



Town of Swampscott
Finance Committee Meeting Minutes
Monday February 8th, 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

ABSENT

James Goldman

OTHER TOWN OFFICIALS PRESENT

Michael McClung, Town Moderator; Peter Spellios, Select Board Chair; Ron Mendes, Asst. Town Administrator Admin & Finance; Patrick Luddy, Asst. Town Accountant

7:03 PM Meeting called to order

Approval of Minutes

On **MOTION** (Jill Sullivan) and **SECONDED** (Mary Ellen Fletcher) it was **VOTED** by **ROLL CALL** to **APPROVE** minutes from 10/26/20, 10/29/20, 11/02/20, 11/09/20, 11/12/20, and 11/16/20, as amended by the finance committee. **ROLL CALL:** Jill Sullivan (YES), Mary Ellen Fletcher (YES), Gail Rosenberg (YES), Joan Hilario (YES), Matthew Kirschner (YES), Cinder McNerney (YES), Eric Hartmann (Yes), Tim Dorsey (YES)

Public Comment

Mary Dechillo was recognized in the meeting. Ms. Dechillo recognized the role of the finance committee in the town's government. She summarized the challenges the finance committee has experienced in the past with reviewing and making recommendations on the school budget, due to the separation of town/school operations, and encouraged the committee to continue it's best work, and to scrutinize the school budget to the best of their abilities to make informed recommendations to town meeting.

Ms. Dechillo also commented that she was unclear regarding the committee's role with respect to the affordable housing trust, and whether the committee is able to advise on proposed uses of those funds.

Chairperson Dorsey responded to Ms. Dechillo's comment regarding the committee's review of the school budget and outlined the steps that the committee has taken over the past few years to

better understand and scrutinize the school budget and improve upon the timing of the committee's review of that budget.

Eric Schneider was recognized in the meeting. Mr. Schneider commented on the upcoming warrant article for the middle school roof repair and urged the committee to consider the long-term impact of a partial replacement vs. a full replacement.

Mr. Schneider also relayed to the committee some suggestions which he heard from a traffic consultant at a recent School Building Committee meeting. He urged the committee to consider including some funding in next year's budget to perform some of that work ahead of fall town meeting, which is when the new school project is expected to be presented to town meeting for a vote.

Liaison's Report on SBC and Hadley Re-Use Committee Meetings

School Building Committee

- Held two recent public forums; one regarding traffic, the other site design
- Third public forum, relating to community accessibility, is set for tomorrow 2/9/21

Hadley Re-Use Committee

- Discussed adaptive re-use of the existing building
- Three options: Renovate Hadley, renovate Hadley and the annex building, or remove both buildings and convert to open space
- Cost estimate of appx. \$17 million to renovate the existing Hadley building was presented to the committee.
- Next meeting will be on 2/16/21

Mary Ellen Fletcher asked Mr. Kirschner for his take on the traffic concerns identified with regards to the new school site. Mr. Kirschner spoke briefly, admitting that the results of the initial traffic study were concerning, but SBC is hopeful that through additional studies traffic concerns can be alleviated. Ms. Sullivan echoed Mr. Kirschner, suggesting that this is an opportunity to improve upon traffic in this area of town as SBC progresses through the design of the new school project.

Discussion regarding Articles for Special Town Meeting

Article 1:

The goal of the discussion was to determine the best topic and format for the committee's report to the upcoming special town meeting on 3/1/21.

Key Objectives Identified for Presentation

- Provide an overview of Fincom roles, responsibilities, process and recent efforts.
- Discuss Capital since it is the subject matter of the other two articles.
- Deliver highlights of capital planning process and the Collins Center method
- Illustrate connection between Capital Plan and Operating Budget/Debt Service Line
- Time constraints to be determined; possibly ~5 mins for overview and ~10 minutes for capital presentation, with time for questions

Challenges Identified

- Limited time to prepare/Special town meeting in <1 month

The Town Moderator, Michael McClung, was recognized in the meeting. He recommended that the committee focus their efforts on delivering a clear message at Special Town Meeting, and that the committee consider carefully how much material they are willing to articulate.

