



Town of Swampscott
Finance Committee Meeting Minutes
Monday, April 10th, 2023 - 7:00 PM
Virtual meeting

Received by Town Clerk
July 24, 2023, 4:42pm

FINANCE COMMITTEE MEMBERS PRESENT

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

FINANCE COMMITTEE MEMBERS ABSENT

Adrian Rodriguez, Suraj Krishnamurthi.

CAPITAL IMPROVEMENT COMMITTEE PRESENT

Ryan Hale (Chair), Jay Sullivan, David Brodsky, Kelly Begin, Richard Raymond

OTHER TOWN STAFF

Michael McClung, Town Moderator; Sean Fitzgerald, Town Administrator; Ruben Quesada, Chief of Police Department; Amy Sarro, Director of Admin. & Finance; Patrick Luddy, Town Treasure/Collector; Trang Vu, Assistant Town Accountant

The meeting was called to order at 7:06 PM

Public comment

None

Review FY2024 Budget

Police Chief Ruben Quesada joined the meeting for his department discussion. He commented that with 2.83% increase over last year's budget, he feels it is well funded for FY2024. Most of the challenges for the Police department come from overtime and staff levels. Last year, they decreased staffing by one officer on every shift after a thorough analysis. It allows the officers to have some time off and decrease overtime by rough estimates of \$294,000. Another challenge to manage *Overtime* is mandatory trainings are back in-person and many unforeseen events has occurred. He mentioned that by reducing staff starting July 2022, they have around \$294,000 saving in personnel budget line items.

Responding to Eric Hartmann's question on Body-worn camera, Chief Quesada commented that this program has been up since December 2022 and has been extraordinary. This has improved transparency when something occurs. They have a Lieutenant who is in charge of body camera policy, public record requests. The footage is a public record but ensured to protect the privacy of individuals involved.

Regarding the newly added *Deputy Chief*, Chief Quesada commented the position will support the department with policies, community engagement, administrative functions to create more of a team effort.

Erick Schneider had a question on the background of increase in *Fuel, Uniform and Ammunitions* costs. Amy Sarro commented that based off the YTD trends, the fuel went up for every department. Chief Quesada commented that with two new trainees and the inflation, uniform and ammunition costs continue to rise.

Under the Capital budget for Police Department, Chief Quesada commented that they request for 1 new cruiser and six laptops with estimated \$54,000 and \$37,000, respectively and the laptop will be transferred to another cruiser once the current one is out of service.

The Committee then had a joint session with CIC to discuss the FY 2024 proposed capital projects. Ryan Hale updated that CIC met a few days ago and reviews all of the projects and voted on most of them. There are some projects that need additional discussion before voting. He also mentioned CIC's perspectives and some refinements that they hope to make to improve their review and approval process next cycles.

Jay Sullivan commented that this year they achieved the objective of getting through a lot of work with the department heads and moving the cycle earlier in the year to allow for more thoughtful deliberation.

Eric Hartmann commented that he is interested in CIC's point of view on updating town meeting projects that were approved and their status at certain times. He would like to verify if funding source "Surplus capital transfer" ends up creating more debt service in the current year. Amy Sarro commented that it was already authorized debt that was already voted so it's not additional to the debt schedule because we already included in the previously authorized debt.

Responding to Cinder McNerney's question, Patrick Luddy commented that Surplus Capital Transfers are dollars that we already have. This would now trigger additional borrowing. These are tailings either from financing that was done for projects that came under or other sources of funding that were transferred in for projects in the past. Our debt service, including debt exclusion, is at 10% as a percentage of operating budget in FY2024.

Cinder McNerney asked if the town has plans for any other project(s) that require debt exclusion after 2028 besides the middle school. Sean Fitzgerald commented that they are doing an analysis of our existing water and sewer throughout the entire town. He mentioned that they always have to evaluate every few years the capital needs and it's a challenge. The town will always look watch for Federal and State grants for some of those projects. He expected to have a report later this year that outlines in detail some of those capital costs.

Erik Schneider asked if those capital needs include a new DPW facility. The Town Administrator confirmed it does and commented that there is a significant need for the town, and it has been talked about for many years.

Eric Hartmann suggested that both committees should start at the top of the list without having to talk about every single line unless there are additional questions or comments.

Responding to Eric Hartmann's questions on *Level/Grade Field at Phillips Park*, Patrick Luddy commented that they do not have a commitment of a fund raising or grant but it's still being explored. If it is approved here, it is for borrowing authorization. In the case we have access to fundraising or grant, we will only borrow the project amount less the fundraising/grant received. For question relating to \$250,000 in Seawall Repairs from Mr. Hartmann, Mr. Luddy responded that the amount is to finish up King's Beach, and the leftover is going to be use at other sea walls in town.

