



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

Minutes Voted on: 4/6/22  
Vote: 6-0-1

**Meeting Minutes**  
**March 30, 2022**

**Finance Committee Members Present:** Dave Clough, Dan Cole, Karen Foley, Emilio Mauro, Tim McKenna, Reuki Schutt and City Thomas.

**Finance Committee Members Absent:** Tom Emery.

**Guests Present:**

Ellen Jones, Finance Committee Recording Secretary  
Steven Larrabee, Resident (Article 23)  
Randy Scollins, Finance Director

**Call Meeting to Order:** Chair McKenna called the virtual meeting to order at 7:02 p.m.

**Article 17 Motion 5** – Mr. Scollins reported to the Committee that there was a slight modification to Motion 5 since they voted 7-0-1 to support the motion at their meeting on March 23. Town Counsel had reviewed the motion and recommended that the motion should address who the hiring authority would be for hiring a part-time Housing Coordinator. The Affordable Housing Trust met the day prior to the Finance Committee meeting and unanimously agreed to add “under the hiring authority of the Select Board” language to the motion. Mr. Scollins did not think the Finance Committee had to revoke the motion.

**Use of Premiums Applied to Costs of Issuance of Bonds or Notes - Language in Motions** - Mr. Scollins stated that Town Counsel had clarified to him that there had been change in the Massachusetts General Laws with regard to municipal finance laws. Language regarding premiums automatically extinguish that amount of bond authorization. Town Counsel advised us to remove the language from Article 15 Motions 4, 5, 6, 7, 8 and 9. This is a technical update and does not change the intent of the motion.

**Article 22 – Appropriation to Supplement the Budget for Memorial Hall Exterior Renovation** – Mr. Scollins updated the Committee regarding a meeting he recently attended with the Buildings Renovations Committee, the Town’s Owners Project Manager(OPM) and the Architect to review the cost estimates for the \$2.6 million previously allocated for the Memorial Hall Exterior Renovation project and if there were additional funds needed for the project. The OPM did a cost estimate. The Buildings Renovations Committee hired a consultant to perform a cost estimate. A 95% cost analysis was done. The hope is to have a 100% bid project out with the intent of bringing bids in just before Annual Town Meeting. Mr. Scollins shared on the screen a chart comparing the 95% cost estimates against the prior cost estimates. The group that met was uncomfortable with the contingency cost at only 10% and decided to double it to 20%. The original total cost estimate for the project was \$2,732,408 as compared to \$2,618,729 under the 95%. The project was originally approved for a \$2.6 million budget. The group is comfortable recommending a \$300,000 budget supplement by transferring \$300,000 from the Bolivar Pool Project Fund (BPPF). This would leave a \$177,801 balance in the BPPF after the transfer.

Mr. McKenna asked what the 95% cost estimate meant. Mr. Scollins explained that the OPM and Architect go through the process of estimations along the milestones of the project, such as 50%, 80%, 90%. Typically a third party is hired to do an in-depth estimate if it is anticipated that more funding is needed. The 95% estimate is usually based on the market. There would never be a 100% estimate until you go out to bid on the project.

The \$2.6 million approved for the project came from multiple sources such as free cash, borrowing and Community Preservation CPA funds. If there is any balance remaining from the \$300,000 supplement it would remain with the project account. A capital fund balance may be used for another capital project but only if it is approved for that other use at an Annual Town Meeting.

Mr. Mauro inquired if since the last inspections of the Memorial Hall were done if the needs for the project have been affected by any cost increases or any additional repairs. Mr. Scollins did not hear of any issues in the most recent analysis of the building. He was not aware of any dramatic changes with the condition of the building.

