



**Town of Swampscott**  
**Finance Committee Meeting Minutes**  
Monday January 11<sup>th</sup>, 2021 7:00 PM  
Virtual Meeting

**FINANCE COMMITTEE MEMBERS PRESENT**

Tim Dorsey (Chair), Mary Ellen Fletcher (Vice-chair), Eric Hartmann, Joan Hilario, Matthew Kirschner, Cinder McNerney, Gail Rosenberg, Jill Sullivan

**OTHER TOWN OFFICIALS PRESENT**

Ron Mendes, Asst. Town Administrator Admin & Finance; Patrick Luddy, Asst. Town Accountant

7:00 PM Meeting called to order.

Approval of Minutes

Postponed to a future meeting – no action taken.

Comments on Operations Section of Draft Financial Policies

Mary Ellen Fletcher asked Asst. Town Administrator Mendes for clarification on whether purchase orders were required for purchases made with the town's credit card. Mr. Mendes clarified that all purchases beginning in FY2021 are required to have corresponding purchase orders, regardless of the method of payment.

Ms. Fletcher also requested that language be added to the policies to require reporting relative to the true cost of grants the town accepts. There was discussion regarding whether the content should be added to the planning or operations sections of the policy document. There was additional discussion regarding whether this type of analysis should be done at the inception of the grant application.

Ultimately, language was added to the existing Grant Application section to specify that the finance committee must be notified whenever the town accepts a grant worth more than \$5,000.

Mary Ellen Fletcher inquired about the town's procurement policies, and specifically whether the school dept. follows the same policies as the town. Asst. Town Administrator Mendes clarified that the school dept. does follow their own policies, however from time to time they may utilize the town's procurement procedures, especially for large, facilities-related projects.

Mary Ellen Fletcher also requested an amendment to the Accounts Receivable Reconciliation policy, specifying that all cash receipts be recorded "daily", rather than "timely". Language was

also added to specify that receivables records are to be reconciled monthly to the Town Accountant's general ledger.

On MOTION (Jill Sullivan) and SECONDED (Mary Ellen Fletcher) it was VOTED by ROLL CALL to recommend that the Select Board approve the drafted financial policies, as amended by the finance committee. ROLL CALL: Matthew Kirschner (YES) Cinder McNerney (YES) Mary Ellen Fletcher (YES) Joan Hilario (YES) Eric Hartmann (YES) Gail Rosenberg (YES) Jill Sullivan (YES) Timothy Dorsey (YES)

#### Development of Policy Regarding Excess Levy Capacity

There was general discussion amongst the committee regarding the appropriate approach to developing a policy for managing the town's excess levy capacity.

Chairperson Dorsey suggested that a member (or members) of Fincom serve as project manager(s) and research more information regarding the topic and formulate thoughts on the subject to inform the committee better about the issue. Ultimately, Mary Ellen Fletcher volunteered to research the topic and report back to the committee.

Jill Sullivan recommended that the committee consider a policy irrespective of the ongoing school building project.

Cinder McNerney suggested the committee review the Treasurer's debt management plan and the 10yr financial forecast to make sure any policy that they recommend is in line with the town's operational needs.

Moderator McClung was recognized in the meeting; he encouraged the committee to further educate themselves upfront surrounding the excess levy capacity and the capital planning process before developing policy. The Moderator also recommended the finance committee meet with the Board of Selectmen, Capital Improvement Committee, and School Committee to understand everyone's thoughts surrounding excess levy capacity and debt exclusions, overrides/underrides etc.

There was some general discussion amongst the committee regarding the differences between using a debt exclusion and excess levy capacity, and the short and long-term property tax implications of each. Additionally, Ms. McNerney asked the committee to consider whether any policy should require that certain capital projects be contingent on a debt-exclusion, and not otherwise eligible for financing via the excess levy capacity.

Cinder McNerney requested that finance committee members share any opinions they may have regarding excess levy capacity, to which Mary Ellen Fletcher responded with comments about her desire to see the town's reserves increase as well as interest in exploring using an override to address some of the excess levy capacity.

#### FY 2022 Budget Schedule

Chairperson Dorsey requested Asst. Town Administrator Mendes update the committee on the FY 2022 budget timeline. He also suggested someone from the committee act as a liaison to the school committee on the FY 2022 budget, however no one was designated a liaison in this meeting.

Mr. Mendes briefly summarized the budget timeline for the coming weeks:

- Finance dept. meeting with dept. heads now to finalize budget requests.
- Presentation of budget will be at the first Selectmen's meeting in February (the budget draft will be released slightly prior to that meeting)
- School committee expected to finalize their budget by second Wednesday in February (it is unclear if the school committee will release the draft prior to the meeting)

Open Meeting Laws/Training Opportunities

Chairperson Dorsey briefly commented on the open meeting laws in Massachusetts and expressed his desire to increase the knowledge of the committee members on the topic. Mr. Mendes suggested that Chairperson Dorsey speak with Sue Duplin, Town Clerk to setup training or acquire materials to provide guidance with navigating open meeting laws as a committee.

On MOTION (Gail Rosenberg) and SECONDED (Joan Hilario) it was MOVED by the finance committee to adjourn the meeting. ROLL CALL: Timothy Dorsey (YES), Matthew Kirschner (YES), Cinder McNerney (YES), Mary Ellen Fletcher (YES), Joan Hilario (YES), Eric Hartmann (YES), Gail Rosenberg (YES)

8:33 PM Meeting adjourned.

True Attest,



Patrick Luddy, Assistant Town Accountant

*Minutes APPROVED by vote of the Finance Committee 2/1/2021*