



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

Minutes Voted on: 3/24/21
Vote: 7-0-1

**Meeting Minutes
March 3, 2021**

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

Finance Committee Members Absent: Rob Barker.

Guests Present:

Jen Fischer-Mueller, Superintendent, Canton Public Schools
Derek Folan, Assistant Superintendent, Canton Public Schools
Nichola Gallagher, School Committee Member, Finance Sub-Committee
Ellen Jones, Finance Committee Secretary
Regen Milani, Conservation Agent
Kristin Mirliani, Chair, School Committee
Maureen Moran, School Committee Member, Finance Sub-Committee
Barry Nectow, School Business Administrator
Randy Scollins, Finance Director

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

Conservation Commission – FY22 Budget Requests – Regen Milani, Conservation Agent

Ms. Milani stated that the only budget request this year from the Commission is for additional staff hours. The following are some of the highlights of the Conservation Agent's discussion with the Finance Committee:

- The Commission is requesting the same requests they had presented last year. The Agent stated that the Department Secretary III and Recording Clerk were approved last year but due to budget cuts and COVID they were not implemented.
- The Agent is seeking an increase in hours for the Department Secretary III (also known as Senior Clerk) from 32 hours (\$43,883 for FY21) to 35 hours per week (\$45,063 for FY22).

Ms. Milani's impression, after having worked in the Conservation Department for two and one-half years, is that the Town had originally hired a consultant to do the work of the agent. When that individual left the Town, the Commission moved towards a staff member as the agent position. It is her impression that the previous consultant was building the work along with building a business rather than building the department.

- Ms. Milani has worked with the HR Director in redefining the Recording Secretary position. The duties of the Recording Secretary were previously done by the Department Secretary III employee. Now the two positions are held by two separate employees. Ms. Milani is requesting that the Recording Secretary position be increased from 3 hours per week (\$3,384 for FY21) to 15 hours per week (\$15,889 for FY22).
- The Agent is also requesting that her position of Department Head be increased from 35 hours per week (\$73,466 for FY21) to 40 hours per week (\$83,636 for FY22). While the 35-hour workweek was conducive to her working part-time with a family, she is now of the opinion that the job is busy enough to require the additional five hours. In addition, she commented that all of the other department heads, except her position and the Town Planner position, are at 40 hours. Ms. Milani provided information regarding 11 other towns that have Town Planners (see meeting documents). Ms. Milani stated that the Town of Canton issues double the number of permits as compared to other towns.
- Ms. Milani commented that she has spent the last two and one-half years trying to streamline the permitting process and the workload in the office and assess and implement areas that they can have a reduction in administrative tasks.

- The Town issued 357 LDP permits (Land Disturbance Permits) this year but as of November 27 of this year the Town will no longer have to issue two permits for every project. The Town will only have to issue either a wetland permit or a stormwater permit depending upon which jurisdiction the project falls under. The Agent further stated that they need to close out a lot of the existing permits and that the Town has a huge number of open/expired permits that are attached to the title of individual homes. These need to be resolved.
- Ms. Milani stated the Commission has over 500 acres of property that they are responsible for and that many of those sites are currently underutilized and under managed. If the Commission is able to clean up the backlog of permits that they have, they will then be able to spend more time improving the 500 acres of property.

In response to Mr. Mauro's question regarding whether or not the salaries being requested for FY22 included cost of living increases, Mr. Scollins stated that at the present time several of the Municipal employment contracts are unsettled but that an amount to cover contract costs will be budgeted in Department #910 (Employee Contract Benefit).

Mr. Mauro inquired about the change in the stormwater threshold amount from 5,000 to 20,000 s.f. and how those lower thresholds affect the number of permits required and how the Commission might be affected overall by these threshold changes. Ms. Milani stated that the Commission will receive fewer applications in a year. Small projects will no longer have to appear before the Commission for a stormwater permit.

Under the MS4 permit the Environmental Protection Agency (EPA) only requires that the Town By-Law and stormwater threshold regulations be at one acre. Canton's regulations are much stricter than other communities and stricter than what the federal government requires. The Town has worked with the Neponset River Watershed Association, which has a model by-law that recommends ½ acre. Canton's new threshold will be a little bit less than ½ acre.

The Commission consolidated the stormwater requirements as well as the wetlands/land disturbance during construction permits into one by-law, thereby eliminating the need for typing and processing two sets of permits for one location and each project.

