

On **MOTION** (Eric Hartmann) and **SECONDED** (Joan Hilario), it was **VOTED** to adjourn the meeting at 8:50 PM. **ROLL CALL:** Cinder McNerney (YES), Erik Schneider (YES), Matthew Kirschner (YES), Tim Dorsey (YES).

True Attest,

Trang Vu

Assistant Town Accountant

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