Under *Town Traffic Improvement*, Town Administrator commented that the town has talked about the importance of prioritizing pedestrian safety for the last few years. This is an opportunity for us to make a number of critical investments in a number of intersections and a number of neighborhoods in Swampscott, especially the location of the new elementary school and Humphrey Street. We have some studies and reports from consultants who outlined a number of projects. He hopes to get some additional grants that help match some of these dollars.

Erik Schneider asked if this is a one-time request. Sean Fitzgerald responded that this is likely a multiple year project with a completed list close to 35 streets that includes areas around schools, Humphrey Street and MBTA neighborhoods.

Clark Renovation was the next project discussed. Eric Hartmann asked if we do not invest \$6M as requested in F2026, the amount of \$200,000 spent for FY2024 is still useful. Ryan Hale responded that based on the strategy we have to repurpose to prepare schematic design for renovation, FY2025 will be fully funding design for a larger renovation in FY2026. Jay Sullivan commented that with the larger projects that the design work is front loaded, we should start early because it might open up better opportunity for grant application. Town Administrator Sean Fitzgerald suggested having more information on the overall scope the project and changes from Facilities Director and the School Superintendent

Under *High School Auditorium Upgrade*, Ryan Hale commented that there was a certain set of upgrades and replacement of aged audio video equipment they will do in the first phase; then they want to have a few performances and facility tests to give us confidence that the subsequent phase and the extra money would be well utilized. He also confirmed with Mr. Hartmann that we still get certain benefits from getting phase one done even if we don't do phase two. Rich Raymond commented that there might be some donation dollars or grants that might help to offset the cost.

The *Cemetery Surplus Fill* project was mentioned by Patrick Luddy as phase two of last year approved \$250,000 project. We had identified \$168,000 in tailings from sewer projects that we could allocate towards this, and the difference would be new borrowing in the sewer fund. Eric Hartmann recalled the conversation with Gino Cresta the week before that the approved amount last year has not been used yet.

Mr. Hartmann asked for an in-depth explanation of *Lift Station Upgrades*. Sean Fitzgerald commented that it is a critical piece of infrastructure that ensures that we are pumping our wastewater to the linen water treatment plant.

Under *Water Main Replacement*, Mr. Fitzgerald mentioned that this project reflects the town's ongoing commitment to ensuring that we have a status of good repair for our water lines. Mr. Hartmann commented that it is surprising him not to see any amount of money put in the list for the next five years regarding how important it is.

Ryan Hale commented that there are a couple items in the capital list that both committees need to hear mor clarity in terms of how the funds would be utilized before they get voted on. Another meeting to deep dive into the outstanding projects is suggested.

Amy Sarro reminds both committees that they need to vote no later than April 19th before the warrant is closed.

Ryan Hale asked the Town Administrator to provide some explanation about some projects before the next meeting discussion. About *Municipal Property Capital*, San Fitzgerald commented that the town now own Hawthorne property and have a lease ultimately expires in November 2023. After that there might be some exterior work that is needed to keep that building weather tight. There are also other unknown issues that might happen to other properties in town so the amount, if approved, can help ensure that we can keep up with the maintenance of those properties.

Vinnin Square Planning was the next project mentioned by the Town Administrator. He commented that the town needs a vision for that property and come up with a comprehensive investment plan. He hoped to work with the Planning board to seek some master planning for Vinnin Square and think critically about what the future should be. He believes it is a way to help with commercial and economic development.

Mr. Fitzgerald then provided more information about *Lynn Dispatch*. He has been negotiating the contract with Lynn mayor and thinks it is a successful regional dispatch contract. This fund will help pay for some of the capital repairs for Lynn dispatch system, upgraded computer terminals, and software systems.

Ryan Hale then asked the Finance Committee's opinion on the size of this capital cycle which is at \$6,040,500. CIC made **MOTION** to vote favorably following projects: *Cemetery Surplus Fill, Municipal Property Capital, Vinnin Square Planning, Lynn Dispatch* and *DPW Yard Improvement & Site Study*.

CIC adjourned the meeting at 8:57PM.

