

**Finance Committee
Guidelines Subcommittee
Minutes of October 6, 2016
FINAL**

The Finance Committee met Thursday evening on October 6, 2016, at the Town House Hearing Room, Concord, Massachusetts. Notice of the meeting was duly filed with the Town Clerk, Town of Concord, Massachusetts.

Members present: Terri Ackerman, Linda Miller, Karle Packard, Wendy Rovelli, Scott Randall, Phil Swain, Tom Tarpey, and Triveni Upadhyay.

Members absent: Dean Banfield, Daniel Cassidy, Richard Jamison, June Rzepczynski, and Christina Williams.

Also present Christopher Whelan, Town Manager, Kerry LaFleur, Finance Director; Kevin Mahoney, Minuteman RVTHS Assistant Superintendent of Finance, Carrie Flood, Minuteman RVTHS Representative, Robert Grom, School Committee, and Marjorie Daggett.

Chairman Packard called the meeting to order at 7:03 p.m.

1. Approval of Minutes: There were no minutes available.

2. Minuteman RVTHS Presentation

Kevin Mahoney, Minuteman RVTHS Assistant Superintendent of Finance, Carrie Flood, Minuteman RVTHS Representative made a presentation (handouts attached), including the following points:

- Minuteman has very rigorous and high quality education, giving its students a competitive edge. The Academy Model integrates academic courses with the vocational program.
- The \$144.9 million required to construct the new high school building will be borrowed in several bond issues. FY18 will include Year 1 of the debt service for this project. The plan is to break ground in Summer, 2017 and the target completion date is March, 2020. An early bid package was used to take advantage of low interest rates.
- In-district enrollment has increased in recent years, while out-of-district enrollment has decreased. Public perception of vocational education seems to be increasing. Watertown and Everett may be interested in joining the Minuteman district, subject to Town Meeting vote by current member towns.
- Average cost per pupil was \$29,080 in FY16, including \$4,500 for Special Education. 14.6% of the operating budget is devoted to SPED, a much higher percentage than other vocational technical schools, due to SPED students being a higher percentage of total enrollment.

- Transportation costs have increased 10% and staff is looking at alternatives. Only the current bus company bid in the last bid cycle. Out-of-district students' transportation is paid by the sending town.
- The new program in Advanced Manufacturing will require new capital equipment.
- The Retirement plan is over 90% funded. There is no OPEB schedule; contributions will be made when possible.
- Belmont Town Meeting is Oct 19 and by 2/3 vote, Belmont can withdraw from the district, subject to the majority of district towns consenting. Consent can be by affirmative vote at a Special Town Meeting or by the decision by the Town Select Board not to hold a Special Town Meeting.

Mr. Mahoney and Ms. Flood then responded to questions from Finance Committee members.

3. Town Manager Response to Guidelines Request Letter

Christopher Whelan, Town Manager presented the departmental requests for the Town Budget (handouts attached), including the following highlights:

- Review of Town Manager goals and Select Board's goals.
- FY18 budget requests include the addition of a Fire Prevention Officer and a Police Officer for the Middle Schools; reclassification of a position to Assistant Highway and Grounds Superintendent; purchase of software for permit tracking, payroll, and HR; more hours for the public nurse and the library; and, funding for inclusion in the Cross Town Connect transportation program. FY19 will likely see additional requests for firefighters to staff the second ambulance for a 24/7 schedule.
- Total Department Requests are \$1,996,250 above last year, a 9% increase. Mr. Whelan will establish a priority order for these requests.
- Reserve Fund transfer requests in FY17 are anticipated for Veterans Benefits, HR software, and the recent tornado emergency.
- Several municipal union contracts expire in June of 2017. It is difficult to retain technical employees such as engineers and electric linemen.
- A community discussion is underway about whether to retain or sell S-Recs, certificates for green energy.
- The Bruce Freeman Rail Trail construction will be paid by the State; the Town will then have to assume maintenance costs, starting in FY19.
- Future capital needs include updating and expanding Keyes Road buildings, Public Safety building, West Concord Fire Station, Human Services offices, sidewalk extensions and road repairs.
- OPEB trust fund has over \$12 million and is 30% funded. Annual contributions are planned at the current level. Retirement system is 82.5% funded, which is the 5th best in the State.
- Regarding benchmarking, Concord is generally above the median but not the highest. Concord's goal is to be close to 85 percentile for salaries. Another goal is to report more benchmarking information to the public.

Mr. Whelan then responded to questions from Finance Committee members.

The meeting was adjourned at 9:35 pm.

Respectfully submitted,

Thomas Tarpey, Guidelines Clerk

Documents consulted or reviewed at the meeting: