



Canton Finance Committee
801 Washington Street
Canton, MA 02021

Minutes Voted on: 10/26/21
Vote: 8-0-0

Meeting Minutes – Open Session
October 14, 2021

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

Finance Committee Members Absent: All members were present.

Guests Present:

Bob McCarthy, Buildings Renovations Committee
Ellen Jones, Finance Committee Recording Secretary
Randy Scollins, Finance Director

Opening: Chair McKenna called the Zoom virtual meeting to order at 7:00 p.m. The Finance Chair announced that the Committee would be going into recess and would reconvene at approximately 7:30 p.m. to accommodate the schedules of some of the participants in the meeting. Mr. Scollins displayed on the screen the following message "The Finance Committee is currently in recess, but will resume shortly at 7:30 p.m."

New Business

The Finance Committee reconvened at 7:30 p.m. Mr. Scollins reactivated Ms. Schutt's Zoom video feed.

STM Article 3 – Appropriation for the Metropolis Rink Reconstruction Project

Mr. Scollins projected on the screen a copy of the Rink article, "***To see if the town will vote to raise and appropriate, borrow pursuant to any applicable statute, or transfer from available funds or by transfer from Free Cash, a sum of money for the Metropolis Rink Reconstruction Project; or to take any action related thereto.***"

Mr. Scollins gave a financial summary of the Metropolis Rink project, the Bolivar Pool project and the funding request. The following are some of the highlights from that discussion:

- The Rink project has a revenue shortfall of \$367,000 due to code upgrade related insurance coverage that came in less than expected. The insurance company would not honor that the Town used a steel frame as opposed to the existing wood frame. They disqualified this for code upgrade.
- The budget for the Rink project is \$11,000,000.
- The expense spent to date for the Rink project is \$10,655,068. Therefore the project is under budget and is expected to come in within budget.
- The current deficit is \$22,322 with some additional expenses expected. The BRC is recommending the purchase of a second Zamboni.
- The funding/revenue shortfall for the rink project could be solved by the re-appropriation of funds from the Bolivar Pool project surplus.
- The Pool project is substantially complete with limited closeout expenses remaining. The projected surplus for the project is expected at approximately \$625,000. Currently this is slightly more than \$750,000 left in this project fund. These remaining funds can be re-appropriated at a Town Meeting for a project with the same or longer useful life. The Rink project would qualify as one of those projects.
- The additional expenses, which could change, that are still outstanding is the cost of a second Zamboni (\$160,000), some ceiling repairs (\$10,000) and concession equipment and plumbing hook up (\$8,000) totaling \$181,000.

Mr. Scollins turned the discussion over to Mr. McCarthy, the Chair of the Buildings Renovation Committee. Liz Francis, Director of Parks and Recreation and Mr. JR McCourt, Recreation Commissioner, were unable to attend the Finance Committee meeting due to personal and business-related conflicts. The plan was always to have a second Zamboni.

Chair McKenna inquired if the Town could appeal the \$470,164 the less than expected decision by the insurance company. Mr. Scollins stated that the Town foreclosed its rights on that in order to receive the final code upgrade payment of \$565,000. The Town needed to sign that by accepting the \$565,000 the Town would forever discharge

the insurance company of any further obligations (with the Town Administrator's knowledge and full approval). In Mr. Scollins' opinion he was disappointed that the insurance company would not honor the replacement of the wood beams with steel beams providing a much stronger, longer lasting construction. It was an upgrade but was not required by code.

Mr. Cole questioned the request of moving funds from the Pool project to the Rink project. Mr. Scollins stated that the plan was always to have a second Zamboni similar to the manner in which the Rink was operating in 2015. Mr. Cole asked why the Zamboni was not budgeted. Mr. McCarthy explained that the Zamboni was not equipment that was needed up front with the project and, therefore, was not originally budgeted for. Mr. Scollins stated that because the revenue did not come in as planned the revenue (\$10,632,746) does not match the authorized budget amount (\$11,000,000). Mr. Cole stated that it was unfortunate that the Town did not receive the anticipated insurance proceeds. Mr. Scollins explained that it was always represented and discussed that the code upgrade was \$1,000,000 and it was fully expected based on the upgrades. Mr. Cole stated again that it was unfortunate that the Town did not receive the full insurance proceeds but that it should be considered as an unfavorable variance or shortfall for the project and does not understand that the project was \$140,000 under budget. The bad news is still part of the project, for which we do not necessarily agree on.

Ms. Thomas gave credit to the people that managed the project for executing the project within the parameters that they were given, even though the revenue came in short.

Select Board member Lisa Lopez and Finance Committee member Emilio Mauro joined the Zoom meeting at approximately 7:56 p.m.

Mr. Cole understands the Rink project budget but he does not agree that the project came in at \$140,000 under budget.

Mr. McCarthy explained that there is need for a second Zamboni. There were problems with the lithium battery with the first Zamboni and that there were a number of days the Rink was without a Zamboni. There is room at the rink for a second Zamboni and the prices the Town has received are good for 30 days. The Town cannot sign a purchase order until the funding has been legally appropriated/transferred at Special Town Meeting. The price of \$163,000 is within \$4,000 to \$5,000 of the cost of the other Zamboni.

Ms. Schutt inquired if there would be a competing interest at Special Town Meeting for these funds for another capital project. Mr. Scollins is unaware of an approved project at this point in time that would need these funds. Chair McKenna stated that the Committee was not ready for a motion.

Update on Committee Liaisons – Ms. Foley asked to have her as either the Police or the School liaison. Chair McKenna asked the Committee members to review one more time to see if anyone has an interest in another department and to communicate their request to the Recording Secretary.

Approval of Minutes – There were no minutes presented at the meeting for approval.

Next Meeting Date – The next Finance Committee meeting date would be determined in the future.

Motion to Move into Executive Session

At 8:05 p.m. a motion made by Ms. Schutt to enter into executive session to discuss strategy with respect to consider the purchase, exchange, lease or value of real estate, (1860 Washington Street) if the Chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body was seconded by Ms. Thomas.

Roll Call Vote:

Mr. Clough	Aye	Mr. Cole	Aye
Mr. Emery	Aye	Ms. Foley	Aye
Mr. Mauro	Aye	Ms. Thomas	Aye
Ms. Schutt	Aye	Mr. McKenna	Aye

The motion to enter into executive session at 8:07 passed 8-0-0. The recording was stopped at 8:07 p.m.

Minutes reviewed by: Karen Foley
Respectfully submitted,



Timothy McKenna
Chair, Canton Finance Committee

**Canton Finance Committee Meeting
Meeting Minutes – Meeting Documents
Open Session
October 14, 2021**

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

Agenda for October 14, 2021 (1 page).

Metropolis Ice Rink Financial Summary (1 page).

Bolivar Pool Financial Summary (1 page).

Estimated Remaining Expenses for the Metropolis Rink Project as of October 14, 2021 (1 page).

Zamboni Proposal dated October 14, 2021 (3 pages).