



**Meeting Minutes  
July 12, 2023**

**Finance Committee Members Present:** Dan Cole, Karen Foley, Emilio Mauro, Tim McKenna, Kristin Mirliani and Cindy Thomas.

**Finance Committee Members Absent:** Dave Clough, Maureen Menconi and Reuki Schutt.

**Guests Present:**

Ellen Jones, Finance Committee Recording Secretary  
Randy Scollins, Finance Director/Treasurer/Collector

**Call Meeting to Order:** Ms. Thomas called the virtual meeting to order at 7:01 p.m.

Chair Thomas welcomed the Finance Committee's newest member, Kristin Mirliani. Ms. Mirliani comes to the Finance Committee with many years of experience having served on the Planning Board and the School Committee. The Finance Committee members introduced themselves to Ms. Mirliani.

Ms. Foley volunteered to review the minutes for the July 12, 2023 meeting.

**Reorganization of the Finance Committee – Election of Chair and Vice Chair**

Ms. Thomas opened the nominations for Finance Committee Chair.

**A motion made by Mr. Mauro to nominate Ms. Thomas to continue in her role as the Finance Committee Chair was seconded by Ms. Foley.**

**Roll Call Vote:**

<b>Mr. Mauro</b>	<b>Aye</b>	<b>Ms. Foley</b>	<b>Aye</b>	<b>Ms. Mirliani</b>	<b>Abstain</b>
<b>Mr. Cole</b>	<b>Aye</b>	<b>Mr. McKenna</b>	<b>Aye</b>	<b>Ms. Thomas</b>	<b>Aye</b>

**Roll Call Vote: 5-0-1.**

Ms. Thomas opened the nominations for Finance Committee Vice Chair.

**A motion made by Mr. McKenna to nominate Mr. Mauro to continue in his role as the Finance Committee Vice Chair was seconded by Ms. Foley.**

**Roll Call Vote:**

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

**Roll Call Vote: 6-0-0.**

Ms. Thomas thanked Mr. Mauro for his service to continue to serve as the Finance Committee's Vice Chair.

**End of Year Budget Transfer Requests – FY23 Budget Deficits**

Mr. Scollins explained that the Select Board voted at its most recent meeting all five end of year budget transfers requests as one vote. Mr. Scollins screen shared on the Zoom screen the Memorandum to the Select Board and the Finance Committee listing the following five Reserve Fund transfer requests. Mr. Scollins explained the Reserve Fund transfers. The first three requests are for operating requests, the fourth transfer is for a request that Mr. Scollins is responsible for and the fifth and final request is related to a federal grant.

1. **\$19,712 for Information Systems related to Fiber Optic Cable Repairs** – This request is to cover two different fiber optic repairs that happened over the past fiscal year that needed to be repaired. The MIS department had a small budget for fiber optic repairs. There was no remaining budget for these two repairs and each incident was below the Town's insurance deductible of \$20,000.
2. **\$10,000 for Building Department related to Plumbing Inspector staff backfilling** – The Plumbing Inspector was out on medical leave for six months. Alternate inspectors were needed to fill in for this position on behalf of the Plumbing Inspector. The total additional cost was over \$16,000 but there were savings in the Zoning budget reducing the transfer request to \$10,000.
3. **\$60,000 for Trash Collection related to increased Solid Waste tonnage** – This increase is related to increased solid waste tonnage for FY23 which was up 12½ % from the prior year. In prior years when the Town had fluctuations similar to this the Town received relief from the new recycling aspect to the trash contract. The current trash contract is split between Republic for handling the collection and the tipping of the solid waste and Waste Management handling the recycling for the Town. There is an arrangement where depending upon the market the company actually pays the Town for recyclables. Last year the Town did well with the recycling budget staying intact because there were no incremental fees beyond what was budgeted. In FY23 the market shifted a bit so it is costing the Town more for recyclables to be handled. All budget line items were utilized and this particular budget line item stood out.
4. **\$4,000 for Chart of Accounts Redesign Capital Project increased scope** – The Town is in the process of completely overhauling the Town's chart of accounts that runs the financial system. There are close to 16,000 accounts. When the project is completed there will be approximately 6,000 accounts making it easier to report on the Town's financials. The project costs were split out between Tyler and Hassett Financial Services for chart design. The chart design aspect is more complex and challenging than was anticipated causing an increased cost for that contract. The allowable amount over a contract is 25%. Even with this adjustment to the vendor's contract the vendor will be unpaid for approximately \$3,760.
5. **\$83,000 for COVID-19 FEMA Grant deficit due to qualifying expense rule changes** – The Town started with an initial set of rules in 2020. Those rules continued to change and with the current administration the rules changed again. With the introduction of additional federal programs such as ARPA and the CARES act FEMA continued to change what they would allow for reimbursement. The Town was following the rules and charging expenses for public safety salaries related to backfilling for public safety employees that were out on COVID leave. The rule changed that did not allow the backfilling causing a budget deficit. The estimated amount that would be short in the account is approximately \$83,000. Any amount overestimated in the grand total of all of these five transfer requests totaling \$176,712 will "drop out" to undesignated fund balance (free cash) if any actual expense is less than what has been predicted.

