

**Finance Committee Members Present:**

Christos Arsondiadis, Rob Barker, Dan Cole, Cynthia Holcombe, Emilio Mauro, Tim McKenna, Barbara Saint André, Cindy Thomas and Wai Wong.

**Finance Committee Members Absent:** All members were present for the meeting.

**Guests Present:**

Aidan Maguire, School Committee, Blue Hills Regional Technical School  
Steven Moore, Assistant Superintendent for Business & Personnel, Blue Hills Regional Technical School  
James Quaglia, Superintendent-Director, Blue Hills Regional Technical School  
James Murgia, Finance Director  
Ellen Jones, Finance Committee Secretary

**Opening:** A meeting of the Canton Finance Committee was called to order by Chairman Barker at 7:04 pm. on Wednesday, March 27, 2019, in the Salah Meeting Room of Town Hall.

**A. Approval of Agenda**

Chairman Barker welcomed Bob Panico, Vice Chair of the Planning Board, and Laura Smead, Town Planner. Chairman Barker reviewed the items on the agenda.

**B. Announcements**

There were no announcements.

**C. New Business**

**Discussion with James Quaglia, Steven Moore and Aidan Maguire of Blue Hills Regional Technical School regarding the FY20 Budget, FY20 Assessment and Building Project** (see meeting documents)

Mr. Quaglia started the conversation regarding the Blue Hills Regional Technical School FY20 operating budget by offering the following comments:

- The Administration focused on building a budget that is responsible, realistic and responsible to the student needs.
- Bargaining agreements were negotiated with a 1% salary increase per year for three years. FY20 is the final year of the three years.
- Budget growth for FY20 was limited to 2.1%. No positions were added or cut.

Mr. Moore continued the discussion of the Blue Hills budget as follows:

- Excess & Deficiency (E&D), also known as free cash, is annually capped at year end at 5% of its operating budget for the following year. Funds in excess of the 5% must be used to offset the municipal assessments for the following year.
- \$500,000 of E&D was used to reduce the impact of the FY20 operating budget on the Town assessments. This resulted in a \$100,449 reduction in the overall assessment.
- The school district applied \$500,000 of its capital budget to reduce capital debt assessments from \$2,096,068 to \$1,596,068. The \$1,596,068 represents the total renovation assessment for FY20.

Canton's share of the \$1,596,068 is \$116,608. As more debt is borrowed over 30 years for the building renovation project, the \$116,608 will slowly increase every year.

- The school district is allocating \$200,000 to its stabilization fund for FY20.
- Mr. Moore referred the Finance Committee to the FY20 Municipal Assessments on page 5 of the Proposed Assessment Guide (see meeting documents).
- The State's estimated required contribution towards Canton's assessment is \$976,793. The \$976,793 is 7.3% of the total Blue Hills operating budget assessment to member towns of \$4.2 million.

Mr. Maguire, Canton's representative on the School Committee, stated that not only was the building renovation project adding \$116,608 to Canton's assessment but also the student enrollment for Canton increased from 61 students to 67 students. Even though the total enrollment was relatively flat from 863 students as of 10/1/27 to 864 students as of 10/1/18 with the total assessment increasing 10.26%, Canton's 19.92% total assessment increase is due to the student enrollment and borrowing for the building renovation project.

- If Blue Hills were to receive additional funding from the state for requirement contribution from the final Governor's budget, member communities' assessments would be reduced. If the funding from the Governor's budget is lower than Blue Hills has budgeted for, Blue Hills would absorb the increase. The increase would not be passed along to the communities.
- The building renovation project is scheduled to be at substantial completion sometime around November 2019. Blue Hills has spent \$35,464,101 on the renovation project, been reimbursed \$17.9 million from MSBA and has borrowed \$22.9 million.
- Massachusetts School Building Assistance (MSBA) is estimated to reimburse Blue Hills approximately 55.8%. If the MSBA disallows some of the items submitted for reimbursement the reimbursement rate could be approximately 50%.

Mr. Quaglia stated that the students were dealing well with the on-going building renovation project and have become adaptable to changes. Mr. Quaglia further stated that he would be retiring in mid-September and thanked the Finance Committee for 12-13 years of budget discussions.

Chairman Barker thanked the Superintendent for his years of service. The discussion with representatives from the Blue Hills Regional Technical School ended at approximately 7:45 p.m.