**A motion made by Mr. Mauro for Article 22 that the Finance Committee recommend to Town Meeting that \$300,000 be transferred from the surplus in the Bolivar Pool Project Fund into the Memorial Hall Exterior Renovation Project Fund as written in the warrant was seconded by Ms. Schutt.**

**Roll Call Vote:**

<b>Ms. Schutt</b>	<b>Aye</b>	<b>Ms. Thomas</b>	<b>Aye</b>
<b>Mr. Mauro</b>	<b>Aye</b>	<b>Mr. McKenna</b>	<b>Aye</b>
<b>Ms. Foley</b>	<b>Aye</b>		

**The motion for Article 22 passed 5-0-0.** Mr. Clough and Mr. Cole were not yet present at the meeting at the time the vote was taken.

**Discuss and Vote – Article 43 - Motions 1 and 2 – FY23 Operating Budget** – The Town Administrator had a personal commitment and asked Mr. Scollins to present the budget to the Finance Committee. Mr. Scollins reported that the Select Board unanimously supported the recommendation for the budget that was being presented to them. The following are some of the highlights from the budget presentation:

- The municipal target number is slightly higher than what the Revenue Committee had voted in February.
- When the State Aid revenue estimate came in there was an issue with the Veteran's Benefits the Town receives. The formula used to certify the funds had significantly changed, thereby changing the Veteran's figure usually seen on the Cherry Sheet.
- Mr. Scollins shared on the Zoom screen an exhibit with information regarding the benefits certified for halfway through the year (July 2021 through December 2021) is \$31,657 and the Veterans' pro-rated benefits amounts for the next six months (January 2022 through June 2022 to be \$32,736. He obtained the pro-rated amounts in the on-line system with the state. He is expecting approximately \$64,392 versus \$32,376.
- Mr. Scollins spoke with Mr. Marshall, Director of Finance for School Operations, to see if he had any concerns with increasing the municipal side of the budget by \$32,378. Mr. Marshall had no issue with increasing the municipal budget. Mr. Scollins stated that benefit cases the Veterans' Agent handles are down. Usually the Town receives approximately \$100,000 in reimbursement from the state instead of \$64,000. **The additional \$32,378 has been incorporated into the total municipal budget of \$25,025,058.**

Mr. Scollins continued with the discussion regarding the FY23 Municipal Budget as follows:

- Mr. Scollins shared on the Zoom screen a Summary of FY23 Municipal Incremental Budget Request Reductions Needed to Balance the Budget.
- Unfortunately, **all four new position requests (\$253,139) had to be cut:** Assistant Town Planner, Deputy Fire Chief, Part-Time Veterans' Assistant and Young Adult Assistant for the Library.
- **Requests for all additional hours totaling \$60,292 had to be cut as well:** promotion to Community Director for the Town Planner, Social Worker for Elder Human Services and the Contract Administrator for the Paul Revere Heritage Trust.
- Mr. Scollins reported that he had kept everyone informed during the budget process.
- No one disagrees about the merits of the new positions being requested or the increased hours being requested but in order to balance the budget the new positions and increased hours had to be cut.
- There were **\$98,642 of other expenses that had to be reduced** as well including such items as advertising expenses, overbudgeted gas and oil expenses and communication expenses.
- Electricity budgets were reduced as appropriate due to new lower rates the Town is receiving.
- **The total reductions to incremental requests to bring the budget in balance was \$452,065.**

Mr. Scollins shared on the screen a 3-page exhibit of the Municipal Operating Budgets by Department Number and the explanations for the reductions.

- The **total incremental overall municipal budget request is \$1,452,814** or a 6.05% increase from the base budget.
- Reductions totaled \$452,065 leaving a **\$1,000,750 net increase across all municipal budgets.**
- The **\$25,025,058 recommended municipal budget for FY23 represents a 5.96% increase.**
- Of the \$1,000,750 net increase, **approximately \$749 thousand or 75% of the increase went towards salaries. Incremental increases for expenses for FY23 estimated to be \$251,000.**
- On the Summary of FY23 Municipal Incremental Budget Request Reductions is a column that lists Other Available Non-Appropriated Fund with balances. Mr. Scollins stated that he does not suggest departments supplement their budgets using these other funding sources, although departments could. However any new positions or increase in hours for employees would have to go to the Select Board for approval.
- The Paul Revere Heritage Trust has a Revolving Fund balance of \$97,546 however this has been earmarked for use towards the \$1 million projected for the design work for the Museum interior.

