



**Canton Finance Committee
801 Washington Street
Canton, MA 02021**

Minutes Voted on: 3/3/21
Vote: 7-0-1

**Meeting Minutes
February 24, 2021**

Finance Committee Members Present: David Clough, Dan Cole, Emilio Mauro, Tim McKenna, Reuki Schutt, Cindy Thomas and Wai Wong.

Finance Committee Members Absent: Rob Barker and Tom Theodore.

Guests Present:

Charlie Aspinwall, Town Administrator
Jen Fischer-Mueller, Superintendent, Canton Public Schools
John Connolly, Chair, Select Board
James Goodrich, Board of Health
Cynthia Holcombe, Chair, Diversity, Equity & Inclusion Committee
Ellen Jones, Finance Committee Secretary
Kristin Mirliani, Chair, School Committee
Barry Nectow, School Business Administrator
Barbara Reardon, Director of Public Health
Randy Scollins, Finance Director
Mike Trotta, Superintendent, Department of Public Works

Opening: Chair McKenna called the virtual meeting via Zoom to order at 7:00 p.m.

Approval of Agenda: Chair McKenna reviewed the agenda.

New Business

Mr. Scollins stated that at the last Finance Committee meeting the Committee reviewed the Revenue Forecasting Committee’s recommendations with regard to revenues but did not take an official vote.

Vote Revenue Forecast for FY22 – Randy Scollins, Finance Director

A motion made by Mr. Mauro that the Finance Committee accept the Revenue Forecasting Committee’s recommendation of \$106,687,064 for a total revenues estimate for FY22 was seconded by Ms. Schutt. The revenue is primarily comprised of property tax revenue, state aid, local receipts and transfers from other funds. The recommended revenue estimate for FY22 is a 4.3% increase over the current year’s budget.

Roll Call Vote:

Mr. Wong	Aye	Mr. Clough	Aye
Ms. Schutt	Aye	Ms. Thomas	Aye
Mr. Mauro	Aye	Mr. McKenna	Aye
Mr. Cole	Aye		

The motion passed 7-0-0.

Vote School and Municipal Operating Budget Targets FY22 – Randy Scollins, Finance

Mr. Scollins reported that some late breaking news had recently been received from Blues Hills Regional High School (BHRHS) who submitted a revised budget that was favorable from the budget previously submitted by \$27,000. The new FY22 budget request for BHRHS will now be \$1,472,906. Because of this change the new total for the Fixed Costs and State and County Assessments is now \$32,141,935.

Mr. Scollins reviewed for the meeting attendees the process used to establish operating budget targets by referring to a one-page document entitled “Process Used to Establish Operating Budget Targets” (see meeting documents).

In summary the process is started with the FY22 General Revenue Estimate of \$106,687,064. Various numbers are backed out of that number to get to new funding excluding changes in funding of state aid.

Last year when there was uncertainty as to what the local budget would be the consensus among several towns in the state was a 10% reduction in state aid (for Canton that is approximately \$1 million). The Town reduced its estimate of expected state aid by \$1 million before setting the budget for FY21. Six months later in mid-December the state finalized their state aid budget for this year and kept cities and town whole, so there was no reduction in state aid. The \$1 million is coming back to the Town. For FY21 the \$1 million is unappropriated but for FY22 it comes back to FY22. The \$1 million has been split between School and Municipal based on the ratio which reflects the split of the combined school and municipal budgets for the current year: 67.02% for the School and 32.98% for the Municipal.

The total new funding for FY22 budget excluding new incremental state aid is \$1,386,918. The School 67.02% share of the \$1,386,918 is \$932,002. The Municipal 32.98% share is \$458,703.

Mr. Scollins shared with the Finance Committee on the screen the updated spreadsheets based on the information received from Blue Hills Regional High School.

A motion made by Mr. Mauro that the Finance Committee set the School Department Operating Budget target number for FY22 at \$47,792,662 and the Municipal Operating Budget target number for FY22 at \$23,663,041 was seconded by Ms. Schutt.

In response to Mr. Cole's question about the deficit of \$2,954,833 on the Summary of Revenues and Expenditures worksheet, Mr. Scollins responded that this deficit was driven by various special appropriations that will be requested at Annual Town Meeting will have to be voted by the Finance Committee prior to ATM.

Mr. Scollins reported that the total reserves are \$18.2 million as of July 1, 2020 or 17.58% of FY21 general fund budgeted expenditures. The target ratio is 15%. If the Town is going to maintain this target ratio the maximum use of The reserves would be \$2,672,000 which is less than the approximately \$2.9 million of requests.

