

Swampscott Finance Committee
April 30, 2018

Attending: Marzie Galazka (Chair), Tim Dorsey (Vice-Chair), Mary Ellen Fletcher, Joan Hilario, William Jones, Jill Sullivan, Gail Rosenberg, Polly Titcomb

Not attending: Cinder McNerney

Also Attending: Sean Fitzgerald (Town Administrator), Ron Mendes (ATA), Michael McClung (Town Moderator) Cheryl Herrick-Stella.

Mr. Fitzgerald followed up on many of the outstanding questions the Finance Committee had about transfers for FY18/FY19. These included reconciling PEG funds and Enterprise Fund expenses. **Please see memo dated 4/30/18 from TA Sean Fitzgerald to the Finance Committee attached.** In particular, Mr. Fitzgerald believes we are going to get a lot of funding from state agencies to repair the sea wall. He believes it is important to wait to see what kind of funding we get in that fashion before we expend significant capital funds on the sea walls. Mr. Fitzgerald discusses the Performance Management. Would apply only to non-union employees, and would result from a specific written request from an employee and a comprehensive review by the town administrator in an effort to reward excellence in the workplace. He would like to work with unions to possibly open this up to union employees as well. Mr. Fitzgerald indicates that this has been done in the past, but this is a more transparent way of doing it.

Mr. Fitzgerald indicated that he plans to rewrite the Personnel Policy to include best practices. This was in response to some issues regarding tuition reimbursement. Ms. Titcomb asked whether the performance management was included in order to compensate for salaries that are not commensurate to those in neighboring communities. Mr. Fitzgerald indicated that he is trying to create a framework for how we attract and maintain top talent. He would like as many tools as possible to do so.

Ms. Hilario indicated that she is concerned about some of the salary levels of key non-union employees. Ms. Galazka responded that FinCom, BOS and Town Administrator will enter into executive session to discuss strategy with respect to salaries, collective bargaining because an open meeting may have a detrimental effect on the town's bargaining position.

Ms. Rosenberg related her concern that we are being overoptimistic that we will get state funding for sea wall damage. Historically, this hasn't materialized, and she would like to know what the backup plan is. Mr. Fitzgerald indicated that the reclassification of prior year capital of \$139,000 is for either a match for state funds or for some repairs and some study of what the needs are. The Baker administration has just put out a new plan for sea wall repair that the town administration is studying and we think we will be competitive for.

The Finance Committee began to go through the budget. Ms. Sullivan asked why the Finance Committee reserve appropriation increased \$50k over the prior year. Mr. Fitzgerald indicated that he feels it is the right amount to cover a significant unexpected financial event, if it were to occur.

There was a discussion about legal line item #4 the Finance Committee Reserve – whether to lower that appropriation to \$225,000 from \$275,000. Ms. Fletcher recommended the \$7,500 for Selectmen Memberships be reduced to \$5000. Mr. Fitzgerald indicated that the Selectmen have been overspending their budget for programs. Fletcher stated per the budget book letter from TA Sean Fitzgerald, Swampscott pays 31-45% more in taxes than other state communities and in her opinion we need to stop adding to the budget and begin to address our spending.

Ms. Fletcher wants us to take another look at Community Events, Civic Recognition, and Contracted services in the Town Administrator Budget. We will also have a discussion tomorrow about the Town Accountant salary line.

The finance committee went through the line item budget, flagging items for further discussion tomorrow.

A discussion was held about the Finance Committee letter for the Town Warrant.

Motion to adjourn: Titcomb/Hilario 8-0.