Ms. Thomas inquired about the role of the Recording Secretary. Ms. Milani stated that the Recording Secretary helps to compile all of the meeting materials for the Commission, write meeting minutes, and complete administrative tasks, such as the filing system along with records retention duties and drafting letters to reach out to the homeowners that might have a permit attached to their home. Ms. Milani stated that the Recording Secretary has worked 15 hours per week since she was hired. The Commission voted to support the additional hours for a period of time under the Wetlands Protection Fund because the Department Secretary III position was vacant for several months because the interview process could not take place because of COVID. Ms. Thomas understands that there is a lot of work to be done to get the Conservation Department properly organized and functioning as it should. However, she expressed concern that fifteen hours per week may be a lot for a Commission that meets only twice per month. Ms. Milani's response was that the Human Resource Director modeled the Conservation Recording Secretary after the Zoning Board Secretary.

In response to Mr. Clough's question regarding whether or not there is a potential revenue reduction with the reduction of permits being issued, Ms. Milani stated that there would be less revenue collected. Ms. Milani is currently faced with the task of revising MS4 regulations that are due by June 30, 2021. After this is completed, she will be looking more closely at stormwater fees and wetland fees to see if they need to be adjusted to include fees that were being charged under the land disturbance permits. The Commission has discussed making up lost revenue by improving enforcement by following up on permits and issuing fines for violations. The Commission would like to reduce the burden on the smaller single-family house lots for the cost of permits; the current cost for a stormwater permit is \$800 to \$900 versus only \$50 in a neighboring town. Ms. Milani would like to analyze how much time is being spent by her staff on administrative work, so that the tie is captured in those fees.

Mr. McKenna confirmed with Ms. Milani that the increase in hours for all three positions would not have an impact on benefits. In response to Mr. McKenna's question regarding how the COVID pandemic has impacted the Agent's work, Ms. Milani responded that she is seeing significant development and construction in Canton, that the market seems very strong, and there have been a few commercial applications. The biggest impact to her department due to COVID was not being able to hire the Department Secretary. She has also been impacted personally due to hybrid learning at home.

School Operating Budget Request for FY22 – Discussion with Dr. Jennifer Fischer Mueller, Superintendent and Barry Nectow, School Business Administrator

Ms. Mirliani, School Committee Chair, thanked the Finance Committee for their support throughout the years, especially now during the COVID pandemic. She praised the efforts of all of the school administrators for their work during the challenging times. She further stated that this would be her last time appearing before the Finance Committee as a School Committee member as she was not seeking re-election.

Dr. Fischer-Mueller thanked the Finance Committee and Mr. Scollins for their help and support. Dr. Fischer-Mueller acknowledged key individuals in attendance – Mr. Nectow, Ms. Gallagher and Ms. Moran. She also acknowledged Mr. Folan filling in as Superintendent while she was on a medical leave.

Some of the highlights of Dr. Fischer-Mueller’s presentation included the following:

- The budget is aligned to the School Department’s Strategic Framework and the four long-term Strategic Objectives – 1) Achieving Education Excellence & Ensuring Equity; 2) Cultivating School Climate & Culture; 3) Transforming Teaching & Learning; and 4) Achieving District Excellence.
- During the FY22 budget preparation, Canton was compared to 12 communities as well as the State of Massachusetts: Canton, Dedham, Foxborough, Milton, Needham, Norwood, Randolph, Sharon, Stoughton, Walpole, Wellesley and Westwood.
- Data was provided with regard to Per Pupil Spending – Canton moved from 5th from the bottom of the group to the middle of the twelve comparison communities . During this time staff, student services and teachers for English language learners were added - a pre-school educator and school psychologist.
- With regard to leadership and school administration, Dr. Fischer-Muller stated that Canton remains at the bottom of the twelve comparison communities . To get to the state average, Canton would be looking at the addition of 10 Full Time Employees (FTEs) at over \$1 million, which is not the budget the School Committee presented to the Finance Committee.
- With regard to teacher salaries, Canton remains in the upper half of the twelve comparison communities.
- To build an in-district special education program for students that have IEPs related to social, emotional and behavioral development, the School is seeking a GMS Special Education Teacher (1.0 FTE \$75,032) and a GMS Adjustment Counselor (1.0 FTE \$75,032). Without this program, Canton is sending students out of district at a cost that is higher than the cost needed to build the comparable SPED program in-house.
- Other positions and materials being sought as part of the Achieving Educational Excellence and Ensuring Equity long-term strategic objective include District Data Specialist (\$85,000), PK-5 Humanities Coordinator (\$102,000), GMS 7th and 8th Grade Novels (\$5,475), and GMS Challenge & Enrichment Coach (\$75,032).
- Cultivating Climate & Culture – The School Department is seeking a GMS Health Teacher (\$75,032) and an Elementary School Adjustment Counselor (\$75,032).
- Two GMS School Lunch Aides (\$39,796) are being sought to free-up professionals/teachers for meeting in teams, in departments and in work-related groups.
- **The School Department is seeking \$1,530,104 for contractual obligations for FY22.**
- **Non-contractual obligations include the Bus Transportation Contract (\$50,000), Advanced Security Software Fee (\$25,000), Security License Fee (\$12,740), Network Monitoring Fee (\$40,000) and the Annual License Fee for Fiber Internet (\$31,000) totaling \$158,741.**
- **In summary, the School Department is requesting the following broken down by long-term strategic objectives:**