#### **D. Other Business/Open Issues**

The Finance Committee voted on the following 2019 Annual Town Meeting articles:

#### **Vote - Articles 2 Motion 2 – Adopt Rules to Govern Town Meeting – Non-Resident List**

**A motion made by Ms. Holcombe that the following individuals be granted all of the rights and privileges of participation in this Annual Town Meeting, except the right to vote, under any article of this warrant which affects matters within their jurisdiction:**

**Charlie Aspinwall, Town Administrator  
David Brauning, Principal, Lt. Peter M. Hansen Elementary School  
Debra Bromfield, Director of Student Services  
Steve Choiniere, Supervisor of Facilities and Grounds  
John Ciccotelli, Director of Public Health  
Paul R. DeRensis, Town Counsel  
Jennifer Fischer-Mueller, Superintendent of Schools  
Derek Folan, Principal, Canton High School  
Elizabeth Francis, Parks & Recreation Director  
Tom Houston, Professional Services Corporation, PC**

Louis Jutras, Information Systems Manager  
 Patricia Kinsella, Assistant Superintendent  
 Karen Lawlor, Administrative Assistant, Canton Planning Board  
 Brian Lynch, Facility Director  
 Stephen Lynch, Representative in Congress  
 Christine McMahon, Principal, John F. Kennedy Elementary School  
 M. Regen Milani, Conservation Commission Agent  
 Steven Moore, Assistant Supt. for Business & Personnel, Blue Hills Reg. Technical School  
 James Murgia, Finance Director  
 Barry Nectow, School Business Administrator  
 Robie Peter, Principal, Dean S. Luce Elementary School  
 Kristen Phelps, Canton Community Preservation Committee Administrator  
 James Quaglia, Superintendent-Director, Blue Hills Regional Technical School  
 Michael Rak, Vice President, Spear Street Capital  
 Helena Rafferty, Deputy Police Chief  
 Barbara Reardon, Town Engineer  
 Debbie Rooney, Director of Teaching and Learning PreK-8  
 Tammy Rose, Resident, Article 27  
 Mark Roy, Executive Director, Canton Housing Authority  
 Laura Smead, Town Planner  
 Walter Timilty, State Senator  
 Michael Trotta, Superintendent of Public Works  
 Diane Tynan, Director of Council on Aging

Was seconded by Mr. McKenna.

Vote: 8-0.

Vote – Article 8 – Pay Prior Year Bills

A motion made by Mr. McKenna that the subject matter of Article 8 be indefinitely postponed was seconded by Ms. Holcombe. Vote: 8-0.

Reopen Vote – Article 12, Motion 10 - \$385,000 – Debt – Water Projects – Reduction of Amount to \$235,000

A motion made by Ms. Holcombe to reopen the vote previously taken for Article 12, Motion 10, was seconded by Ms. Thomas. Vote: 8-0.

A motion made by Mr. McKenna to reduce the amount for Year 5 of the water portion of the Integrated Water Resources Management Program Plan from \$200,000 to \$50,000 so that the motion reads as follows:  
 That Two Hundred Thirty Five Thousand Dollars (\$235,000) be appropriated to be spent by the Finance Director (in his capacity as Chief Procurement Officer) with the approval of the Department of Public Works Superintendent and the Board of Selectmen for the purposes of various water capital projects as set forth below and to meet said appropriation Two Hundred Thirty Five Thousand Dollars (\$235,000) be transferred from the water enterprise surplus (retained earnings)

<u>RECOMMENDATIONS</u>	<u>FINCOM AMOUNT</u>
Year 5 of the water portion of the Integrated Water Resources Management Program Plan	\$50,000
Demolish Storage Building at Pine Street	<u>185,000</u>
<b>TOTAL</b>	<b><u>\$235,000</u></b>

was seconded by Ms. Holcombe. Vote: 8-0.



**Vote – Article 15 – Insurance Proceeds greater than \$150,000**

A motion made by Ms. Holcombe that the subject matter of Article 15 be indefinitely postponed was seconded by Mr. McKenna. Vote: 8-0.