For FY23 the Reserve Fund budget is \$600,000. To date the fund has not been accessed. The amount that will "drop out" to the Town's Undesignated Fund Balance (free cash) after the transfers are approved will be \$423,288. There were no transfers for FY23 for the Snow & Ice budget due to a mild winter.

Based on Mr. Scollins' review of all budgets he does not anticipate any further transfer requests. The final deadline for submittal of invoices for FY23 is Friday, July 14. If there are any other invoices that are submitted after this date that do not have a purchase order these invoices would fall into the "unpaid" category and would need to be approved for payment at the next Annual Town Meeting.

Mr. Mauro inquired if the increase in the trash tonnage budget was anticipated in the Town's FY24 budget or would there be another overrun in the trash budget. Mr. Scollins explained that the trash budget for FY24 was increased on all of the line items associated with the contract. There have been some efforts by the Sustainability Committee to introduce a composting service for garbage which residents have to sign up for and pay for. The Town Administrator is working on a new trash bid for FY25.

**A motion made by Mr. Mauro that the Finance Committee vote to approve Reserve Fund Transfers for the following items:**

- \$19,712 for Information Systems related to Fiber Optic Cable Repairs**
- \$10,000 for Building Department related to Plumbing Inspector staff backfilling**
- \$60,000 for Trash Collection related to increased Solid Waste tonnage**
- \$4,000 for Chart of Accounts Redesign Capital Project increased scope**
- \$83,000 for COVID-19 FEMA Grant deficit due to qualifying expense rule changes**

**for a grand total Finance Committee Reserve Fund Transfer Request for FY23 of \$176,712 was seconded by Ms. Foley.**

**Roll Call Vote:**

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

**Roll Call Vote: 6-0-0.** The five FY23 Reserve Fund Transfer requests totaling \$176,712 was approved.

Mr. Scollins will email the Reserve Fund Transfer Requests Forms to Ms. Thomas for her signature.

**Approval of Minutes - A motion made by Mr. McKenna to approve the May 1, 2023 minutes as written was seconded by Mr. Mauro.**

**Roll Call Vote:**

<b>Mr. Mauro</b>	<b>Aye</b>	<b>Ms. Foley</b>	<b>Aye</b>	<b>Ms. Mirliani</b>	<b>Abstain</b>
<b>Mr. Cole</b>	<b>Aye</b>	<b>Mr. McKenna</b>	<b>Aye</b>	<b>Ms. Thomas</b>	<b>Aye</b>

**Roll Call Vote: 5-0-1.** The May 1, 2023 minutes were approved.

Mr. Scollins reported that operationally the Town has had a good year and revenues have come in strong, particularly Local Receipts. He anticipates a healthy recharge to Free Cash reserves.

Ms. Thomas stated that she would be following up with the Town Administrator, Charlie Doody, with regard to the benefit issue for elected officials that had been discussed. This will be an agenda item in the fall to move forward with the elected official's compensation matter prior to departments preparing their FY25 budget planning because it could have budget implications for them.

**Next Meeting Date:** There is no Finance Committee meeting scheduled.

**A motion made by Ms. Foley to adjourn the meeting at 7:38 p.m. was seconded by Mr. Mauro.**

**Roll Call Vote:**

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

**Roll Call Vote: 6-0-0.** The meeting adjourned.

Minutes reviewed by: Karen Foley  
Respectfully submitted,



Cindy Thomas  
Chair, Canton Finance Committee and  
Sub-Committee to Review Compensation of Elected Officials

**Finance Committee  
Meeting Documents  
July 12, 2023**

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

Agenda for July 12, 2023.

Memorandum from Randy Scollins, Finance Director, to the Canton Select Board and the Finance Committee, dated July 7, 2023 re FYE 2023 Reserve Fund Transfer Requests (6 pages).