

**Town of Concord  
Finance Committee  
Meeting Prior to Public Hearing  
Meeting Minutes - May 11, 2021**

**Present:** Ray Andrews, Dean Banfield, Kathy Cuocolo, Greg Guarriello, Mary Hartman, John Hickling, Richard Jamison, Dee Ortner, Parashar Patel, Christine Reynolds, Wade Rubinstein, Phil Swain, Brian Taylor, Lois Wasoff and Andrea Zall

**Absent:** None

**Others Present:** Town Manager Stephen Crane; Chief Financial Officer Kerry Lafleur; Recording Secretary Anita Tekle

**Open Meeting**

Ms. Hartman called the Finance Committee (FC) meeting to order at 6:00 pm with a roll call vote, with the following voting in the affirmative: Taylor, Hartman, Ortner, Hickling, Zall, Cuocolo, Rubinstein, Wasoff, Banfield, Andrews, Swain, Reynolds. The meeting was held via Zoom using the Webinar format, and broadcast via MMN. She noted that the meeting was being recorded.

Ms. Hartman explained that the purpose of the pre-meeting, prior to the public hearing, was to take positions on Articles 5, 6, 9 and 17. Following the April 29 public hearing, taking a position on these articles was deferred.

**Articles 5 –Ratify Personnel Board Classification Actions and Article 6 –Classification & Compensation Plans for Regular-Status Positions**

Ms. Hartman noted that Article 7 was heard at the Select Board (SB) public hearing, and involves essentially the dissolution of the Personnel Bylaw and Personnel Board. While Article 7 is controversial, it does not involve funding, so the FC will take no position. She noted that Articles 5 and 6 are on the consent calendar, and essentially asks the Town to ratify the recommendations of the Personnel Board. Mr. Banfield noted that there is some interplay between these two articles and Article 7. Article 5 involves ratification of pay assignments, which have been made temporarily by the Town Manager and Personnel Board, subject to town meeting approval. While the argument has been made by the Town Manager that he is unable to make decisions that will stick, historically there has never been an instance when this article was not ratified by town meeting.

Mr. Banfield made the following **MOTION**, that was seconded by Mr. Swain: To recommend Affirmative Action on Articles 5 and 6.

During the discussion, Ms. Ortner asked why we are taking positions on these articles, since no appropriation is involved. Mr. Banfield noted that how much we pay individuals for particular positions impacts the budget (personnel costs are 70-80% of town budget). Mr. Hickling agreed with Mr. Banfield. Ms. Cuocolo questioned the thoroughness of the information provided, since a comparison with prior years is not provided. She noted that no information is provided as to equal pay for equal work. Others agreed that more comparative information and reporting of data would be helpful—it appears that not a lot

of thought or analysis has gone into the recommendation. No information is provided in terms of movement from prior years, employee turnover, or our ranking among peer communities. Mr. Banfield noted that town meeting does not approve placement within the salary range. Ms. Hartman suggested that the FC is being asked to approve actions and recommendations that the Personnel Board is making. Mr. Hickling noted that while greater disclosure would be helpful, it's important that the FC not get bogged down into the weeds.

Ms. Ortner suggested that Articles 5 and 6 be separated for the purpose of a FC recommendation. No others favored this idea.

A **VOTE** was taken on Mr. Banfield's motion, which **PASSED**, with the following voting in the affirmative on a roll call vote: Taylor, Hartman, Hickling, Zall, Cuocolo, Rubinstein, Wasoff, Banfield, Swain, and Reynolds. The following abstained: Ortner and Andrews.

Mr. Rubinstein agreed to write up the FC's recommendation for the FC Report (due May 14).

#### **Article 9 –FY21 Town Budget Line-Item Adjustments**

Ms. Lafleur reviewed the options available to the Town to deal with end-of-year budget issues. She noted that unlike the School Department, the Town is only allowed to spend within the limits of line-item appropriations. Mass. General Laws provides for budget adjustments in two ways: (1) via town meeting action; or (2) via year-end transfers with approval of both the FC and SB. The latter may be done between May 1 and July 15. Since town meeting is late this year, option 1 is available, and is the preferred remedy. If town meeting does not approve the requested transfers, then a year-end transfer request will be made. She noted that the bottom line of the appropriations is not changing—just a transfer of \$40,000 from Line 1 (General Government) and \$150,000 from Line 3 (Finance) for a total of \$190,000 to be transferred to Line 2 (Legal Services). In response to a question, Ms. Lafleur noted that while the warrant article is somewhat vague, the motion to be made at town meeting will be specific as to the line items and amounts.