Ms. Thomas commented that needs were identified during the budget process, such as the additional hours that were requested for the Social Worker and that the real need in the community may not be filled within the budget. Mr. Scollins discussed the need to look harder in the next budget cycle and that these human resource requests might be included in the next budget cycle.

Mr. Scollins confirmed for Mr. Clough that **there was no reduction in revenue estimates** but there was a reduction in incremental spending requests. Mr. Scollins stated that the question to ask is why this scenario came up this year on the municipal side. This year the Town has seen a **significant increase of \$560,000 in the Fixed Costs budget** for Dept. 990 due to the requirement to set aside tax revenues for the DIF funding (Paul Revere Heritage Park infrastructure). This is based on a formula and if it were not in place approximately \$200,000 would've been available for the municipal side of the budget. Dept. 990 budget estimate for FY22 of \$96,106 increased to an estimate of \$656,011 for FY23. This was due to a number of housing units being completed and being brought on line with regard to tax revenues.

Another area in the revenue forecast process that was not increased was the FY23 estimated local receipts of \$8.8 million as compared to \$8.8 million estimate for FY22. Mr. Scollins stated that last year the Town was stretched on the use of local receipts. He is looking at trends to be able to grow into that level of local receipts. If it was prudent to increase the local receipts estimate for budgets, approximately \$150,000 may have been available in that area of revenue.

With regard to the FY 23 budget Mr. Scollins further discussed the following:

- **Total revenues for FY23 are estimated at \$112,729,475.**
- The operating budget for FY23 for the **School Department is \$50,658,405 or a 6% increase.**
- The operating budget for FY23 for the **Municipal Departments is \$25,025,058 or a 5.96% increase.**
- **Total expenditures for FY23 is \$115,707,475.** This includes a \$1.25 million transfer to stabilization funds and \$1.728 million of special appropriations. Of the \$1.728 million, \$1.5 million is being recommended for the Galvin Middle School feasibility study under Article 24.

With regard to the Water and Sewer Enterprise budgets, adjustments were made to the water (decrease of approximately \$100,000 for FY23) and sewer (increase of approximately \$240,000 for FY23) Massachusetts Water Resources Authority (MWRA) assessments to reflect where the MWRA estimates are at the present time. Mr. Scollins and DPW Superintendent Mike Trotta are comfortable with the MWRA estimates.

With regard to the Rink Enterprise budget, the Town recently received good news that it will receive \$752,000 in Federal Emergency Management Agency (FEMA) funds related to the disaster that occurred with the Rink collapse several years ago. These funds were applied for under a different guise than initially applied for. The Town Accountant clarified with the Department of Revenue that the \$752,000 funds can go directly into the Rink Enterprise Fund. Mr. Scollins stated that these funds can be used towards paying the \$2 million in debt that the Town had to borrow for the project and it is an allowable use to cover the \$109,351 per year debt service payment. These funds will not be used for FY23 because the funds have to be certified by the DOR first.

**Article 43 Motion 1 - Vote**

A motion made by Mr. Mauro to recommend that the following sums of money be transferred to the General Fund in Fiscal Year 2023 in order to fund the Town's annual operating budget was seconded by Ms. Thomas.

<b>Vote to Transfer Available Funds</b>		
<b>MOVED THAT \$2,870,617 BE TRANSFERRED AS FOLLOWS:</b>		
<u>TRANSFER FROM</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
AMBULANCE SERVICE	\$1,000,000	FIRE DEPARTMENT
WATER ENTERPRISE FUND	742,455	FIXED COSTS
SEWER ENTERPRISE FUND	429,495	FIXED COSTS
SOLAR FACILITY	384,026	TOWN-WIDE ELECTRICITY
AMBULANCE SERVICE	187,550	DEBT SERVICE
SCHOOL FOOD SERVICE	40,125	SCHOOL COSTS
GREENLODGE STREET PARKING FEES	35,000	EXECUTIVE OFFICE
RINK ENTERPRISE FUND	28,171	FIXED COSTS
SALE OF LOTS/GRAVES	10,000	CEMETERY MAINTENANCE
BOND PREMIUM FUND	8,795	DEBT SERVICE
CEMETERY PERPETUAL CARE (EXPENDABLE)	5,000	CEMETERY MAINTENANCE
<b>TOTAL</b>	<b><u>\$2,870,617</u></b>	