This is the position of the reserves before Annual Town Meeting decides to vote \$2.9 million of spending requests. He further reported that not all of the parties requesting a special appropriation at Town Meeting have provided a dollar figure yet. The funding for the Town Hall renovations will come from three sources: approximately \$300,000 from Community Preservation funds, \$1 million of borrowing and \$1.3 million from reserves.

The Diversity, Equity and Inclusion Committee FY22 budget request of \$3,500 is included in the municipal target budget number.

Ms. Thomas reminded the members that what they were being asked to vote on is the funds that are available to spend for the municipal and school operating budgets.

Roll Call Vote:

Mr. Wong	Aye	Mr. Clough	Aye
Ms. Schutt	Aye	Ms. Thomas	Aye
Mr. Mauro	Aye	Mr. McKenna	Aye
Mr. Cole	Aye		

The motion passed 7-0-0.

Diversity, Equity & Inclusion Committee – FY22 Budget Request – Cynthia Holcombe, Chair

Chair McKenna welcomed back Ms. Holcombe, as Ms. Holcombe served on the Finance Committee for many years. Ms. Holcombe provided the following information regarding the newly-created Diversity, Equity & Inclusion Committee (DEIC) for which she is the Chair of the Committee:

- The Select Board created the DEIC on August 18, 2020. Members were appointed on September 29, 2020.
- The DEIC is made up of a diverse group of people including African American community, Indian American community, Disabled community, LGBTQ+ and Jewish community. There are 13 members with 11 appointed by the Select Board, 1 Police Department representative and 1 School Committee representative.
- The mission of the Committee is "to celebrate the traditions and values of the groups within our community and advocate for human and civil rights of all individuals of the Town of Canton through education, promoting community awareness and understanding of cultural differences and to eradicate barriers through equity and inclusion."
- The Committee has been working on the incidence response process. The goal is the recording and responding to incidences of hate that occur in the Town of Canton. The Committee will act as a resource and guide to community members when issues are reported and to provide them with the appropriate resources to ensure incidences are handled appropriately.

- The Committee is requesting \$3,500 for community outreach, events, education, training. They went to the Select Board with their request on February 16. The Select Board is supposed to be voting on the budget by the end of March.
- Ms. Holcombe reported that the Town of Sharon has a newly-formed diversity committee and the Town of Milton has a very active diversity committee.

At the time of the Finance Committee meeting Mr. Scollins stated that the Select Board has not taken a position on any of the operating budgets and therefore has not taken a vote on the Diversity, Equity & Inclusion Committee.

Ms. Thomas commented that she was glad to see the Committee is requesting a budget and congratulated her for her efforts in establishing this much-needed committee.

Board of Health – FY22 Budget Request – Barbara Reardon, Director of Public Health

Ms. Reardon thanked the Finance Committee for all of their support in the past year. Ms. Reardon explained that her main budget request for FY22 is to increase the hours of the Part-Time Assistant Public Health Nurse/Sanitarian, James Goodrich, from 19 hours to a Full-Time position of 35 hours, or an increase of 16 hours. Mr. Goodrich is currently paid at the rate of \$32.67 per hour. The 16 hours per week will equate to an annual increase of \$27,181. Since being hired in July of last year Mr. Goodrich has worked an average of 35.3 hours per week. Since January 1, 2021 Mr. Goodrich has averaged 45 hours per week. The lead nurse Cindy Bonner is a 20-hour a week employee and averages 55 hours per week. The part-time health nurse Judy Rowley is a 19-hour a week employee and averages 32 hours a week.

Ms. Reardon read a prepared statement to the Finance Committee (see meeting documents).

Many of the Board of Health staff are working above and beyond their regularly-scheduled hours. Once the CARES Act, FEMA and vaccination funding ends the combined 132 employee hours per week of Ms. Bonner, Ms. Rowley and Mr. Goodrich will be reduced to 52 hours.

Ms. Reardon emphasized that once COVID has ended their workload will have not ended. The Board of Health had a role in the vaccination process up until the prior week. The State Public Health Department to stand up clinics and vaccinate individual eligible under Phase 1 and the beginning of Phase 2. The BOH was able to vaccinate first responders, health care workers and the 75+ group. The State informed the BOH that they were going to proceed with Massachusetts state vaccination sites.

Ms. Reardon explained that the Part-Time Public Health Nurse also serves as the Town's Sanitarian. Once the pandemic situation ceases it is her goal to expand the sanitarian side of the position to fulfill responsibilities that are not being met.

Mr. Mauro inquired that once the pandemic situation has slowed down and returned to more normal times would the increased 16 hours allow the Town to meet the demands of public need for services or would the Town still be at a deficit. Ms. Reardon reiterated that Mr. Goodrich's position is a Public Health Nurse/Sanitarian. Much of the role that Ms. Reardon is requesting is for the sanitarian side of the position. The Town has not done a tobacco inspection for several years and they should be done annually or twice a year for those businesses that sell tobacco. The Sanitarian will be able to focus more time on housing inspections, food inspections, pool inspections, camp inspections, complaint-based inspections, trash inspections and public outreach community events, etc.

Chair McKenna inquired about the Board of Health's budget request of \$13,000 SNARC. This is the South Norfolk County Association for Retarded Citizens business based out of Westwood, MA serving handicapped individuals, individuals with special needs that are beyond school-age assistance and support to families in need of services. Chair McKenna noticed that last year there was a budget for SNARC but no funds had been used to date.

Ms. Reardon stated that the Board of Health needs to replace walkie talkies and that they are waiting for an opportunity to submit a request.

Department of Public Works and Water & Sewer Enterprise Funds – FY22 Budget Requests – Mike Trotta, Superintendent of Public Works

Mr. Trotta stated that the main item impacting his budget is the need for meeting the requirements of the new unfunded federal mandate MS4 (Municipal Separate Storm Sewer System) stormwater permit. Mr. Trotta is seeking a \$612,000 total increase to his budgets for FY22.

The following are the details to the \$612,000 request:

- Highway Maintenance - Four new stormwater positions - \$277,000. These positions would allow the Town to do work on street sweeping, catch basin cleaning, catch basin repairs, outfall cleanings, culvert cleanings, stream maintenance, cleaning and flushing of drainage lines. Mr. Trotta is also in support of hiring a Stormwater Manager, which position is typically around \$85,000 to \$90,000. There are some monies available now to pick up some of these costs.
- Highway Maintenance - Stormwater testing supplies - \$80,000 (increase in testing and outfall inspections). Tests can run \$400 per test. The Town has 163 stormwater outfalls under this permit. One-half of them must be tested every other year.
- Highway Maintenance - Pipes, Guardrails, Etc. - \$40,000 increase for total budget line item total of \$49,800 for stormwater.
- Engineering – Stormwater BMP (Best Management Practices) - \$205,000. Must inspect 200+ storm drains. The Town is in Year 3 of a 5-Year permit. By the end of Year 4 the Town must have one BMP in place.
- Street Signs & Traffic – Additional need for traffic signs - \$10,000 increase from \$14,000 to \$24,000 due to a shortfall in the budget. There are also three new sets of traffic signals to be brought on line before the end of the year (Randolph & Washington Street intersection, Norfolk and Neponset Street intersection and Sherman and Pleasant Street intersection).

Chair McKenna inquired if the Town did not comply what would be the consequence. Mr. Trotta was uncertain as to the exact consequence, but in theory since the early 1990s for towns greater than 50,000 in population the federal government stated that these towns would have to have a permit to discharge their drainage into navigable waters. A permit was written to MS4 for smaller municipalities in 2003. That permit expired in 2008. It took another 8-9 years to gather a consensus from all the parties involved to write the next permit. In 2016 the Conservative Law Foundation sued the DEP and EPA and recently came to an agreement last year. The modified agreement went into effect in January 2021. In theory the federal government could not allow the Town of Canton to discharge into the Neponset River or the East Branch River. This may not happen in reality but there would be a fine. Under the first 2003 permit they fined Fall River \$180,000 and the Town of Canton \$50,000 and the Town of Concord \$50,000. The purpose of the permit is to control what a town is dumping into rivers and streams.

Chair McKenna inquired about the Snow and Ice budget. Mr. Trotta reported that the Snow & Ice budget is overspent by approximately \$172,000. There has been 53" of snow so far this season.

Mr. Trotta is very proud of his staff. Everyone in his department has been working as well as working outside since the COVID pandemic started. Chair McKenna thanked Mr. Trotta for his dedicated staff.

Funding of MS4 – Mr. Aspinwall inquired about addressing the funding of MS4 and the options of forming a utility. If the Town did not want to fund a stormwater utility out of the General Fund the Massachusetts General Laws allows towns to create a stormwater utility, similar to a water/sewer utility. At an Annual Town Meeting a few years ago the Town of Canton adopted a stormwater by-law which included the Select Board having the right to establish a stormwater utility. There are several ways to establish the utility: Figure out what the standard unit of impervious surface is on an average-sized residential unit. Non-profit companies such as Massachusetts Hospital School, Massasoit, Blue Hills Regional High School and churches are required to pay under a stormwater utility. The other method would be to estimate sheet flow and develop tiers, similar to water/sewer billing tiers. Another method would be a straight fee to everyone. The law also states that you have to offer credit opportunities to people that are cleaning up properties (with a BMP). There are approximately 1,600 and 2,000 utilities in the country and 12-18 in New England - Milton, Millis, North Reading, Chicopee, Bangor Maine and two in Vermont. The stormwater utilities would be similar to the Water and Sewer Enterprise Funds.

