

Section I

Financial Summary

Section I Highlights**1: Overview**

- Proposed appropriations are as follows (see page 8):
 - Town Government: \$28,706,648
 - Concord Public Schools: \$39,390,163
 - Concord-Carlisle Regional School District: \$19,996,874
- Town Credit Rating: Moody's Aaa (see page 2)
- FY18 Free Cash: \$11,683,672 (see pages 6 - 7)

2: Property Taxes

- Property Taxes fund 84.0% of the FY20 proposed budget (see page 1)
- FY20 Property Tax Levy for existing taxpayers is projected to increase by 3.71% over FY19 (see page 10)
- FY20 Unused Levy Limit is projected to be \$3,271,011 (see page 11)
- The FY19 Tax Rate is \$14.19 per \$1,000 assessed valuation (see page 12)
- A tax bill for the median valued home of \$881,550 is projected to increase by 465, from \$12,509 in FY19 to \$12,974 in FY20 (see page 14)

3: Resources

- 83.9% of the budgeted resources come from Property Taxes. State Aid (4.8%), Other Receipts (4.3%), Motor Vehicle Excise (2.8%), Interfund Transfers (4.3%), Stabilization Funds (0.0%) and Debt Service Reserve (0.0%) make up the remainder of the resources for FY20 (see page 16)

4: Other Resources

- Other Resources provides information on Stabilization Funds, CPA Funds, the Parking Meter Fund, and other funds that support the goals of the Town (see page 20)

5: Expenses

- Total proposed expenses are budgeted at \$114,138,976, a 4.50% increase from FY19 (see page 29)
- Town, CPS, CCRSD & MMRSD Operating Budgets are proposed to be \$88,862,531 (see page 26)
- Joint accounts (Insurance, Retirement, Social Security, Medicare) are proposed to be \$20,345,856 (see page 28)
- Other obligations (Minuteman, High School Debt Exclusions) are proposed to be \$3,646,108 (see page 29)
- Unappropriated accounts (State Assessments, Snow Deficits, Overlay) are proposed to be \$1,284,481 (see page 29)

6: Capital Outlay

- Capital outlay expenditures from Town departments is proposed to be \$1,945,000 (see page 48)
- Borrowing for Capital Projects is proposed to be \$4,850,000 (see page 49)

7: Debt

- As of June 30, 2018, total outstanding principal is \$54,911,021 (see page 60)
- The FY20-24 Debt Authorization Plan details the proposed projects for the next 5 years (see pages 66-67)
- The Total Debt Service for FY20 is projected to be \$9,507,208 (see pages 64 to 65)

8: Major Liabilities

- As of June 30, 2018, the total major General Fund Liabilities totaled \$75,277,318. Of this amount, \$34,086,830 was for debt, \$13,214,364 for pension, and \$27,976,124 for OPEB (see page 76).
- As of the January 1, 2018 actuarial valuation, the employee pension system has been funded at 90.6% with an unfunded accrued liability of \$17,302,058 (see page 79)
- As of the June 30, 2018 actuarial valuation, Concord has a projected Funded Ratio of 31.8% for OPEB (see page 80)

Section Overview:

This Budget Summary contains charts, schedules, and narratives that describe the Budget and the Town's finances in general. The level of detail used in this summary section aims to allow the reader to grasp the "big picture" relating to the Town's recent-past, present, and near-future.

The sub-sections found in this summary are:

- **Overview** 1 to 9
- **Property Taxes** 10 to 15
- **Resources** 16 to 19
- **Other Resources** 20 to 25
- **Expenses** 26 to 47
- **Capital Outlay** 48 to 59
- **Debt** 60 to 75
- **Unfunded Liabilities** 76 to 81

The Town Manager's Budget

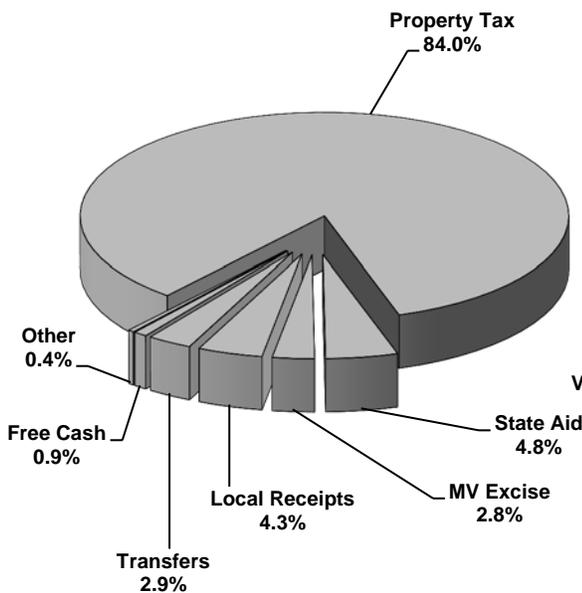
The Town Manager's Proposed FY20 Budget totals:

\$114,089,976

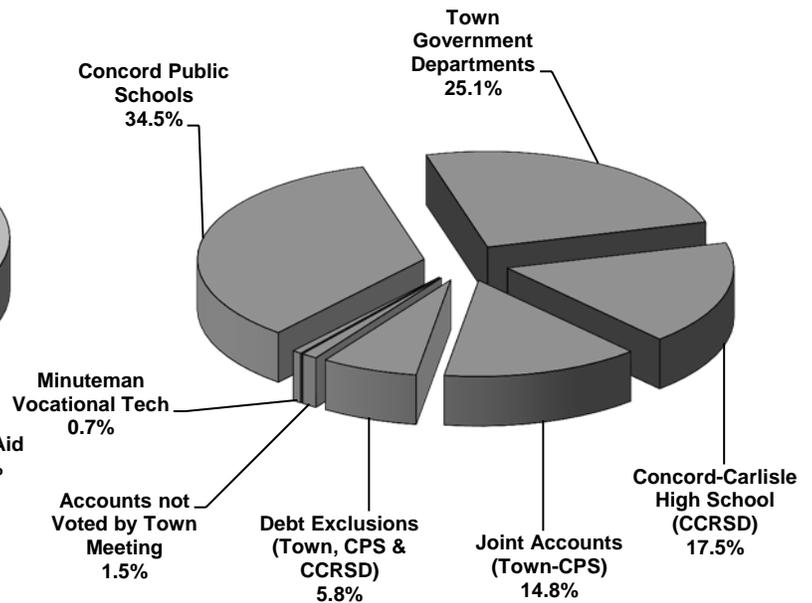
This level of appropriation is at the Finance Committee's FY20 Budget Guidelines.

*See the Appendix for the Finance Committee Guidelines.

FY20 General Fund Resources
Totaling \$114,089,976



FY20 General Fund Expenses
Totaling \$114,089,976



Fiscal Balance:

This FY20 Proposed Budget represents a balanced budget. Both budgeted resources and expenses equal \$114,089,976.

Budget Level and Credit Rating:

The information depicted below shows the overall financial health of the Town over the last decade.

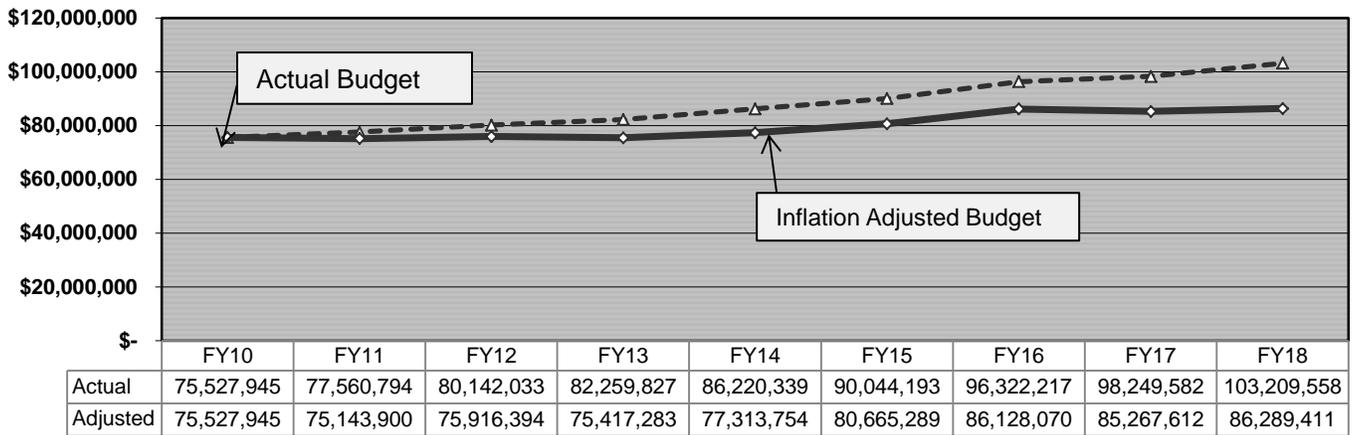
The first graph represents the total Town budget in terms of actual and adjusted dollar amounts. The line on the top is the actual amount budgeted and the line on the bottom is the amount adjusted for inflation.

The chart on the lower half of the page provides information about the credit rating earned by the Town.

Fiscal Stability

In spite of the economic turmoil during the last several years, the Town Government has maintained its fiscal stability. The budget in real terms (adjusted for inflation) is fairly level. In addition, Moody's Investors Service has continued to reaffirm the Town's Aaa credit rating, the highest possible rating category.

Financial History: Actual vs. Adjusted Town Appropriations – FY10 to FY18
(in year 2009 dollars)



Discussion: The graph above shows the actual amount of the Town Budget (minus transfers from other funds) and that amount adjusted for inflation. From 2010 to 2014, the adjusted Town Budget increased on an annual average of 0.59%, whereas from 2015 to 2018, that adjusted average annual increase was 2.83%.

*Values (adjusted for inflation) based on the Bureau of Economic Analysis' Table 1.1.7. Percent Change From Preceding Period in Prices for Gross Domestic Product (Annual), <https://apps.bea.gov/iTable/iTable.cfm?reqid=19&step=3&isuri=1&1921=survey&903=11#reqid=19&step=3&isuri=1&1921=survey&1903=11>

Town Credit Rating History

Concord's credit rating is a measure of the Town's overall fiscal health. Since November 1987, the Town has earned a Aaa credit rating from Moody's Investors Service. This is the highest possible rating category and is a testament to the Town's strong financial management. As a result of the Aaa rating, the Town can borrow funds at more favorable interest rates.

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
The Town's Credit Rating (Moody's)	Aaa								

The opposite page provides information about the General Fund balance. Data for FY17 and FY18 are actual amounts and for FY19 and FY20 are projections. The FY18 and FY19 column is derived from the "Schedule A" report filed with the Massachusetts Department of Revenue.



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Overview

General Fund Balance Analysis	FY17	FY18	FY19	FY20
"Schedule A" basis of reporting	Actual	Actual	Budgeted	Proposed
Revenues				
Taxes	\$88,001,006	\$92,465,586	\$97,750,330	\$101,033,414
Charges for Services	\$1,433,137	\$1,421,231	\$1,200,000	\$1,075,000
Licenses, Permits, and Fees	\$1,174,569	\$1,648,385	\$1,215,000	\$1,215,000
Revenues from Other Governments	\$4,881,425	\$5,127,799	\$5,123,363	\$5,517,676
Miscellaneous Revenues	<u>\$436,096</u>	<u>\$710,337</u>	<u>\$435,250</u>	<u>\$435,250</u>
Current Revenues	\$95,926,233	\$101,373,338	\$105,723,943	\$109,276,340
Expenditures				
Salary and Wages	-\$45,980,712	-\$47,654,034	-\$50,034,923	-\$51,344,200
Expenditures	-\$32,158,184	-\$32,861,089	-\$35,051,760	-\$36,542,303
Capital Outlay	-\$1,945,879	-\$3,610,796	-\$1,945,000	-\$1,945,000
Debt Service	-\$6,632,623	-\$6,254,849	-\$7,379,514	-\$7,417,326
Unclassified	<u>-\$9,365,931</u>	<u>-\$10,299,708</u>	<u>-\$12,774,020</u>	<u>-\$13,483,011</u>
Current Expenses	-\$96,083,329	-\$100,680,476	-\$107,185,217	-\$110,731,840
Net Revenues / Expenditures	-\$157,096	\$692,862	-\$1,461,274	-\$1,455,500
Other Financing Sources (Uses)				
Transfer from Other Funds	\$2,492,421	\$2,299,188	\$1,461,274	\$1,455,500
Transfers to Other Funds	-\$1,981,340	-\$1,485,000	\$0	\$0
Other Financing Uses	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	\$511,081	\$814,188	\$1,461,274	\$1,455,500
Total Excess (Deficiency)	\$353,985	\$1,507,050	\$0	\$0
Fund Balance (Beginning of Year)	\$22,352,728	\$22,706,713	\$24,213,763	\$24,213,763
Fund Balance (End of Year)	\$22,706,713	\$24,213,763	\$24,213,763	\$24,213,763
Fund Balance Analysis				
Designated for Thoreau Debt Service	\$0	\$0	N/A	N/A
Reserved for Expenditures	\$4,700,000	\$1,025,000	N/A	N/A
Reserved for Encumbrances	\$5,614,823	\$6,693,423	N/A	N/A
Snow and Ice Deficit	-\$178,656	\$0	N/A	N/A
Unreserved Fund Balance	<u>\$12,570,534</u>	<u>\$13,774,720</u>	<u>N/A</u>	<u>N/A</u>
	\$22,706,701	\$21,493,143	N/A	N/A
Free Cash Analysis				
Unreserved Fund Balance	\$12,570,534	\$13,774,720	N/A	N/A
Minus: Receivables	-\$668,248	-\$611,550	N/A	N/A
Minus: Deferred Revenue	-\$930,172	-\$1,413,916	N/A	N/A
Minus: Miscellaneous	<u>-\$173,178</u>	<u>-\$65,581</u>	<u>N/A</u>	<u>N/A</u>
Certified Free Cash	\$10,798,936	\$11,683,672	N/A	N/A

Fund Balance:

With the implementation of Governmental Accounting Standards Board (GASB) Statement No. 54, the Town's Fund Balance as presented in the audited Financial Statements is separated based on the availability of the funds into the following categories: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Availability of Fund Balance

Fund Balance is the amount remaining after subtracting all the items that are owed (liabilities) from all the items that are owned (assets). Nevertheless, portions of the Fund Balance have various restrictions on their use. Accordingly, Fund Balance is divided into categories depending the availability of these funds.

Fund Balance

An accounting distinction is made between the portions of fund equity that are spendable and nonspendable. These are broken up into five categories:

1. **Nonspendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds (e.g., funds in which the corpus cannot be spent).
2. **Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include funds which have a restriction through debt covenants, grantors, contributors, or laws or regulation from other governments. The grant from the Massachusetts School Building Authority (MSBA) to mitigate the debt service cost of the Thoreau School is placed in this category.
3. **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the Concord Town Meeting. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally. Examples are the School Construction Stabilization Funds and Special Revenue Funds such as the Solid Waste Fund.
4. **Assigned fund balance** – comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body, the Concord Town Meeting, or by an official or body to which the governing body delegates the authority, the Concord Town Manager. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. For the general fund, this amount includes funds encumbered as authorized by the Town Manager or his designee for a specific purpose.
5. **Unassigned fund balance** – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

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Fund Balance by Category (as of June 30, 2018)

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable			
Permanent funds	\$ -	\$ 3,397,005	\$ 3,397,005
Total Nonspendable	-	3,397,005	3,397,005
Restricted			
Pension fund	10,323,885	-	10,323,885
Community preservation	-	2,532,867	2,532,867
Parking	-	298,458	298,458
Cemetery	-	358,332	358,332
PEG Access	-	1,111,637	1,111,637
Receipts reserved for appropriation	-	300,165	300,165
53G Review	-	9,647	9,647
Miscellaneous grants and contributions	-	75,224	75,224
School lunch	-	212,192	212,192
Gifts	-	1,228,209	1,228,209
Recreation	-	1,117,159	1,117,159
Other revolving	-	687,473	687,473
Federal grants	-	11,357	11,357
State grants	-	617,864	617,864
Solid waste	-	539,398	539,398
Sawyer gift fund	-	134,289	134,289
Capital project funds	-	5,246,782	5,246,782
Permanent funds	-	3,151,428	3,151,428
Other special revenue funds	-	119,771	119,771
Total Restricted	10,323,885	17,752,252	28,076,137
Committed			
55 Church St. property acquisition	9,970	-	9,970
Affordable housing units at Junction Village	1,000,000	-	1,000,000
Information technology improvements	1,491,300	-	1,491,300
2229 Main Street	1,500	-	1,500
Redevelopment plan for 2229 Main Street	25,000	-	25,000
Concord public schools buses	31,563	-	31,563
High school debt stabilization	276,287	-	276,287
Emergency response stabilization	675,482	-	675,482
Insurance reserve fund	1,663,697	-	1,663,697
School capital stabilization	43,334	-	43,334
School technology stabilization	712	-	712
Receipts reserved for appropriation	-	12,607	12,607
Total Committed	5,218,845	12,607	5,231,452
Assigned			
For encumbrances			
Computer capital improvements	277,063	-	277,063
Salary reserve	347,950	-	347,950
Resource sustainability	223,025	-	223,025
Human resources	100,093	-	100,093
Finance	394,984	-	394,984
Planning and land management	221,883	-	221,883
Other general government	608,107	-	608,107
Vehicles and equipment	154,623	-	154,623
Building and capital improvements	111,417	-	111,417
Emergency management	48,446	-	48,446
Other public safety	183,263	-	183,263
Education	1,497,651	-	1,497,651
Building and capital improvements	119,407	-	119,407
Engineering services	260,113	-	260,113
Public shade trees	408,430	-	408,430
Highway maintenance	380,599	-	380,599
Sidewalk improvements	297,898	-	297,898
Drainage improvements	233,184	-	233,184
Other public works	145,123	-	145,123
Senior services	99,570	-	99,570
Other health and human services	42,522	-	42,522
Library books	230,879	-	230,879
Other culture and recreation	9,028	-	9,028
Fringe benefits	245,714	-	245,714
Other employee benefits	52,451	-	52,451
Exempt debt	186,274	-	186,274
For next year's expenditures	1,000,000	-	1,000,000
Total Assigned	7,879,697	-	7,879,697
Unassigned			
General fund	13,007,688	-	13,007,688
General stabilization	4,308	-	4,308
Total Unassigned	13,011,996	-	13,011,996
Total Fund Balance	\$ 36,434,423	\$ 21,161,864	\$ 57,596,287

Free Cash:

The narrative and chart below present information about Free Cash, the undesignated Fund Balance available to be appropriated by Town Meeting. The Finance Committee has set a policy to keep the used Free Cash balance at or above 5% of the total ensuing Town budget.

Strong Reserves

The Town's Free Cash exceeds the minimum amount of 5% of the next year's budget. As a result of this policy and other sound management practices, Moody's Investors Service has affirmed Concord's Aaa credit rating on the Town's outstanding debt, as of May 31, 2018.

Free Cash

All municipal governments should maintain reserves which can be used for special purposes or in case of emergencies. Credit rating agencies look at the reserves as a measure to determine whether a city or town is being managed well. As a policy, the Finance Committee has stated that the reserves should be at least 5% of the next year's total Town budget. In recent years, the Finance Committee has sought to maintain a 10% level.

These reserves are officially the Undesignated General Fund Balance, commonly referred to a "Free Cash". They represent the amount of fund balance which the Town has not currently designated for any specific purpose. Each year, the State examines the Town's balance sheet and certifies the amount that the Town has in available reserves or Free Cash. All or part of this amount can be appropriated in the next fiscal year, if the Town Meeting chooses to do so.

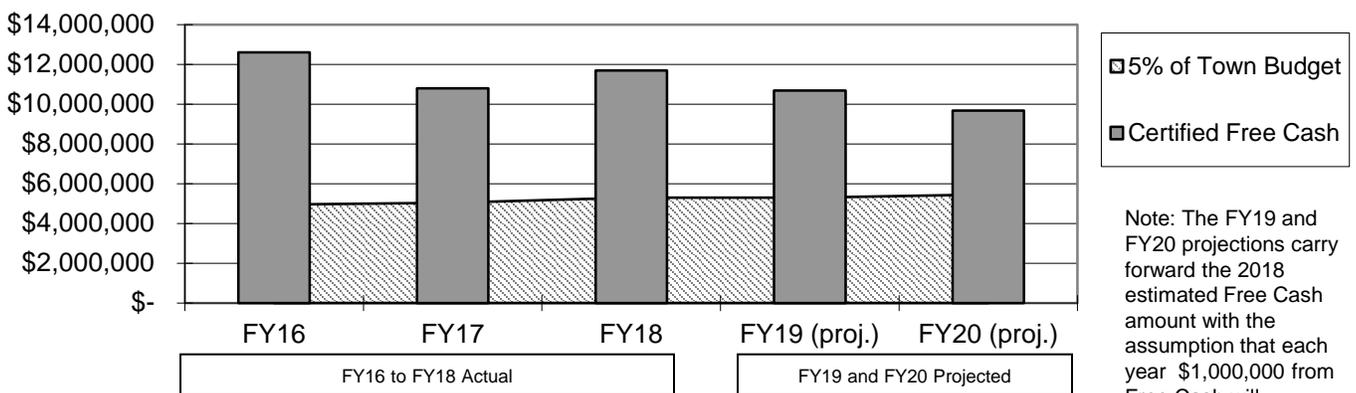
As shown on the previous page, Free Cash is calculated by taking the Town's fund balance at year-end and subtracting those items which are designated for other purposes.

Over the past decade, Free Cash has generally increased from year-to-year as a result of the Town conservatively estimating revenues (i.e., the Town usually collects more revenue than budgeted), and effectively controlling expenses (i.e., the Town spends less money than budgeted).

The chart below shows the annual amount of certified Free Cash identified by the bars and the floor representing 5% of the next year's Town budget identified by the shaded area.

Free Cash at June 30, 2018 is \$11.68 million.

Certified Free Cash (Actuals for FY16 to FY18, and Projected for FY19 to FY20)



Note: The FY19 and FY20 projections carry forward the 2018 estimated Free Cash amount with the assumption that each year \$1,000,000 from Free Cash will appropriate to reduce the tax rate.

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Uses of Free Cash:

As appropriated by Town Meeting, the Town's available reserves have been used for various purposes which include decreasing the tax levy and establishing stabilization funds.

Prudent Uses

Over the years, the Finance Committee has proposed, and the Town Meeting has adopted, modest allocations of Free Cash in an effort to retain Free Cash at levels which are fiscally prudent.

Town Meeting has appropriated Free Cash for various purposes. An appropriation is routinely approved to reduce the annual property tax levy. For FY20, \$1,000,000 is proposed for this purpose.

In addition, Town Meeting has voted to apply a portion of the Free Cash reserves to create stabilization funds to offset prospective rises in property taxes due to the increased debt service to pay for the construction of public school buildings. At the 2008 Annual Town Meeting, an amount of \$2.5 million was allocated from Free Cash to lower the tax levy impact of debt service payments for the Alcott, Thoreau, and Willard Elementary School Bonds.

At the Special Town Meeting on November 7, 2011, Concord citizens voted to establish a \$2 million stabilization fund from Free Cash to be used to offset future property tax increases resulting from additional debt service associated with the cost for construction of the new Concord-Carlisle High School. Further allocations to this fund were made in the three ensuing years.