**Roll Call Vote:**

<b>Ms. Schutt</b>	<b>Aye</b>	<b>Mr. Clough</b>	<b>Aye</b>
<b>Mr. Mauro</b>	<b>Aye</b>	<b>Ms. Thomas</b>	<b>Aye</b>
<b>Ms. Foley</b>	<b>Aye</b>	<b>Mr. McKenna</b>	<b>Aye</b>
<b>Mr. Cole</b>	<b>Aye</b>		

**The motion for Article 43 Motion 1 passed 7-0-0.**

**Article 43 Motion 2 - Vote**

**A motion made by Mr. Mauro that the following sums of money be raised and appropriated from the FY23 tax levy and other general revenues of the Town along with revenue sources listed in Motion 1 was seconded by Ms. Thomas.**

Mr. Mauro amended his motion.

**A motion made by Mr. Mauro that the following amounts be recommended by the Finance Committee to Annual Town Meeting for the FY23 budget**

<b>School Department</b>	<b>\$50,658,405</b>
<b>Municipal Departments</b>	<b>\$25,025,058</b>
<b>Fixed Costs</b>	<b>\$33,568,679</b>
<b>Rink Enterprise</b>	<b>\$404,462</b>
<b>Sewer Enterprise</b>	<b>\$6,825,989</b>
<b>Water Enterprise</b>	<b>\$8,611,037</b>

**was seconded by Ms. Thomas.**

**Roll Call Vote:**

<b>Ms. Schutt</b>	<b>Aye</b>	<b>Mr. Clough</b>	<b>Aye</b>
<b>Mr. Mauro</b>	<b>Aye</b>	<b>Ms. Thomas</b>	<b>Aye</b>
<b>Ms. Foley</b>	<b>Aye</b>	<b>Mr. McKenna</b>	<b>Aye</b>
<b>Mr. Cole</b>	<b>Aye</b>		

**The motion for Article 43 Motion 2 passed 7-0-0.**

**Article 4 – Consent Agenda** – Mr. Scollins stated that he has not heard from the Moderator yet about his suggestion for the Consent Agenda. A Pre-ATM meeting is scheduled for April 14 with the moderator. Zoning articles are not usually included in the Consent Agenda. Mr. Scollins left it up to the Committee to decide if they wanted to include Article 14 (Community Recognition Supplemental Funding) in the Consent Agenda.

**A motion made by Mr. Mauro that the Finance Committee recommend to Town Meeting that Articles 6, 9, 12, 14, 16, 18, 21 and 27 be included in the Consent Agenda was seconded by Ms. Thomas.**

**Roll Call Vote:**

<b>Ms. Schutt</b>	<b>Aye</b>	<b>Mr. Clough</b>	<b>Aye</b>
<b>Mr. Mauro</b>	<b>Aye</b>	<b>Ms. Thomas</b>	<b>Aye</b>
<b>Ms. Foley</b>	<b>Aye</b>	<b>Mr. McKenna</b>	<b>Aye</b>
<b>Mr. Cole</b>	<b>Aye</b>		

**The motion for Article 4 passed 7-0-0.**

**Discussion and Clarification of Articles 10, 11, 13, 20, 23, 28 and 31** – Mr. Scollins reported to the Committee that there are seven articles that he has additional information on, some that need no action and some that may be delayed for a vote until the Finance Committee meeting on April 6.