**Vote – Article 17 – Increase Stabilization Fund** – Chairman Barker stated that the amount transferred at Annual Town Meeting into the Stabilization Fund is usually around \$500,000. At last year's Annual Town Meeting \$500,000 was transferred into the fund. Town Meeting requires a 2/3 vote to transfer money out of the Stabilization Fund.

Ms. Saint André joined the Finance Committee meeting at approximately 7:52 p.m.

A motion made by Ms. Holcombe that the sum of Five Hundred Thousand Dollars (\$500,000) be transferred for the Fiscal Year ending June 30, 2019 from Free Cash (Undesignated Fund Balance) of the Town to the Town Stabilization Fund was seconded by Mr. Cole. Vote: 9-0.

**Vote – Article 19, Motion 9 – Community Preservation - \$200,000 – Bolivar Pool Project** – Chairman Barker explained that this motion was linked with the motion being proposed under Article 20 for a debt exclusion override vote with the amount to be determined. If Article 19, Motion 9, passes at Town Meeting but Article 20 fails, a Special Election is still planned for a debt exclusion override vote for the Bolivar Pool project.

A motion made by Mr. McKenna that the sum of Two Hundred Thousand Dollars (\$200,000) be appropriated to be spent by the Chief Procurement Officer with the approval of the Board of Selectmen to fund costs to replace the Bolivar Pool and to fund this appropriation Two Hundred Thousand Dollars (\$200,000) be transferred from the Undesignated Fund Balance Reserved for Community Preservation Act provided however that this appropriation shall not take effect unless a motion to fund the totality of proposed repairs to Bolivar Pool pursuant to Article 20 of this warrant is favorably acted upon and, if applicable, funded through favorable action by ballot of a debt exclusion override so that this motion for Community Preservation fund appropriation becomes a component part of the overall appropriations of the funds deemed necessary by town meeting to accomplish the totality of proposed repairs to Bolivar Pool was seconded by Ms. Holcombe. Vote: 9-0.

**Vote – Article 21 – Special Tax Agreement with Spear Street Capital**

A motion made by Ms. Saint André that the motion for Article 21 be approved as written in the warrant was seconded by Ms. Holcombe. Vote: 9-0.

The Finance Committee had been presented with the following motion in the warrant:

Moved that (a) \$\_\_\_\_\_ be appropriated for the purpose of designing, permitting, environmental cleanup, reconstructing, constructing, repairing and equipping of the town facility known as the Bolivar Pool Aquatic Center located at 199 Bolivar Street in the Town of Canton, and to meet this appropriation the Treasurer of the Town, with the approval of the Canton Board of Selectmen, is hereby authorized to borrow (and to issue bonds or notes of the Town therefore) \$\_\_\_\_\_, provided however, that this appropriation taken hereunder shall not take effect unless or until a ballot question is voted by the voters to exempt the debt from the limitations of proposition two and one half so called in accordance with the provisions of G. L. c. 59 section 21C(k), and

(b) that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed or to pay such costs by a like amount, and further

(c) That the Canton Board of Selectmen and the Canton Building Renovations Committee are authorized jointly to expend all sums therefore, including a separate appropriation made pursuant to Article 19, Motion 9 of the May 13 2019 Annual Town Meeting.

At the time of their vote the dollar amount was unknown. Mr. Porter, Chairman of the Board of Selectmen, and Mr. Aspinwall, the Town Administrator, are supposed to be meeting with the Finance Committee at their meeting on April 2 to discuss the total project cost of the Bolivar Pool.

**Reopen Vote – Article 28 – Adopt Chapter 337 of the Acts of 2018 – Revised Motion**

**A motion made by Ms. Saint André to reopen the vote previously taken on Article 28 was seconded by Ms. Holcombe. Vote: 9-0.** Ms. Saint André proposed a simplified motion. The simplified motion is to just accept the statute and does not propose and by-law changes at this time. Article 28 is not a Planning Board article but an article proposed by the Board of Selectmen. A number of sections of the Ac will be self-activating.

**A motion made by Ms. Saint André that the Town adopt Chapter 337 of the Acts of 2018 relative to the short term rental of residential property made through internet hosting platforms was seconded by Mr. McKenna. Vote: 9-0.**

**Article 31 – Acceptance of Cedarcrest Road Extension as a Town Way**

**A motion made by Ms. Holcombe that the subject matter of Article 31 be indefinitely postponed was seconded by Ms. Thomas.**

The Committee received a copy of an email from Mr. Aspinwall that there are outstanding items with regard to the street acceptances under Article 31 and Article 32 – completion of the as-built plans, completion of work associated with the order of conditions issued by the Conservation Commission and a certificate of completion.