It should be noted that the projections for FY19 and FY20 do not take into account likely increases in Free Cash due to the conservative estimation of revenues and expenditures: estimated revenues may be lower than the actual amounts received and budgeted expenditures may not be entirely used. According, the downward trend for projected Free Cash in FY19 and FY20 do not reflect the positive results anticipated from operations for those years.

Availability of Free Cash for Appropriation			Use of Free Cash for Appropriation					
Certification Year (As of June 30th)	Free Cash Available for Appropriation	Percent of Next Year's Budget (from cert. date)	Fiscal Year	Appropriated to Reduce the Tax Levy	Appropriated for Debt Stabilization	Appropriation from Free Cash	Appropriated for Willard School Borrowing	Total Free Cash Use
2006	5,730,609	8.6%	2008	500,000				500,000
2007	8,003,063	11.5%	2009	600,000	2,500,000			3,100,000
2008	7,371,061	10.0%	2010	600,000			440,000	1,040,000
2009	8,471,337	11.2%	2011	600,000		34,430 ⁽¹⁾		634,430
2010	8,635,340	11.1%	2012	850,000		24,822 ⁽²⁾		874,822
2011	9,567,656	11.9%	2013	850,000	2,000,000			2,850,000
2012	9,357,662	11.3%	2014	850,000	750,000			1,600,000
2013	9,664,489	11.2%	2015	850,000	750,000			1,600,000
2014	11,084,916	12.3%	2016	950,000	750,000	\$ 625,000 ⁽³⁾		2,325,000
2015	11,040,933	11.5%	2017	1,000,000				1,000,000
2016	12,605,955	12.8%	2018	1,000,000		1,000,000 ⁽⁴⁾		2,000,000
2017	10,798,936	10.4%	2019	1,000,000				1,000,000
				proposed				
2018	11,683,672	10.7%	2020	1,000,000				1,000,000

Note: Free Cash is certified by the State as of each June 30th. Once this is done, certified free cash becomes available for Town Meeting appropriation.

(1) 375th Celebration (\$20,000, 57ATM2010) and Old Calf Pasture Restoration (\$14,430, 58ATM2010)

(2) FY12 Supplemental Assessment for MMRSD (\$24,822, 10ATM2011)

(3) CPS Busses (\$600,000, 24ATM2015) and White Pond Management (\$25,000, 29ATM2015)

(4) Junction Village (\$1,000,000, 30ATM2017)

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Budget - All Accounts , FY16 - FY19 Budgeted, FY20 Proposed

FY20 Proposed Expenditure Plan		Change from FY19 Budget							
Line #		FY16 Budget	FY17 Budget	FY18 Budget	FY19 Budget	FY20 Proposed	Dollar Change	Percent Change	Percent of Total
	Town Government								
1	personal services	\$ 15,721,241	\$ 16,468,178	\$ 17,285,653	\$ 17,983,494	\$ 19,238,126	\$ 1,254,632	6.98%	16.86%
2	O & M	3,458,772	3,470,835	3,683,360	3,897,019	3,891,386	(5,633)	-0.14%	3.41%
3	capital outlay	1,709,000	1,800,000	1,870,000	1,945,000	1,945,000	0	0.00%	1.70%
4	Reserve Fund	225,000	225,000	225,000	225,000	225,000	0	0.00%	0.20%
5	Total General Fund	\$ 21,114,013	\$ 21,964,013	\$ 23,064,013	\$ 24,050,513	\$ 25,299,513	\$ 1,249,000	5.19%	22.17%
6	Transfers Appropriation	2,458,662	2,612,366	2,691,707	2,876,678	3,407,135	530,457	18.44%	2.99%
7	Total Town Government	\$ 23,572,675	\$ 24,576,379	\$ 25,755,720	\$ 26,927,191	\$ 28,706,648	\$ 1,779,457	6.61%	25.15%
8	Concord Public Schools	\$ 34,542,735	\$ 35,660,111	\$ 36,810,111	\$ 38,246,895	\$ 39,390,163	\$ 1,143,268	2.99%	34.51%
9	Concord-Carlisle RSD	\$ 16,556,221	\$ 17,035,005	\$ 17,935,005	\$ 19,146,874	\$ 19,996,874	\$ 850,000	4.44%	17.52%
10	Minuteman Voc Tech RSD	\$ 407,041	\$ 423,444	\$ 599,179	\$ 595,564	\$ 768,846	\$ 173,282	29.10%	0.67%
11	Total Operating Budgets	\$ 75,078,672	\$ 77,694,939	\$ 81,100,015	\$ 84,916,524	\$ 88,862,531	\$ 3,946,007	4.65%	77.85%
JOINT TOWN & CPS ACCOUNTS									
12	Group Insurance	\$ 4,650,000	\$ 4,650,000	\$ 4,800,000	\$ 5,526,100	\$ 5,966,069	\$ 439,969	7.96%	5.23%
13	OPEB Trust	1,150,000	1,400,000	1,470,000	1,617,000	1,697,850	80,850	5.00%	1.49%
14	Retirement	3,220,000	3,317,000	3,667,000	3,777,010	3,965,861	188,851	5.00%	3.47%
15	Social Security/Medicare	740,000	765,000	810,000	814,713	800,000	(14,713)	-1.81%	0.70%
16	Other Fixed & Mandated	425,000	450,000	450,000	485,000	498,750	13,750	2.84%	0.44%
17	Town & CPS Debt Service	3,605,000	3,730,000	3,860,000	4,018,382	4,196,145	177,763	4.42%	3.68%
18	Town & CPS Excluded Debt Service	4,206,283	4,007,828	3,607,507	3,109,869	3,221,181	111,312	3.58%	2.82%
19	Refunding savings, required levy	114,217							
20	subtotal	\$ 18,110,500	\$ 18,319,828	\$ 18,664,507	\$ 19,348,074	\$ 20,345,856	\$ 997,782	5.16%	17.83%
21	CCRSO Debt Service		80,753	102,583	102,809	0	(102,809)	-100.00%	0.00%
22	CCRSO Excluded Debt Service	3,514,429	3,668,218	3,561,484	3,679,345	3,348,113	(331,232)	-9.00%	2.93%
23	Minuteman Excluded Debt Service				147,115	297,995	150,880	0.26%	0.26%
24	subtotal	\$ 3,514,429	\$ 3,748,971	\$ 3,664,067	\$ 3,929,269	\$ 3,646,108	\$ (283,161)	-7.21%	3.19%
25	Appropriation of Free Cash	625,000		1,200,000		0	0		
26	TOWN MEETING VOTE	\$ 97,328,601	\$ 99,763,738	\$ 104,628,589	\$ 108,193,867	\$ 112,854,495	\$ 4,660,628	4.31%	98.87%
27	State assessments & offsets	\$ 497,843	\$ 495,310	\$ 529,002	\$ 502,439	\$ 554,481	\$ 52,042	10.36%	0.49%
28	Snow/ice & other deficits	310,772	0	178,656	0	230,000	230,000	0.20%	0.20%
29	Overlay	543,663	552,900	565,018	527,016	500,000	(27,016)	-5.13%	0.44%
30	subtotal	\$ 1,352,278	\$ 1,048,210	\$ 1,272,676	\$ 1,029,455	\$ 1,284,481	\$ 255,026	24.77%	1.13%
31	TOTAL BUDGET PLAN	\$ 98,680,879	\$ 100,811,948	\$ 105,901,265	\$ 109,223,322	\$ 114,138,976	\$ 4,915,654	4.50%	100.00%