**Article 10 Motions 1 & 2 – Revolving Funds** – Draft motions for Article 10 were sent to Town Counsel for review. He suggested that the fiscal year mentioned in Motions 1 and 2 for a by-law change should be changed from 2022 to 2023 since the by-law changes would mostly likely not be approved by the Attorney General until August or September of Fiscal 2023. Amended motions have been sent back to Town Counsel for his review again leaving in Fiscal 2022 and adding the following language: “contingent upon the Attorney General’s approval”. Mr. Scollins is awaiting Town Counsel’s approval of the change to both Motions 1 and 2. The Finance Committee had already voted to support both of these motions.

**Article 11 – Insurance Proceeds** – The Finance Department checked with Ms. Kemalian of the Select Board’s office who stated the exact amount of the insurance proceeds that needs to be approved at Annual Town Meeting has not yet been determined. The estimator is still looking for one more piece of information about the Galvin Middle School water pipe break claim. Mr. Scollins stated that it was highly likely that the Town will not have the amount until the night of ATM. He suggested the Finance Committee wait until their meeting on April 6 at which time they can take a vote on Article 11 if the amount becomes available.

**Article 13 – Supplement to the Chapter 90 Program** – Town Counsel is drafting a motion for Article 13. This relates to the Top Golf project and a piece of land that will be needed for a traffic intersection. Mr. Scollins is anticipating the motion will be available for the April 6<sup>th</sup> Finance Committee meeting.

**Article 20 – Auction of Town-Owned Property Located at 25 Neponset Street** - The motion has been sent to Town Counsel for his review. The Finance Committee voted 6-2-0 to support this citizen-petitioned article.

**Article 23 – Acquire Easement Over 145 Sherman Street for Drainage Infrastructure & Conveyance of Stormwater Purposes** - The Finance Committee voted 4-2-0 to support this article. The Town is still in negotiations/discussion with the property owner and have not settled on an agreement yet. If new information becomes available by the April 6<sup>th</sup> Finance Committee meeting Mr. Scollins will share that information. Ms. Thomas stated that she was supposed to be writing the majority discussion for the Article but was not in attendance when the Article was discussed. Mr. Scollins had queried the Town Administrator for updated information. The Town is very interested in reaching an agreement with the property owner.

Mr. Clough stated that the property owner, Mr. Steven Larabee, was present at the virtual meeting. Mr. Larabee stated that he is completely cooperative in working with the Town but he stated Article 23 includes eminent domain language which he was not in favor of and was defeated at last year's Town Meeting. After the May 2021 Annual Town Meeting Mr. Larabee spoke with the Town in August and a survey was done in September. Mr. Larabee did not receive a response until March 2022. He is trying to understand what is equitable. He would like an estimate for tree removal. He also stated that it would be great but he has not seen a draft easement agreement yet. The legalese of the agreement has a lot to do with the decision being made.

Mr. McKenna shares Mr. Larabee's hope that an agreement can be made with the Town.

Ms. Thomas stated that if the motion were not approved at ATM the Select Board would not be in a position to be able to come to an agreement with the property owner, it would be another year before an agreement could be reached and they would not have the authority for another year. This easement agreement is not the Finance Committee's responsibility to negotiate. Ms. Thomas also stated that as a property owner she too would be worried about the eminent domain language and that the Town could offer an option that removes the eminent domain language. She is not in favor of this being delayed another year.

Mr. Clough inquired if the Select Board could use mitigation funds outside of ATM. Mr. Scollins stated that the Select Board could use mitigation funds but that the Select Board does not have the authority to obtain the easement without Town Meeting approval.

Mr. Larabee is hopeful that he and the Select Board will reach an agreement and that they will get close on a compensation number but that it is a "longer road" on the legalese of the easement.

Mr. Mauro stated that at a prior meeting the Town Administrator stated that if water flooded on the private property that there would be liability risks to the Town and that there is an urgency to have the stormwater issue resolved.

**Article 28 – Amend General By-Law Article X Section 6 – Canton Affordable Housing Trust** – Mr. Scollins stated that the discussion was ongoing with regard to the authority of contracts and type of contracts being under the Affordable Housing Trust or the Select Board. Mr. Scollins' expectation is that there will be a motion for the April 6<sup>th</sup> Finance Committee meeting.