Achieving Education Excellence & Ensuring Equity:	\$ 417,571
Cultivating School Climate & Culture:	150,064
Transforming Teaching Learning:	102,096
Achieving District Excellence (\$158,741 + \$1,530,104)	<u>1,688,45</u>
Total:	\$2,358,576

Beyond the \$1,530,104 in contractual obligations, the School Department is seeking approximately \$830,000.

Mr. Nectow reported the following regarding the FY22 budget request:

FY22 in summary:

5.11% budget increase over the FY21 budget
\$2,358,576 budget increase requested
\$48,544,927 Total Budget requested for FY22

Mr. Folan explained the need for the in-district special education program at the Galvin Middle School. The projected savings based on current tuition and transportation costs would be \$236,000 if all of the students identified were to come back to the district. Mr. Mauro inquired if the potential \$236,000 in savings was a net savings after the hiring of the two positions for the SPED program. A definitive answer was not provided. Mr. Mauro also confirmed with Mr. Folan that the proposed in-house program would not cause the potentially enrolled students to have less complete services compared to their current attendance of an out-of-district specialized program.

Ms. Thomas commented in support of the staffing requests being made by the school department and the importance of addressing the mental health issues of the student population and that it is probably needed now more than ever. In response to Ms. Thomas' inquiry if the GMS SPED program was similar to the program at the High School, Dr. Fischer-Muller responded that it was not the same.

In response to Mr. Cole's inquiry about the GMS SPED program, Mr. Folan stated that the service-based program would meet the needs of 3-4 current students but the capacity would allow for a greater number of students that are within the out-of-district service. The program would not eliminate out of district placements altogether, as those placements address students with a wide range of needs. However, for students that have the ability to access their education at the GMS with a higher level of support, the program would help those students do this, which could potentially be 8-10 students. Dr. Fischer-Mueller stated that students from other districts could potentially be brought into the program but that it is not the plan at the current time. If outside students were brought into the GMS program the program would have to be approved by the Massachusetts Department of Elementary and Secondary Education (DESE).

The School Department has a contract with a bus transportation company. Increases in service cost are negotiated each year. This year's increase is negotiated on the \$1.3 million base contract for an increase of \$50,000 for FY22. The other four tech items included in the \$158,741 being requested are all tech items and the amounts are for annual fees.

Mr. Nectow acknowledged that they were given a budget target number at the prior Finance Committee meeting. **The Finance Committee voted on February 24, 2021, to set an FY22 School Department budget target number of \$47,792,662.** The target number is \$752,000 less than the budget the School Department presented at the meeting. Mr. Nectow also acknowledged that they have work to do to bring their budget closer to the target number. This gap could be closed by either the Finance Committee raising the 4.8% increase to meet the School Department's request or the School Department could look at their FY22 request and their current FY21 budget to find some savings in both places and also discuss with the Finance Committee to see if they can "get the target number up a bit".

Chair McKenna stated that the mission of the meeting was to listen to the School Department's presentation and to absorb the information presented. There is a placeholder for the School Department to attend the Finance Committee on March 24 to answer any additional questions or address additional information.

Mr. Nectow referred to two meeting documents that were sent late in the day to Mr. Scollins – Special Education Expense Analysis FY20-FY23 and FY21 Full Year Spending including COVID-Related Expenses (see meeting documents.)