Mr. Swain noted that this is the fourth year that the legal services budget has exceeded its appropriation. He concurs that bringing the issue to town meeting is the correct way to correct the overage. He also noted that since the Town is currently involved in litigation, the Town should be requesting budgets from Town Counsel so that upcoming budgets may be funded appropriately. He supports Article 9. Ms. Lafleur clarified a question from Ms. Cuocolo as to the specifics of what is being requested—an adjustment of the FY21 appropriation line items, that was voted at the 2020 Annual Town Meeting. Ms. Hartman noted that she considers this article housekeeping in nature, since no additional funds are being requested. If Article 9 doesn't pass, then the FC would be involved again to consider a year-end transfer. The Town cannot close the year with a deficit.

On a **MOTION** made by Ms. Ortner and seconded by Mr. Banfield, and on a Roll Call Vote, it was unanimously **VOTED** to recommend Affirmative Action on Article 9 (with Reynolds, Hartman, Ortner, Hickling, Zall, Cuocolo, Rubinstein, Wasoff, Reynolds,

Andrews, Swain, Taylor, Patel, Jamison all voting in the affirmative). Mr. Rubinstein agreed to write up the FC's position for the FC Report.

**Article 17 –Appropriate Funds for Affordable Housing Development**

Ms. Ortner made the following **MOTION** , which was seconded by Mr. Taylor: To recommend Affirmative Action on Article 17.

During the discussion, Ms. Zall asked whether the funds would be used to purchase existing homes. The response was that the funds could be used for purchases, construction, or more likely buy-downs. Mr. Banfield noted that this is the third time that the Town is doing this, since the Town appears to be in a holding pattern until the Affordable Housing Trust is finalized. He questioned whether the funds are going to the CHDC or to the Trust. Ms. Hartman responded that once the Trust is established, the funds will be directed to the Trust. In response to a question from Mr. Patel, it was noted that approximately \$300,000 of the \$1 million appropriated so far has been spent (\$500,000 each in FY20 and FY21). It was noted that the Community Preservation Committee is allocating \$233,880 under Article 34. Until the Trust Fund is established, funds are expended at the discretion of the Town Manager.

Ms. Reynolds expressed concern that the request has been made for the past three years, in addition to requests being made to the CPC, and yet she has not seen a plan or budget for how the funds will be used. The requests are being made on an ad-hoc basis. She is not in support of Article 17. Mr. Andrews noted that the \$233,880 coming from the CPC is to be held by the CHDC, with the idea that they can accumulate funds so that when opportunities arise, they will be in a position to respond. Ms. Reynolds understood the situation, but she feels that the CHDC should tell us their plan, rather than just accumulate a war chest. She noted that the Town's free cash position is low.

Mr. Taylor concurred with Ms. Reynolds, and asked whether a cap had been considered on the accumulation of funds. Mr. Banfield noted that the group's goal is to have an annual flow of funds (coming through the two proposed Home Rule petitions), and the current situation is to cobble together funds until the legislation passes.

Ms. Ortner asked when the Trust Fund would be operational. Ms. Lafleur indicated that the Attorney General's Office has recently approved the Fund, and she anticipates that the Town will close the year with the fund established. She noted that the Fund has not yet been created. Mr. Crane noted that three or four members of the Trust Fund board have been appointed, and a meeting will be called in the near future. He intends to check the status with the SB Chair. The funds have been identified and will be deposited into the Trust. The Town's Home Rule petition on a surcharge on building permit fees has been refiled with the State Legislature. The other Home Rule petition has been superseded by state-wide enabling legislation, which he believes has also been refiled.

Mr. Patel asked the implications of Article 17 failed to pass. Mr. Crane responded that this would impede the Town's furtherance of its long-term affordable housing goals, limiting the ability of the Town to respond to opportunities when they arise. Mr. Patel asked whether specific housing units have been identified as goals for the Town to acquire, given that we have only spent \$300,000 to date. Mr. Crane noted that there is a group that has identified potential sites for affordable housing, but he has not yet

connected with them. Mr. Patel asked whether revenue projections have been identified for the home rule petitions. Mr. Andrews responded that a range of projections was made in 2017 at the time the articles were brought to town meeting, and he will get back to Mr. Patel with the information. Ms. Ortner asked whether FY22 is the last year when the \$500,000 request will be made, and Mr. Crane responded that it is unknown at this time.

