

## Finance Committee Meeting Minutes

Wednesday March 11, 2019 held at 1<sup>st</sup> Floor Conference Room, Town Hall

Members Present: Dorsey, McNerney, Sullivan, Fletcher, Titcomb, Goldman, Hilario

Members Absent: Rosenberg

Others Present: Mendes (minutes taker & Asst Town Administrator); Sean Fitzgerald (Town Administrator); Peter Spellios (Chair, Board of Selectmen)

Called to order 7:00pm

Acting Chair Dorsey called the meeting to order at 7:00pm and introduced new member Jim Goldman and welcomed him to the committee. Mr. Dorsey then turned the floor to Mr. Fitzgerald, Town Administrator to present the FY2020 Town Administrator's Recommended Budget (copy of presentation is attached).

Mr. Fitzgerald opened the presentation with some overview and turned the presentation over to Mr. Mendes to give an overview on revenue. Mr. Mendes then stepped through the slides on revenue and turned the presentation back to Mr. Fitzgerald. Mr. Fitzgerald stepped through the expense slides, and the Committee members had several questions on the issue of solid waste/recycling. The Town Administrator's recommended budget provides a level funded line item on Solid Waste/Recycling, but cautioned the committee that this line item may change as we proceed through the process in the run-up to town meeting. Mr. Fitzgerald and Mr. Spellios spoke on this issue regarding the uncertainty in the recycling market and advised that there may be changes to service, as well as cost.

Ms. Fletcher raised the issue of why the Police budget is 37.5% higher than comparable communities as was presented at the fiscal summit in December 2018. Mr. Fitzgerald acknowledged that this is the case and asked to continue this conversation with the Police Chief at a future meeting. There was also some discussion regarding the Overtime line items within the Police budget, and also the issue of Overtime backfill that is paid under the Harbormaster budget.

Mr. Fitzgerald then continued presenting the various departmental budgets with various questions from committee members. The presentation then continued with an overview of the proposed capital plan and the Town's level of reserves. There was a discussion about adopting financial policies concerning levels of reserves as compared to town revenue and the adoption of formal policies as a way of enhancing the town's standing with respect to its bond rating.

The presentation then turned to the town's experience with respect to assessment of taxes and tax policy. There were several slides that presented Swampscott's recent experience with respect to recent reductions in the average single family tax bill and tax policy going forward.

There was also some discussion about how the town debt finances capital projects. Mr. Mendes explained using the debt management plan how the debt service line item is essentially level funded by replacing debt roll-off with financing for new capital projects. There was some further discussion on this topic.

Mr. Fitzgerald then discussed the issues of funding from the Environmental Bond Bill from the Commonwealth in the amount of \$2.0 million to cover projects that involve the waterfront, Stacey's Brook, and other projects that include investments in the town's waterfront. Ms. Sullivan then discussed

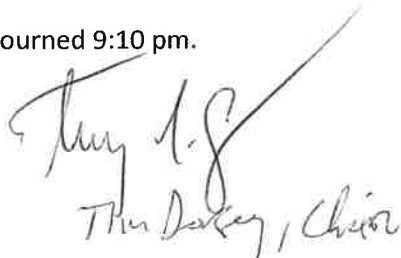
her concerns with actually being able to receive funding from the bond bill since there is still a process involved with moving projects forward that would be paid from the bond bill. There was also some discussion regarding reimbursement from FEMA for storm damages suffered during the March 2018 Nor'easter that struck and damaged some infrastructure, including damage to the Fish House. There was also a discussion about the possibility of securing funding for projects through outside sections of the state budgets. Mr. Fitzgerald indicated that he is asking the town's legislative delegation for funding and will report back when there is more information. Ms. Sullivan also asked for an update on the Harbor Waterfront Plan. There is concern that the plan has not yet been released and the Committee members expressed a desire to see more information on the harbor plan. Mr. Fitzgerald said that he will invite Asst Town Administrator for Operations/DPW Director Mr. Cresta to a committee meeting to further discuss concerns about the status of repair of the beach walls.

Mr. Fitzgerald then discussed the issue of the status of repair of the Middle School. Mr. Fitzgerald said that he walked the roof a few weeks ago with a contractor, and there are some leaks that need to be repaired. For the most part, the membrane of the roof is intact, but there are areas where there were leaves gathered; there were areas of ponding. The contractor needs to do some more work on the roof, but there is much more work to be done. There is \$100,000 requested in the capital plan in FY2020 to begin the process of making the needed investments in this building. We are also in the MSBA program, and as a result, the MSBA will look at all the buildings. We are going to be moving an application for roof repair to the MSBA. We need to use part of the \$100,000 to develop a scope of work needed to address the issues at the Middle School. Ms. Fletcher expressed her concerns about the status of repair of the Middle School roof. She shared pictures of the roof from the report that was included with the recent consultant's report. There was some discussion among committee members, and Mr. Fitzgerald explained that we need to move forward to repair the roof productively, which should include working with the MSBA through its roof repair program. The plan has been to wrap the projects into a proposal combined with the Hadley School project. With the feasibility study coming within the next few months to review the overall status of repair of our schools, it may be advisable to not move forward with our own repairs without including the MSBA in the process because if we invest in the building without following the MSBA's grant process we may jeopardize the ability of the town to get any grant funding from the MSBA to repair the roof. Ms. Fletcher said she was at the Middle School today and said that there were buckets on the floor of the gym in the Middle School because of the leaking roof. She stated she was very concerned about the state of the roof and expressed that this is a situation that needs to be addressed sooner rather than later. She showed pictures of the damaged roof (attached) – although those pictures were determined to be out of date and do not show more recent improvements. She added that this is the same situation we were in last year when she recalls that we were expecting to apply for an emergency grant.

Mr. Dorsey then began a discussion about the agenda for the next meeting, which is scheduled for March 25<sup>th</sup>. He asked the committee which Department Heads they would like to hear from on the 25<sup>th</sup>. The sense of the committee is that they would like to hear from Mr. Cresta, Mr. Prentiss and Mr. Kasper at the next meeting.

The committee discussed scheduling and decided to meet Mondays & Thursdays for the last 2 weeks of March (March 18<sup>th</sup> & 21<sup>st</sup>; March 25<sup>th</sup> & 28<sup>th</sup>) and the first week of April (April 1<sup>st</sup> & 4<sup>th</sup>); and April 8<sup>th</sup>.

Meeting Adjourned 9:10 pm.



Tim Dorsey, Chair