Special Education Expense Analysis – Mr. Nectow uses this analysis to update the School Committee with regard to three lines in particular regarding the SPED budget – Private School Tuition, Collaborative School Tuition, and Special Education Transportation, totaling \$8,542,695. There is \$4,469,089 in the operating budget for these three budget lines leaving a deficit of \$4,073,606, which has to be covered outside of the operating budget. This deficit amount is covered by three areas: Special Education Reserve Fund, Special Education Grant and Circuit Breaker totaling \$4,073,606. **Mr. Nectow is projecting that they will have sufficient funds to cover the projected deficit in the operating budget for SPED.** Mr. Nectow cautions that the situation could change in the next two fiscal years due to student movement in and out of the district schools. There are some placeholders to account for some movement out of the district but there are always unanticipated changes.

Mr. Nectow also provided a reconciliation of the Circuit Break and the Special Education Reserve Fund.

There are two warrant articles on the Annual Town Meeting warrant relevant to this school operating budget discussion. Article 16 is a request for \$660,000 to fund the Special Education Reserve Account. Under Article 16 -

\$500,000 will be used directly out of the Reserve Account. When the use of the Circuit Breaker was projected for FY20, the School Department used \$160,000 less than projected, which allows the School Department to roll this Circuit Breaker amount forward. Mr. Nectow reported that the School Department actually rolled too much forward and violated a Department of Revenue rule as to how much you can have on reserve. In working with the Department of Revenue they have informed the Town to take \$160,000 of Circuit Breaker and roll it into cash, which bumps up the cash reserve. Mr. Nectow suggested that the \$160,000 be put into the Special Education Reserve Account. The \$500,000 would not only be used for FY22 but for future years. Mr. Nectow directed the Committee members to the Special Education Reserve Fund Reconciliation and noted that FY22 would be the last “ask” of \$500,000, since there would be a sufficient amount, if expenses were to stay the same.

The Finance Committee would place the School Department on the Finance Committee meeting schedule for March 24 to discuss their FY22 budget.

Ms. Thomas inquired about two items with regard to the FY22 operating budget:

Non-teaching Longevity will increase by 18.73% (\$80,013 increasing to \$95,000) for FY22 – Everyone that has longevity that is not in Unit A for the Teachers who are schedule to receive a longevity increase fall into this budget. Mr. Nectow figures this amount out of the contract based on the individuals that will be receiving an increase to their longevity.

Teaching Stipends – This budget will increase 28.98% from \$619,039 to \$798,420 for FY22. Mr. Nectow stated that there are all kinds of different stipends. An example he gave was members of Unit A Teachers, who also serve as department heads or PK through 12 Coordinators. Ms. Thomas inquired if there was something that changed for the FY22 that would cause such a large increase. Mr. Nectow would get back to Ms. Thomas with more information on this increase.

Mr. Scollins explained in response to Mr. Mauro’s concern about the School Department’s budget gap possibly affecting the cash reserves, that the purpose of the target numbers was to split up the available revenue and that the 15% reserves is a reserve function of free cash and is typically not used in Canton for balancing the operating budget. The \$752,000 delta, Mr. Scollins doubts, would not be covered by using free cash reserves. It would be raised against the revenue forecast.

Mr. Nectow referred to a meeting document entitled “FY21 Full Year Spending Including COVID Related Expenses as of 3/1/21”. Mr. Nectow reminded the Finance Committee that the School Department attended the October 10, 2020, Finance Committee meeting to discuss the School Department’s operating deficit as a result of COVID expenses. There were two options discussed at the time on how to close the operating deficit. The approach used to close the gap included some sources for offsetting the deficit as follows:

Finance Committee Reserve Fund Transfer	\$370,000
Special Education Reserve Fund	\$300,000
Additional Special Education Reserve Fund	\$500,000
Preschool Revolving Account	\$200,000
Athletic Revolving Account	\$150,000
Building Rental Account	\$150,000

Mr. Nectow indicated that they will request a warrant article to replenish the three revolving accounts. Mr. Nectow indicated that the situation has become more stable since October.

The two requests to be made at the upcoming Annual Town Meeting include a \$660,000 reserve and \$500,000 warrant article to refund the monies used from the revolving accounts. If things change dramatically between the time the warrant is completed and Annual Town Meeting, the School Department would likely come to Town Meeting and ask the Finance Committee to consider warrant articles that may change the original amounts to lesser amounts.