SECTION I: Financial Summary

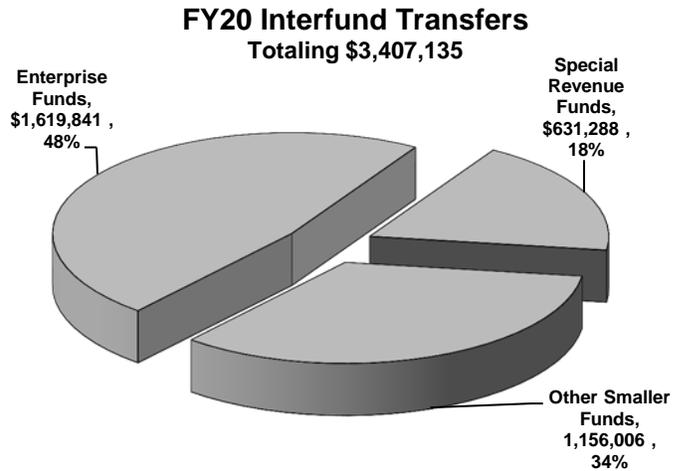
Overview

FY20 Proposed Financing Plan Change from FY19 Budget

	FY16 Budget	FY17 Budget	FY18 Budget	FY19 Budget	FY20 Proposed	Dollar Change	Percent Change	Percent of Total
State Aid and Local Receipts								
32 State Aid	\$ 4,272,640	\$ 4,642,015	\$ 4,923,642	\$ 5,240,838	\$ 5,427,676	\$ 186,838	3.57%	4.76%
33 Motor Vehicle Excise Tax	2,850,000	2,875,000	3,033,586	3,095,601	3,174,229	78,628	2.54%	2.78%
34 Investment Earnings	100,000	150,000	361,272	500,000	598,000	98,000	19.60%	0.52%
35 Other Local Revenue	3,723,200	3,607,000	3,825,000	4,482,619	4,294,300	(188,319)	-4.20%	3.76%
Subtotal	\$ 10,945,840	\$ 11,274,015	\$ 12,143,500	\$ 13,319,058	\$ 13,494,205	\$ 175,147	1.32%	11.82%
Transfers Appropriation								
36 Interfund Transfers	\$ 1,718,886	\$ 1,838,549	\$ 1,917,077	\$ 2,081,731	\$ 2,300,129	\$ 218,398	10.49%	2.02%
37 Other Credits	739,776	773,817	774,630	794,947	1,107,006	312,059	39.26%	0.97%
38 Subtotal	\$ 2,458,662	\$ 2,612,366	\$ 2,691,707	\$ 2,876,678	\$ 3,407,135	\$ 530,457	18.44%	2.99%
Other Transfers and Appropriations								
39 Free Cash	\$ 625,000	\$ 1,000,000	\$ 1,000,000	\$ 1,736,000	\$ 1,455,500	\$ (280,500)	-16.16%	1.28%
40 CMLP (Light Fund)	472,400	465,500	474,000	461,000	452,000	(9,000)	-1.95%	0.40%
41 Debt Stabilization Fund	1,500,000	1,000,000	785,000	275,000	0	(275,000)	-100.00%	0.00%
42 Thoreau School MSBA grant	409,878	409,878	0	0	0	0	0.00%	0.00%
43 Free Cash to Reduce Tax Levy	950,000	1,000,000	1,000,000	1,000,000	1,000,000	0	0.00%	0.88%
44 Other					3,500	3,500	100.00%	0.00%
45 subtotal	\$ 3,957,278	\$ 2,875,378	\$ 3,259,000	\$ 1,736,000	\$ 1,455,500	\$ (280,500)	-16.16%	1.28%
Property Taxes								
46 property tax base	\$ 74,224,261	\$ 76,371,162	\$ 80,101,736	\$ 83,612,620	\$ 87,814,846	\$ 4,202,226	5.03%	76.94%
47 new growth	1,284,004	1,412,859	1,321,330	1,235,953	1,100,000	(135,953)	-11.00%	0.96%
48 total within the Levy Limit	\$ 75,508,265	\$ 77,784,021	\$ 81,423,066	\$ 84,848,573	\$ 88,914,846	\$ 4,066,273	4.79%	77.90%
49 debt service excluded from Levy Limit	5,810,834	6,266,168	6,383,992	6,443,013	6,867,289	424,276	6.59%	6.02%
50 total property tax	\$ 81,319,099	\$ 84,050,189	\$ 87,807,058	\$ 91,291,586	\$ 95,782,135	\$ 4,490,549	4.92%	83.92%
51 TOTAL RESOURCES	\$ 98,680,879	\$ 100,811,948	\$ 105,901,265	\$ 109,223,322	\$ 114,138,976	\$ 4,915,653	4.50%	100.00%

Fund Relations

The narrative and chart to the right present information about how the Town's funds (e.g. General Fund and Other Funds) interact within the annual budget structure. This interaction occurs through interfund transfers that pay for personnel and services from the General Fund departments. These Other Funds include Concord's four Enterprise Funds, five Special Revenue Funds, and a grouping of Other Smaller Funds. In FY20, the proposed total interfund transfer is budgeted to be \$3,407,135 (Page 8, Line 6).



