



Town of Swampscott
Finance Committee Meeting Minutes
Thursday, October 15, 2020 – 6:30 PM
Virtual Meeting

FINANCE COMMITTEE MEMBERS PRESENT

Tim Dorsey (Chair), Matt Kirschner, Jill Sullivan, Joan Hilario, Eric Hartmann, Gail Rosenberg, Cinder McNerny, Mary Ellen Fletcher

OTHER TOWN OFFICIALS PRESENT

Sean Fitzgerald, Town Administrator; Allie Fiske, Assistant to the Town Administrator; Ron Mendes, Assistant Town Administrator – Administration and Finance; Michael McClung, Town Moderator

The meeting was called to order at 6:33pm

The Special Fall Town Meeting will take place on Monday, November 16. Chair of the Finance Committee Tim Dorsey recapped the financial operations taken in the Spring to mitigate financial issues posed by COVID-19. In order to address an anticipated \$1.241 million deficit, which then needed to be addressed in the 2021 Town Administrator's recommended budget, \$600,000 of stabilization funds were used in addition to a net of \$641,000 in reductions. The school portion of that reduction amounted to \$381,000. The actual shortfall is closer to \$700,000.

Assistant to the Town Administrator Ron Mendes presented the amended budget in the Town Meeting warrant, including the anticipated state aid as well as increased in expenses, primarily related to COVID-19. Increased expenses requests include:

SCHOOLS:

- Restoration of school non-union raises
- Hiring a technology position to handle remote tech support (covered by CARES Act until 12/30)
- Hiring an Occupational Health Nurse (covered by CARES Act until 12/30)

TOWN:

- Restore budget cuts for all union raises
- Increase in non-union line-item for raises
- Continuing education
- Purchase equipment for new staff and GIS system
- Increase in legal fees
- End of employment costs
- Health Department new mental health referral program

Chairperson Dorsey asked if there was thought of putting money back into the stabilization fund. The Finance Committee took \$600,000 of stabilization funds to offset the anticipated budget shortfalls, but the shortfall was significantly less than anticipated.

There was a discussion regarding the new positions at the schools and whether or not these would be temporary positions. Mr. Mendes explained that the positions are related to COVID-19, so it could be assumed that they are not considered long-term positions and may not need to be figured into future budgets. There is concern that in FY22, the Town will see the greatest financial impact in state aid due to the financial repercussions of COVID-19.

There was a discussion about the CARES Act funding. The Town received \$1.3 million from the federal government through the state to be used by the school and Town for expenses related to the COVID-19 emergency.

Chairperson Dorsey asked if there could be a list of the budget adjustments.

Finance Committee members at large agreed that there should be a re-evaluation of the amount of stabilization funds utilized to address the budget shortfall now that the shortfall has proven to have been less than anticipated. Now the Town has made very few cuts and the shortfall is being primarily covered by stabilization funds.

Ms. Fletcher asked if there were savings due to vacancies that could cover raises. Several members also noted that there are substantial projects coming down the road, as well as some financial hits from COVID-19 that need to be taken into consideration and plan with capital needs in mind.

The Finance Committee requested that Town Administrator Sean Fitzgerald attend the next meeting to justify requests for additional funding for operational costs. They requested closer revenue numbers, the Town Administrator's justification, and first quarter numbers.

The Finance Committee agreed to forego their meeting on Monday and schedule it instead for Thursday to allow for more information to be provided.

On **MOTION** (Mary Ellen Fletcher) and **SECONDED** (Gail Rosenberg) it was **VOTED** by roll call to adjourn the meeting. Roll call: Tim Dorsey (YES), Matt Kirschner (YES) Jill Sullivan (YES) Joan Hilario (YES) Eric Hartmann (YES) Gail Rosenberg (YES) Cinder McNerny (YES) Mary Ellen Fletcher (YES)

Meeting adjourned at 7:38 PM

True Attest,

A handwritten signature in dark ink, appearing to read "Allie Fiske".

Allie Fiske, Assistant to the Town Administrator

Minutes APPROVED by vote of the Finance Committee 11/2/20