The Finance Committee continued the discussion on some update and expansion upon the forecasting that the town has done for tax rate impact for the new elementary school project and land acquisition. Patrick Luddy walked everyone through the presentation. He made an assumption that the total assessed residential values increases 4.84% per year, Median single family home value increases 4.74% per year to come up with the figures in the spreadsheet. Column B is the actual debt service on the \$60M financing that we issued in March 2022 and that's the annual debt service amount. The total debt service for the project is rolled up in column F. Column P is the gross impact to the median single family tax bill. Gathering all debt service data, he came up with column U which estimates the amount of reserve might be required from any source. A graph of forecasted tax implications of new school construction median single-family home before and after we use reserve fund to limit the impact of tax was also presented.

Median Single Family Home Tax Impact Tax Implications Forecast - New Elementary School Construction Project Town of Swampscott, Massachusetts																											
Assumptions:		Total Assessed Residential Values increases 4.84% per year Median Single Family Home Value increases 4.74% per year Does not contemplate borrowing for contingency portion of new school budget - approx. \$2.9M												FY 2022 (GOB)		Issue \$ 60,000,000		Term 30		Rate 2.87%							
														2024 (BAN)		\$ 4,000,000		1		3.70%							
														2025 (BAN)		\$ 4,000,000		1		3.20%							
														2026 (GOB)		\$ 4,000,000		30		3.00%							
Fiscal Year	Issue #1 - Actual	Issue #2 - Projected	Issue #3 - Projected	Issue #4 - Projected	Total Gross Debt Service - Projected	Projected Assessed	Median SFH	Residential Lev. %	Tax Rate	Median SFH	Cumulative Debt Service Roll-Off HS	MSFH Tax Benefits HS Roll-Off	Cumulative Debt Service Roll-Off ED	MSFH Tax Benefits ED Roll-Off	Forecasted MSFH Tax Impact Net of Paired Excluded Debt	Free Cash and Other Avail. Funds	General Stabilization	Capital Stabilization	Forecasted U								
2022					\$ -	\$ 3,773,428,480	\$ 516,400	0.870165	\$ -	\$ -	\$ (19,537)	\$ (2,333)	\$ (5,250)	\$ (10,633)	\$ (13)												
2023	3,015,218				\$ 3,015,217.78	\$ 4,013,446,301	\$ 685,900	0.878891	\$ 0.66	\$ 453	\$ (36,370)	\$ (5,555)	\$ (10,719)	\$ (1,161)	\$ 446		\$ 650,231	\$ 320,000.00	\$								
2024	3,020,200				\$ 3,020,200.00	\$ 4,207,697,102	\$ 718,412	0.878891	\$ 0.63	\$ 453	\$ (55,918)	\$ (8,393)	\$ (16,406)	\$ (2,462)	\$ 442		\$ 777,310	\$ 170,760.78	\$								
2025	3,015,450	148,000			\$ 3,163,450.00	\$ 4,411,349,642	\$ 752,464	0.878891	\$ 0.63	\$ 474	\$ (77,840)	\$ (11,617)	\$ (22,313)	\$ (3,355)	\$ 459		\$ 870,991	\$ 191,183.05	\$								
2026	3,016,200		128,000		\$ 3,146,200.00	\$ 4,624,958,364	\$ 788,131	0.878891	\$ 0.60	\$ 471	\$ (94,367)	\$ (15,617)	\$ (28,438)	\$ (4,269)	\$ 416		\$ 631,196	\$ 138,555.13	\$								
2027	3,017,950			\$ 218,419	\$ 3,236,368.71	\$ 4,946,702,138	\$ 825,489	0.878891	\$ 0.59	\$ 484	\$ (152,738)	\$ (25,822)	\$ (34,794)	\$ (5,204)	\$ 426		\$ 591,339	\$ 151,889.12	\$								
2028	3,019,700			\$ 218,419	\$ 3,238,118.71	\$ 5,083,379,322	\$ 864,617	0.878891	\$ 0.56	\$ 484	\$ (182,270)	\$ (34,155)	\$ (41,344)	\$ (6,181)	\$ 424		\$ 678,677	\$ 148,977.79	\$								
2029	3,016,200			\$ 218,419	\$ 3,236,618.71	\$ 5,329,414,881	\$ 905,600	0.878891	\$ 0.53	\$ 483	\$ (187,167)	\$ (54,833)	\$ (29,625)	\$ (13,277)	\$ 396		\$ 525,669	\$ 155,390.76	\$								
2030	3,018,450			\$ 218,419	\$ 3,236,868.71	\$ 5,587,358,561	\$ 948,525	0.878891	\$ 0.51	\$ 483	\$ (172,664)	\$ (55,601)	\$ (29,625)	\$ (13,277)	\$ 395		\$ 519,794	\$ 141,101.03	\$								
2031	3,015,200			\$ 218,419	\$ 3,233,618.71	\$ 5,857,786,715	\$ 993,485	0.878891	\$ 0.49	\$ 482	\$ (171,323)	\$ (109,103)	\$ (29,625)	\$ (13,274)	\$ 340		\$ 220,963	\$ 48,503.97	\$								
2032	3,018,600			\$ 218,419	\$ 3,237,218.71	\$ 6,141,303,593	\$ 1,040,576	0.878891	\$ 0.46	\$ 482	\$ (173,201)	\$ (109,131)	\$ (29,625)	\$ (13,271)	\$ 340		\$ 221,283	\$ 48,574.34	\$								
2033	3,019,800			\$ 218,419	\$ 3,238,218.71	\$ 6,438,542,886	\$ 1,089,900	0.878891	\$ 0.44	\$ 482	\$ (175,148)	\$ (109,377)	\$ (29,625)	\$ (13,268)	\$ 340		\$ 218,337	\$ 48,053.39	\$								
2034	3,016,200			\$ 218,419	\$ 3,236,618.71	\$ 6,750,988,162	\$ 1,141,561	0.878891	\$ 0.42	\$ 481	\$ (173,604)	\$ (109,044)	\$ (29,625)	\$ (13,264)	\$ 339		\$ 217,312	\$ 47,702.73	\$								
2035	3,016,300			\$ 218,419	\$ 3,234,718.71	\$ 7,076,876,291	\$ 1,195,671	0.878891	\$ 0.40	\$ 480	\$ (173,904)	\$ (108,833)	\$ (29,625)	\$ (13,261)	\$ 339		\$ 214,748	\$ 47,139.66	\$								
2036	3,017,900			\$ 218,419	\$ 3,236,318.71	\$ 7,419,397,103	\$ 1,252,346	0.878891	\$ 0.38	\$ 480	\$ (150,379)	\$ (223,121)	\$ (29,625)	\$ (13,258)	\$ 224												
2037	3,017,850			\$ 218,419	\$ 3,236,268.71	\$ 7,778,495,923	\$ 1,311,707	0.878891	\$ 0.37	\$ 480	\$ (150,379)	\$ (222,900)	\$ (29,625)	\$ (13,255)	\$ 224												
2038	3,015,600			\$ 218,419	\$ 3,234,018.71	\$ 8,154,975,126	\$ 1,373,882	0.878891	\$ 0.35	\$ 479	\$ (150,379)	\$ (222,639)	\$ (29,625)	\$ (13,252)	\$ 224												
2039	3,017,550			\$ 218,419	\$ 3,235,968.71	\$ 8,549,675,322	\$ 1,439,004	0.878891	\$ 0.33	\$ 479	\$ (150,379)	\$ (222,489)	\$ (29,625)	\$ (13,249)	\$ 224												
2040	3,017,700			\$ 218,419	\$ 3,236,118.71	\$ 8,963,480,297	\$ 1,507,212	0.878891	\$ 0.32	\$ 478	\$ (150,379)	\$ (222,277)	\$ (29,625)	\$ (13,246)	\$ 224												
2041	3,016,050			\$ 218,419	\$ 3,234,468.71	\$ 9,397,312,680	\$ 1,578,654	0.878891	\$ 0.30	\$ 478	\$ (150,379)	\$ (222,055)	\$ (29,625)	\$ (13,243)	\$ 223												
2042	3,017,600			\$ 218,419	\$ 3,236,018.71	\$ 9,852,142,614	\$ 1,653,483	0.878891	\$ 0.29	\$ 477	\$ (150,379)	\$ (221,841)	\$ (29,625)	\$ (13,240)	\$ 223												
2043	3,017,200			\$ 218,419	\$ 3,235,618.71	\$ 10,328,986,316	\$ 1,731,858	0.878891	\$ 0.28	\$ 477	\$ (150,379)	\$ (221,633)	\$ (29,625)	\$ (13,236)	\$ 223												
2044	3,017,850			\$ 218,419	\$ 3,238,268.71	\$ 10,828,909,254	\$ 1,813,348	0.878891	\$ 0.26	\$ 477	\$ (150,379)	\$ (221,421)	\$ (29,625)	\$ (13,233)	\$ 223												
2045	3,015,400			\$ 218,419	\$ 3,233,818.71	\$ 11,353,026,462	\$ 1,899,929	0.878891	\$ 0.25	\$ 476	\$ (150,379)	\$ (221,211)	\$ (29,625)	\$ (13,230)	\$ 222												
2046	3,019,000			\$ 218,419	\$ 3,237,418.71	\$ 11,902,515,040	\$ 1,989,385	0.878891	\$ 0.24	\$ 476	\$ (150,379)	\$ (221,003)	\$ (29,625)	\$ (13,227)	\$ 222												
2047	3,015,350			\$ 218,419	\$ 3,233,768.71	\$ 12,478,596,167	\$ 2,084,311	0.878891	\$ 0.23	\$ 475	\$ (150,379)	\$ (220,799)	\$ (29,625)	\$ (13,224)	\$ 222												
2048	3,019,600			\$ 218,419	\$ 3,238,018.71	\$ 13,082,560,851	\$ 2,183,107	0.878891	\$ 0.22	\$ 475	\$ (150,379)	\$ (220,581)	\$ (29,625)	\$ (13,221)	\$ 222												
2049	3,016,450			\$ 218,419	\$ 3,234,868.71	\$ 13,715,756,796	\$ 2,286,586	0.878891	\$ 0.21	\$ 474	\$ (150,379)	\$ (220,371)	\$ (29,625)	\$ (13,218)	\$ 221												
2050	3,016,050			\$ 218,419	\$ 3,234,468.71	\$ 14,379,599,425	\$ 2,394,971	0.878891	\$ 0.20	\$ 473	\$ (150,379)	\$ (220,161)	\$ (29,625)	\$ (13,215)	\$ 221												
2051	3,018,250			\$ 218,419	\$ 3,236,668.71	\$ 15,075,572,037	\$ 2,508,432	0.878891	\$ 0.19	\$ 473	\$ (150,379)	\$ (219,951)	\$ (29,625)	\$ (13,212)	\$ 221												
2052	3,017,900			\$ 218,419	\$ 3,236,318.71	\$ 15,805,229,724	\$ 2,627,395	0.878891	\$ 0.18	\$ 473	\$ (150,379)	\$ (219,744)	\$ (29,625)	\$ (13,209)	\$ 221												
2053				\$ 218,419	\$ 218,418.71	\$ 16,570,202,843	\$ 2,751,933	0.878891	\$ 0.01	\$ 32	\$ (150,379)	\$ (219,532)	\$ (29,625)	\$ (13,206)	\$ 220												
2054				\$ 218,419	\$ 218,418.71	\$ 17,372,200,660	\$ 2,882,375	0.878891	\$ 0.01	\$ 32	\$ (150,379)	\$ (219,322)	\$ (29,625)	\$ (13,203)	\$ 219												
	\$ 90,526,968	\$ 148,000	\$ 128,000	\$ 6,115,724	\$ 96,916,692																						
<div><div>< ></div><div>New School</div><div>Reserves</div><div>+</div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></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Patrick Luddy also circulated the Reserve fund cash flow analysis table in which row 11 and 23 line up with the projections on the above spreadsheet.