Mr. Mauro commented that "contracts" is a rather broad term in the motion and that it should be determined on how it can be narrowed in the motion. An amendment would be focused on the mechanics to award contracts and that there should be a discussion on how to amend the language and which contracts under the Housing Trust to award should be proposed to the Select Board. It may come down to a dollar amount of the thresholds for which contracts are under the Housing Trust versus the Select Board.

**Article 31 – Acceptance of Revolution Way as a Town Way** – The Finance Committee voted unanimously to support the Planning Board's recommendation not to accept Revolution Way as a Town Way. The Select Board has not taken a vote on Article 31. Mr. Scollins was at the SB meeting at which Article 31 was discussed. The meeting was also attended by Dave McCarthy, Planning Board Chair, the Developer for the Paul Revere Heritage Site and the Town Administrator. Based on information received in a lengthy memo from the Town Engineer received by the Town Administrator and Select Board, there are many things that need to be discussed and gone through with the Developer before the Town can accept the way. The Finance Committee may or may not be able to revote on Article 31 prior to ATM. All parties must come to an agreement. The SB may recommend the acceptance of the way but only if all the conditions are met by the developer within 120 days of ATM. The Town is holding a \$500,000 bond on the project. Mr. Scollins does not anticipate that the Finance Committee will not have new information needed to be able to revote on Article 31 at their next meeting on April 6.

**Approval of Minutes** – The March 23<sup>rd</sup> minutes were not ready for approval.

The Finance Committee Report within the ATM document, being prepared by Mr. Scollins, will be ready for review at the meeting on April 6<sup>th</sup>

Finance Committee members should continue to work on their article discussions for the ATM document.

A new draft of the ATM document will be sent to Town Counsel for his review of the motions and discussions. This updated draft will be sent to Town Counsel after the Finance Committee meeting.

**Next Meeting Date:** The Finance Committee will meet virtually on Wednesday, April 6, 2022 at 7:00 p.m. They will also meet on Monday, May 9<sup>th</sup>, at 6:00 p.m. in the Canton High School cafeteria prior to Annual Town Meeting at 7:00 p.m.

**A motion made by Mr. Mauro to adjourn the meeting at 8:44 p.m. was seconded by Ms. Thomas.**

**Roll Call Vote:**

<b>Mr. Cole</b>	<b>Aye</b>	<b>Mr. Mauro</b>	<b>Aye</b>
<b>Mr. McKenna</b>	<b>Aye</b>	<b>Ms. Foley</b>	<b>Aye</b>
<b>Mr. Clough</b>	<b>Aye</b>	<b>Ms. Schutt</b>	<b>Aye</b>
<b>Ms. Thomas</b>	<b>Aye</b>		

**The motion to adjourn the meeting at 8:44 p.m. passed 7-0-0.**

Minutes reviewed by: Dave Clough

Respectfully submitted,



Timothy McKenna  
Chair, Canton Finance Committee

**Canton Finance Committee Meeting  
Meeting Documents  
March 30, 2022**

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

**Information regarding the FY23 Municipal Budget may be found at the following link:**

<https://www.town.canton.ma.us/407/Municipal-Budget-Capital-Information>

Agenda for March 30, 2022 (1 page).

Article 22 – Memorial Hall Exterior Renovations – Cost Estimates, dated 3/23/22 (1 page).

Veterans' Benefits FY23 – 6 Months Certified and 6 Months Prorated provided by Randy Scollins.

Memorandum from Randy Scollins, Finance Director, to Charlie Aspinwall, Town Administrator, dated March 23, 2022 regarding FY23 Budget Recommendations including the following documents:

Summary of FY23 Municipal Incremental Budget Request Reductions Needed to Balance (1 page)

Summary of Revenue and Expenditures, dated 3/21/22 (1 page)

FY23 Municipal Operating Budgets Summary, dated 3/22/22 (3 pages)

Fixed Costs and State and County Assessments (1 page).

Draft of Recommendations of the Finance Committee to the Voters of Canton as of 3/20/22.