FY20 Fund Relations

The Town's fund structure is interconnected as "Non-General Fund" funds make transfers to pay for personnel and services from General Fund departments.

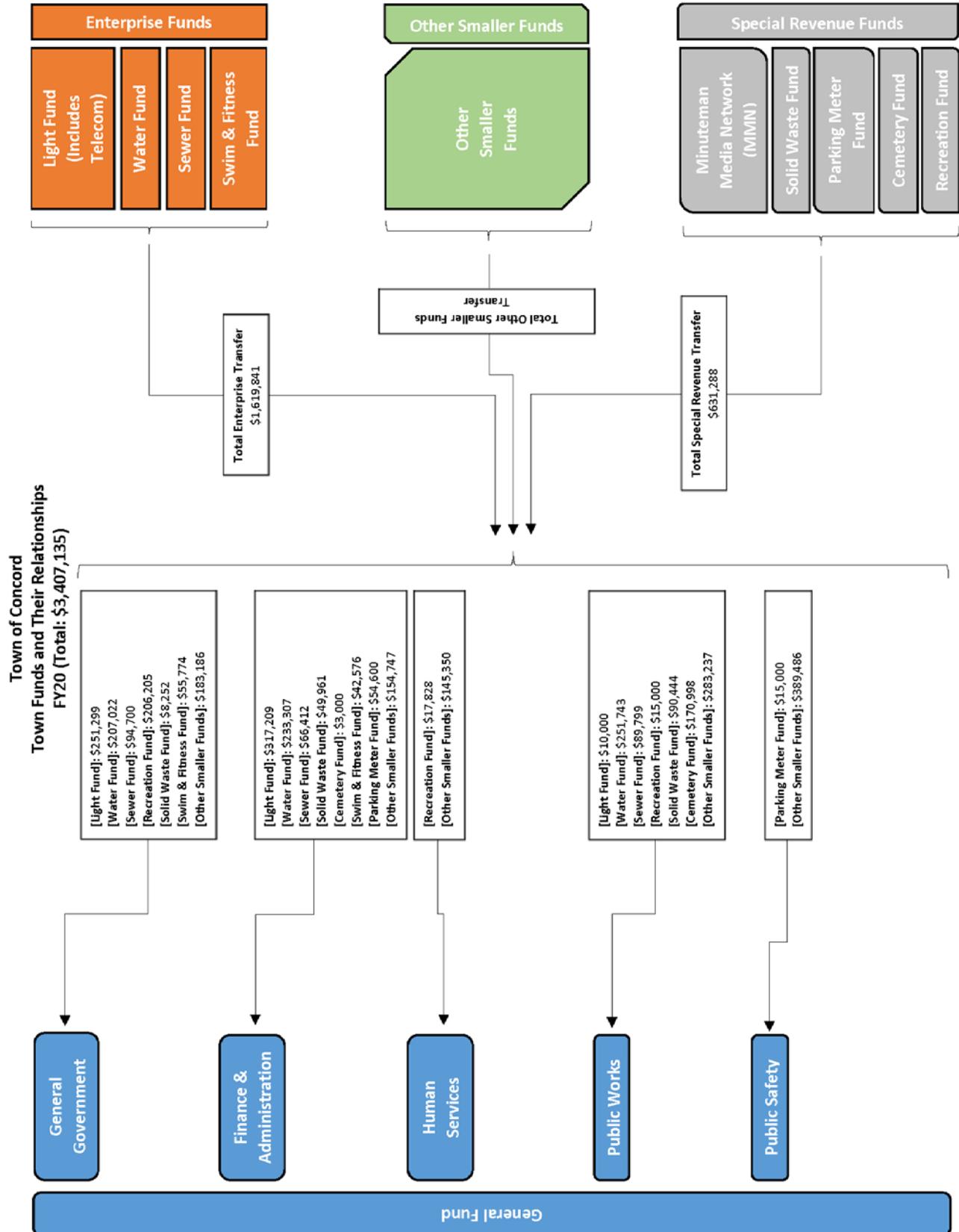
In FY20, the proposed transfers of funding between Town funds is budgeted to total \$3,407,135. This total is proposed to be paid to the General Fund from the Enterprise Funds (\$1,619,841), Special Revenue Funds (\$631,288), and Other Smaller Funds (\$1,156,006). The Other Smaller Funds are considered miscellaneous funding sources and include proposed funding from Retirement, Town Trustees, Sustainability Fund, Schools, Community Chest, state and federal grants, Regional Housing Services Office, stabilization funds, and other sources.

The chart to the right details these transfers further by showing where portions of funding originate from based on the above three groupings. For example, the General Government section of the General Fund is proposed to be funded with transfers from the Light Fund (\$251,299), Water Fund (\$207,022), Sewer Fund (\$94,700), Recreation Fund (\$206,205), Solid Waste Fund (\$8,252), Swim & Fitness Fund (\$55,774), Parking Meter Fund (\$54,600), and Cemetery Fund (\$3,000) as well as from Other Smaller Funds (\$183,186). This \$1,006,438 is proposed to be transferred to various divisions in the General Government portion of the General Fund. These transfers are further broken down by the division: Town Manager's Office (\$277,416), Human Resources (\$175,674), Facilities Maintenance (\$38,543), Visitors Center (\$79,500), 37 Knox Trail (\$19,561), 55 Church Street (\$91,006), Parks & Playgrounds (\$67,922), Registrars (\$2,755), Planning (\$99,197), Natural Resources (\$60,247), and Health (\$94,617).