Mr. Taylor asked what the implications of not passing Article 17—are there deals in the works? If we pause for a year, would there be a direct impact? No response was given. Mr. Banfield indicated that he is disinclined to support Article 17, given the current status of free cash.

A **VOTE** was then taken on Ms. Ortner’s earlier motion, which **FAILED TO PASS** (with 4 voting Yes—Andrews, Patel, Ortner and Rubinstein; and 10 voting No—Hartman, Taylor, Hickling, Zall, Cuocolo, Wasoff, Banfield, Swain, Reynolds and Jamison).

Ms. Reynolds agreed to write up the recommendation for the FC Report.

At 7:00 pm, and on a **MOTION** made by Mr. Taylor and seconded by Mr. Jamison, it was **VOTED** on a roll call vote to adjourn the regular meeting and to open the public hearing (with Patel, Ortner, Andrews, Rubinstein, Hartman, Taylor, Hickling, Zall, Cuocolo, Wasoff, Banfield, Swain, Reynolds and Jamison all voting in the affirmative.)

At 10:43 pm, following the conclusion of the public hearing, the FC resumed its regular meeting.

**Recommendations on 2021 Annual Town Meeting Warrant Articles**

On a **MOTION** made by Mr. Patel and seconded by Mr. Taylor, it was unanimously **VOTED** with a roll call vote, with the following voting in the affirmative: Patel, Hartman, Ortner, Rubinstein, Cuocolo, Andrews, Jamison, Reynolds, Taylor, Zall, Banfield, Wasoff, Guarriello and Swain to recommend Affirmative Action on the following articles:

Article #	Title	Recommendation	Write Up for Report
18	Senior Means-Tested Property Tax Exemption	Affirmative Action	John Hickling
19	Appropriation for Senior Means-Tested Tax Exemption	Affirmative Action	John Hickling
20	Light Plant Expenditures & Payment in Lieu of Taxes	Affirmative Action	Ray Andrews
21	Solid Waste Disposal Fund Expenditures	Affirmative Action	Phil Swain
22	Sewer System Expenditures	Affirmative Action	Phil Swain
23	Sewer Improvement Fund Expenditures	Affirmative Action	Phil Swain
24	Water System Expenditures	Affirmative Action	Phil Swain
25	Authorize Expenditure from PEG Access & Cable-Related Fund	Affirmative Action	Parashar Patel
26	Beede Swim & Fitness Center Enterprise Fund Expenditures	Affirmative Action	Dick Jamison

## **Nomination of Slate of Officers for 2021-2022**

The Nominating Committee proposed the following slate of officers for the coming year:

- Chair Finance Committee - Christine Reynolds
- Chair Guidelines Subcommittee - Parashar Patel
- Clerk Finance Committee - John Hickling
- Clerk Guidelines Subcommittee - Lois Wasoff

A **MOTION** was made and duly seconded, and unanimously **VOTED** to approve the slate as proposed, with the following voting in the affirmative: Andrews, Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Wasoff and Zall.

Ms. Hartman recognized those members who are retiring from the FC following the adjournment of the Annual Town Meeting: Dick Jamison and Phil Swain. They were both thanked for the balance they brought to the committee over the years, and for their exemplary service to the FC and to the community. They will be missed.

## **CMS Update**

Mr. Banfield reported that the School Administration has conceded about 2,900 s.f. of footage at the new middle school, and has agreed on the sizing of the auditorium. They have come close to agreeing on the sizing for the gym. He reported that it is highly likely that these concessions will not be enough to keep the cost under \$100 million.

## **Correspondence**

Ms. Hartman reported receipt of the following correspondence, which was shared with the FC:

- Dorrie Kehoe—thanked the committee for technology changes made at the second hearing
- Mark Howell—email about the Town's broadband history
- Brooks Reid—email about what happened at the 2018 Annual Town Meeting

On a **MOTION** made and seconded, and on a roll call vote, it was unanimously **VOTED** to adjourn the meeting at 10:56 pm, with the following voting in the affirmative: Andrews, Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Wasoff and Zall.

Respectfully submitted,

Anita S. Tekle  
Recording Secretary