Mr. Aspinwall explained that he brought up the funding issue because there are two very large budget requests for FY22 for unfunded mandates – Police (\$200,000) and Highway Maintenance (\$600,000). The Town may have to

start looking at new revenue sources or the Town will be fined such as they have already been fined. The federal government is checking because they have been sued by the Conservation Law Foundation and in turn look to the local government for addressing the situation.

The actual cost for a stormwater management program is \$1.2 million. The Town is currently spending approximately \$500,00 in the budget on stormwater management (street sweeping, catch basin cleaning, catch basin rebuilding). The \$612,000 is the delta between what should be done and what the Town is currently doing.

Mr. Aspinwall suggested that the first thing to do is determine if the Town can absorb these costs under the existing budget. The Town needs to have someone in charge of this program. Perhaps a new division of the Department of Public Works with a person in place to be in charge of plans and implementation in the first year would be progress.

Sewer Enterprise Fund – FY22 Budget Request

Mr. Trotta is seeking an additional \$15,000 for software licenses and software upgrades. This is being split between water and sewer - \$15,000 for sewer and \$20,000 for water.

Water Enterprise Fund – FY 22 Budget Request

The total FY22 budget request for the Water Enterprise Fund is \$123,000. The \$123,000 is for the following items:

- Repair/Maintenance of Wells – An increase of \$68,000 from \$32,000 to \$100,000 for a renewable well cleaning. The first year is approximately \$68,000 per year for well maintenance.
- Repair/Maintenance of Equipment – Mr. Trotta is seeking an increase of \$25,000 from \$125,000 to \$150,000 due to additional need as the budget has been short in this line item.
- Software Maintenance - \$20,000 software water share for software upgrade from \$15,000 to \$35,000. Employee is using electronic reporting, through entering data into an iPad thus the software has to be upgraded.
- New Budget Line Item – Water Tank Maintenance - \$10,000 request for creating a tank maintenance start up program. Asking for a \$3.2 million capital improvement project for Water Storage Tank Maintenance Program (15 year with 5-year option to do asset management for the five water tanks.)

Approval of Minutes

A motion made by Ms. Schutt to approve the February 10, 2021 minutes as written was seconded by Mr. Mauro.

Roll Call Vote:

Mr. Wong	Aye	Mr. Clough	Aye
Ms. Schutt	Aye	Ms. Thomas	Aye
Mr. Mauro	Aye	Mr. McKenna	Aye
Mr. Cole	Aye		

The motion passed 7-0-0.

Next Meeting Date – The next Finance Committee meeting via remote will take place on March 3, 2021.

Adjournment - A motion made by Ms. Schutt to adjourn the meeting at 8:31 p.m. was seconded by Mr. Wong.

Roll Call Vote:

Mr. McKenna	Aye	Mr. Mauro	Aye
Ms. Thomas	Aye	Ms. Schutt	Aye
Mr. Clough	Aye	Mr. Wong	Aye
Mr. Cole	Aye		

The motion passed 7-0-0.

Minutes reviewed by: Dan Cole

Respectfully submitted,



Timothy McKenna
Chair, Canton Finance Committee

**Canton Finance Committee Meeting
February 24, 2021**

Please note: Some meeting documents may be found on the Town's website under the Posted Minutes section (Laser Fiche).

Agenda for February 24, 2021 (1 page).

See the below link for detailed information regarding the FY22 budget requests discussed during the meeting.

<https://www.town.canton.ma.us/DocumentCenter/View/7526/FY22-Municipal-Budget---Dept-Requests---Jan-2021>

The following documents were referred to during the Finance Committee meeting:

- Updated Budget Milestone Calendar dated 1/14/21(1 page).
- Summary of General Fund Revenues & Expenditures dated 2/11/21 (1 page).
- Process Used to Establish Operating Budget Targets (1 page).
- Municipal Operating Budgets w/updates highlighted in yellow dated 2/11/21 (2 pages).
- Fixed Costs and State & County Charges w/update to Blue Hills Reginal Assessment highlighted in yellow dated 2/11/21 (1 page).
- Enterprise Funds Operating Budgets dated 2/11/21 (1 page).
- Municipal Capital Requests dated 1/14/21 (1 page).
- School Capital Requests dated 11/17/20 (2 pages).
- Capital Capacity Plan (1 page)
- Capital Set Asides dated 2/12/21 (1 page).
- Estimated Cash Reserve Balances dated 2/12/21 (1 page).

Prepared Statement of Barbara Reardon, Director of Public Health regarding FY22 Budget.