Answering Erik Schneider's comment on this year's tax rate setting and contribution to reserve funds, Patrick Luddy commented that we did not contribute to any reserve fund this year. When we get into tax rate setting, we look at tax rates as a whole for the entire operating budget. The funds that were used at that time are not just to offset one project, but to balance whatever impacts the budget, and the assessed values are going to have on properties. Historically, we have diligently contributed to these funds. Now we have taken on a major project, and we are using them but that does not preclude us from using free cash to replenish these funds. The level of free cash that will be available each year is not guaranteed so we have to make careful decisions about its use and lock in our budget and make sure expenses come in at or below target to preserve our free cash. We are also looking at new growth.

Sean Fitzgerald commented that we have a healthy budget, and we start to build a healthy capital budget plan and capital system, but it forces us to pivot to economic development and some reasonable commercial growth along Humphrey Street, Vinnin Square, MBTA property. He believed that how Swampscott can balance those broader priorities. Establishing some specialized stabilization funds is also an opinion to balance brought up by the Town Administrator.

Eric Hartmann asked if there is any update on Town Meeting warrant articles. Amy Sarro responded that the Select Board is meeting on Wednesday, and they have opened the warrant. At this time, financial-related articles that she is aware of are bills from prior year, operating budget, special education reserve fund set up, transfer of retained earnings to the water and sewer enterprise funds, transportation infrastructure network fund, Chapter 90 roadway improvement, capital budget, special revenue fund for the opioid monies as recommended by DOR.

Chairman Hartmann made the proposal to change the meeting this Wednesday to Thursday, April 13th.

True Attest,

Trang Vu

Assistant Town Accountant

Approved by vote of the finance committee 07/10/2023