Mr. Mauro confirmed that if these projects were not approved at 2019 Annual Town Meeting the streets would remain private. Minimum services would be provided as with other private ways. The Streets could be presented at the following Town Meeting for acceptance.

**Vote: 9-0.**

**Article 32 – Acceptance of Beatrice Way as a Town Way**

**A motion made by Ms. Holcombe that the subject matter of Article 32 be indefinitely postponed was seconded by Mr. Wong. Vote: 9-0.**

**Vote – To recommend Dan Cole to be the Finance Committee representative on the Water & Sewer Rate Committee**

Mr. Cole had volunteered at previous Finance Committee meeting to succeed Ms. Thomas as the representative on the Water & Sewer Rate Committee. This vote is so the Board of Selectmen can formalize Mr. Cole's appointment.

**A motion made by Mr. Mauro to recommend Mr. Cole to the Board of Selectmen as the Finance Committee representative on the Water & Sewer Rate Commission was seconded by Ms. Holcombe. Vote: 9-0.**

**E. Approval of Minutes**

**A motion made by Mr. McKenna to approve the minutes for March 11, 2019 as written was seconded by Ms. Holcombe. Vote: 8-0-1.** Ms. Saint André abstained.

**A motion made by Mr. McKenna to approve the minutes for March 13, 2019 as written was seconded by Ms. Holcombe. Vote: 8-0-1.** Ms. Saint André abstained.

A motion made by Mr. McKenna to approve the minutes for February 25, 2019 as written was seconded by Ms. Holcombe. Vote: 7-0-2. Ms. Saint André and Ms. Thomas abstained.

The Finance Committee did not take action on the March 18, 2019 minutes.

**F. Next Meeting Date:**

The next Finance Committee meeting will take place on Tuesday, April 2, 2019.

**Adjournment:** A motion made by Ms. Saint André to adjourn the meeting at 8:20 p.m. was seconded by Ms. Holcombe. Vote: 9-0-0.

Minutes reviewed by: Cindy Thomas

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rob Barker', is written over a horizontal line. The signature is stylized and cursive.

Rob Barker  
Chairman, Canton Finance Committee

**Canton Finance Committee Meeting  
Wednesday, March 27, 2019  
Meeting Documents**

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

**Some of the Municipal and School Department budgets or Annual Town Meeting documents referred to in Finance Committee meetings may be found on the Finance Committee page of the Town's website.**

Agenda for March 27, 2019. (1 page).

Estimated Cash Reserves provided by Jim Murgia, Finance Director, dated 3/27/19 (1 page).

Blue Hills Regional Technical School, Member Town Proposed Assessment Guide 2019-2020, dated 2/1/19 (17 pages).

Blue Hills Regional Technical School, Proposed 2019-2020 Operating Budget, dated 2/11/19 (25 pages).

Draft motion for Article 2, Motion 2 – Adopt Rules to Govern Town Meeting – Non-Resident List (1 page).

Draft motion for Article 8 – Pay Bills of Prior Fiscal Year (1 page).

Revised motion for Article 12, Motion 10 – Year 5 of Integrated Water Resources Management Program Plan (2 pages).

Draft motion for Article 15 – Insurance Proceeds (1 page).

Draft motion for Article 17 – Increase Stabilization Fund (1 page).

Draft motion for Article 19, Motion 9 – Community Preservation - \$200,000 – Bolivar Pool Project (1 page).

Draft motion for Article 21 – Special Tax Agreement with Spear Street Capital (1 page).

Special Tax Assessment Agreement by Town of Canton with 1895 JW Owner, LLC; Parcel 3 at One Orchard Way, Canton, MA; dated 3/12/19 (5 pages).

Memorandum of Understanding between Town of Canton and 1895 JW Owner, LLC; dated 3/12/19 (3 pages).

Revised motion for Article 28 – Short Term Rentals (2 pages).

Articles 31 & 32 – Street Acceptances – Cedarcrest Road Extension & Beatrix Way; Memorandum from Mr. Aspinwall regarding status of street acceptances (3 pages).