Mr. Mendes then provided an overview of the capital improvement process, focusing primarily on the Collins Center scoring method that the Capital Improvement Committee has been implementing to strengthen the planning and prioritizing process.

Mr. Spellios was recognized in the meeting and clarified for the committee that the Facilities Director will be available leading up to Special Town Meeting and will be at Town Meeting to speak on the capital articles being presented and answer any facilities-related questions the committee may have. He also provided the committee with a brief background and history on the middle school project and encouraged the committee to try and connect the operating budget to capital via their discussions with town meeting.

Cinder McNerney asked Mr. Mendes to explain his plan for financing the middle school roof capital project, if approved. Mr. Mendes responded that he is anticipating 30-yr permanent borrowing; interest rates are low, and this frees up more capacity in the operating budget for additional borrowing.

Ms. McNerney asked Mr. Mendes why he is considering the approach he described because it will cost more over the life of the debt. Mr. Mendes elaborated for the committee on the level debt service vs. level principal approaches to financing and the nuances of each. He added that he is open to utilizing either approach, but that the decision involves the Select Board as well because they ultimately execute the debt.

Matt Kirschner asked for clarification on the timeframe regarding development of a capital plan. Mr. Mendes estimated that CIC will have a completed 5-yr/10-yr plan available by mid-March.

Mary Ellen Fletcher asked Mr. Mendes to elaborate on the Asset Management grant that the town has been awarded from the DEP to facilitate the development of a comprehensive Sewer/Water/Drainage system evaluation and 30yr CIP plan for this critical infrastructure.

Mr. Mendes provided an overview of the challenges the town faces in these areas, and the benefits the town will reap from this study. The grant is for \$160K; the town appropriated \$250K at ATM of which some funds will be used to match the grant. The grant will ultimately result in development of a GIS map layer that will assist the DPW team in strategically managing the infrastructure in town.

Elm St./Future Development Proposals

There was general conversation amongst the committee around its roles and responsibilities regarding evaluating and/or advising on financial implications of developments such as the proposed project on Elm Street.

Jill Sullivan recommended that the Finance Committee conduct conversations about the Elm Street development jointly with the planning board since they have general authority over the progression of the project in question. Ms. Sullivan added that the evaluation of this project and others like it is not strictly a financial one; the planning board will be able to speak to how the project interacts with the Master Plan for example which is an important consideration to have.

Ms. Sullivan reiterated how important it is for all stakeholders to be involved in the process for the conversations about the project to be productive.

Cinder McNerney commented that she wanted to hear more from Gerry Perry regarding his ideas for municipal impact studies, and she wanted to invite Angela Ippolito from the planning board to listen to Mr. Perry as well.

Committee determined due to timing the topic of the Elm Street project would have to be addressed after special town meeting on March 1st, but that the committee needed clarification on what role it may play in the permit process prior to discussing it further.

Ms. Sullivan volunteered to find out what role the finance committee can legally have in the comprehensive permit process and report back to the committee.

Old and New Business

Tim Dorsey reported on tri-chair sessions that Mary Ellen Fletcher and himself have attended regarding the ongoing negotiations with the town of Nahant for renewal of the tuition contract.

Cindery McNerney requested that the report on the monthly Trichair meetings be communicated during FinCom meetings rather than summarized in email.

Mary Ellen Fletcher asked that the contract item that was on the agenda at the 2/1 meeting be addressed at the next FinCom meeting.

On **MOTION** (Jill Sullivan) and **SECONDED** (Mary Ellen) it was **VOTED** to adjourn the meeting. **VOTE:** Gail Rosenberg (**YES**) Joan Hilario (**YES**)

Meeting adjourned 8:57 PM

Next meeting will be Tuesday 2/16 PM

True Attest,



Patrick Luddy, Assistant Town Accountant

Minutes APPROVED by vote of the Finance Committee 03/15/2021