Special Appropriation Articles and Appropriating from Unappropriated Local Receipts – Mr. Scollins reviewed for the members the special appropriation articles. Snack Shack at the JFK School (Article 31) and the split funding of the Memorial Hall renovations. Talled up, the total is approximately \$3.2 million. If Town Meeting were to exceed funding \$2.6 million in appropriations then the Town would not be able to maintain the 15% targeted ratio for cash reserves. The good news, he stated, was that back in June 2020, the Town budgeted \$1 million in state aid less than expected because of the uncertainty with the state budget. In December 2020, the state kept cities “whole” with the large cherry sheet items, such as Chapter 70 and Unrestricted Government Aid. The \$1 million that was reduced is still available to the Town this year and is available for appropriation. Mr. Scollins’ recommendation is a combination of the special appropriations or “asks” come out of the \$1 million. Mr. Scollins is recommending that \$180,000 come out of the \$1 million to cover the deficit in the Snow and Ice account. The remaining balance could be used for the various articles. This would reduce the Town’s use of free cash if everything were approved to approximately \$2.4 million, thereby still maintaining the Town’s ratio reserves.

Mr. Scollins explained that when the Town files its Tax Recap for setting the tax rate, the Department of Revenue does not allow the Town to not use the latest cherry sheet or state aid number. The Town is required to use it whether it appropriated the funds or not. Therefore, the \$1 million that the Town did not plan on for budgeting purposes has to be used when filing the tax recap, you cannot use something less than that which has been allocated to the Town. Mr. Scollins also explained that the adjustment in that filing is in local receipts. Instead of appropriating from state aid to fund some of the items up to \$1 million, the Town would appropriate from unappropriated local receipts.

Other Business

Chair McKenna inquired of Mr. Scollins if there were any Annual Town Meeting articles that might have funding needs that could be a surprise. Mr. Scollins stated that the amount of the appropriation for **Article 31 (Construction of Bathroom, Storage and Snack Shack at the Kennedy Elementary School)** has not yet been determined. The Finance Committee secretary would reach out to the sponsors of this article to invite them to an upcoming Finance Committee meeting.

The amount of the appropriation under **Article 26 (American Legion Post 24 Annual Operating Expenses)** has been determined to be \$25,000. The Select Board amended the lease with the American Legion to cover maintenance expenses out of mitigation funds for this year and on a “go forward basis”. These funds would become part of the Veterans’ Agent annual operating budget.

Mr. Scollins reported to the Finance Committee on the following articles:

He suggested that **Article 5 (Collective Bargaining Agreements under the Select Board)** and **Article 6 (Personal Service Contracts under the Select Board)** would be indefinitely postponed because contracts were still being negotiated. Funding for these two articles would be included in Department #910.

Article 13 (Approval of Funding for 4th of July Community Celebration) would be indefinitely postponed due to social distancing issues and other COVID concerns.

Mr. Scollins would clarify with Town Counsel regarding the Planning Board articles.

At Mr. Scollins suggestion, **Article 18 (Appropriation to Increase the Solar Facility Stabilization Fund)** should be indefinitely postponed as there are no funds available for appropriating to this Fund.

He also suggested that **Article 24 (Appropriation for Removal of Weeds and Nuisance Vegetation at Old Shepherd’s Pond)** be indefinitely postponed because the Conservation Agent had indicated that it was unnecessary this year.

Mr. Scollins had been informed that **Article 33 (Acceptance of Bazin Lane as a Town Way)** and **Article 34 (Acceptance of Magnolia Way as a Town Way)** should be indefinitely postpone as they were not ready to be approved.

Approval of Minutes

A motion made by Mr. Mauro to approve the February 24, 2021, minutes as written was seconded by Mr. Wong.

Roll Call Vote:

Mr. Theodore	Abstain	Mr. Clough	Aye
Ms. Schutt	Aye	Ms. Thomas	Aye
Mr. Mauro	Aye	Mr. McKenna	Aye
Mr. Cole	Aye		

The motion passed 7-0-1.

Next Meeting Date – The next Finance Committee meeting will take place via remote on March 10, 2021.

Adjournment - A motion made by Ms. Thomas to adjourn the meeting at 9:00 p.m. was seconded by Ms. Schutt.

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 8-0-0.

Minutes reviewed by: Emilio Mauro

Respectfully submitted,



Timothy McKenna
Chair, Canton Finance Committee

**Canton Finance Committee Meeting
March 3, 2021**

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

Agenda for March 3, 2021 (1 page).

See the link below 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:

Spreadsheet regarding Conservation Agent compared to 11 other towns (# of hours, vehicle, Stormwater, Wetland Bylaw etc.) (1 page).

FY22 School Department Budget Presentation (32 pages).

Special Education Expense Analysis FY20-FY23, 6/30/20, provided by Mr. Barry Nectow (1 page).

FY21 Full Year Spending Including COVID Related Expenses as of 3/1/21, provided by Mr. Barry Nectow (1 page).