Within the Town Manager's Office's budget, the Light Fund is proposed to pay a total of \$115,994 (as seen on Page 91), which is 16.51% of the total budget, for personnel and services rendered. The budget includes expenses relating to personnel and supplies needed for a fully function executive level office. The Light Plant pays for a portion of those expenses based on pre-determined personnel and non-personnel expense sharing calculations. For example, the Light Plant in FY20 is proposed to fund 17.15%, or \$107,721, of personnel expenses. This is calculated from 20% of the Town Manager's, Public Information & Communications Manager's, Administrative Manager's, and Senior Administrative Assistant's proposed salaries; 10% of the Deputy Town Manager's proposed salary; and 20% of all other personnel expenses. In addition, the Light Fund is also proposed to pay for 20% of all other related expenses, which includes Purchased Services, Supplies, and Other Charges. This totals \$8,273. This transfer of funding, \$115,994, is utilized to pay for the services provided by the Town Manager's Office.

SECTION I: Financial Summary

Overview



SECTION I: Financial Summary

Property Taxes

Property Taxes:

The total projected property tax levy for FY20 is:

\$95,782,135

This represents 83.9% of the total resources supporting the FY20 budget.

It also represents an increase of 4.92% over the FY19 tax levy of \$91,291,586.

This, however, *does not* mean that the property tax rate will increase by 4.92%, as \$1,100,000 of the increase is due to projected New Growth (see chart on page 11 for a further break-out of the components of the total levy).

The resulting impact on the property tax levy on existing taxpayers is projected to be:

+ 3.71%

Property Tax Highlights

The FY20 property tax levy on existing taxpayers is projected to increase by 3.71% over the FY19 levy.

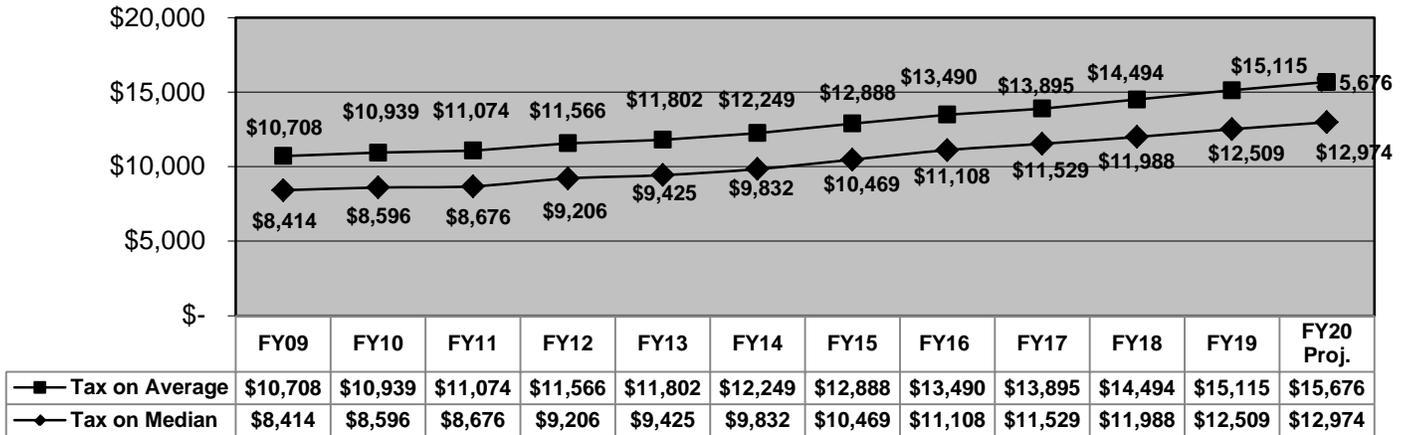
The effects of this increase can be understood in the following ways:

- The median single family residential tax bill for FY20 is projected to increase by \$465 from \$12,509 in FY19 to \$12,974 in FY20 (based on a median assessed value of \$881,550).

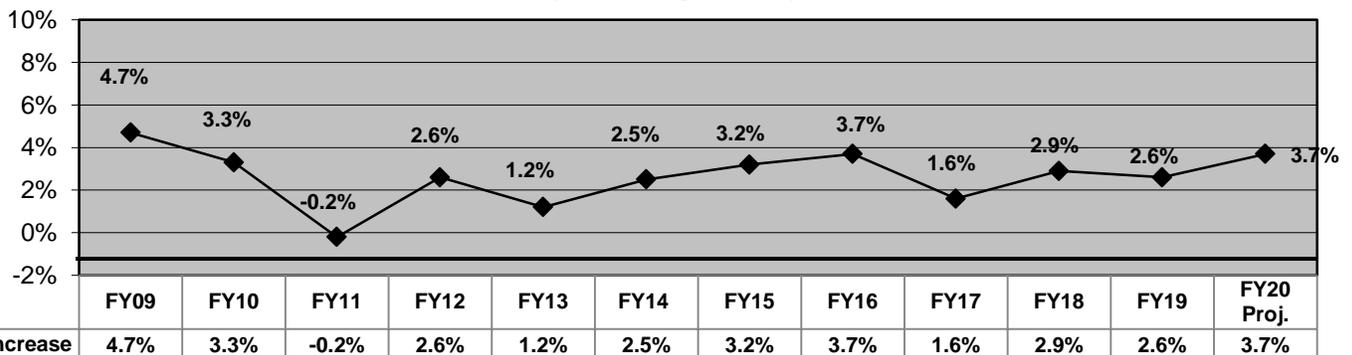
Or...

- The tax bill per \$100,000 of assessed value will increase by \$53, from \$1,419 in FY19 to an estimated \$1,472 in FY20.

Average and Median Tax Bills on Single Family Parcels



Average Tax Revenue Increases (Borne by Existing Taxpayers)



Property Tax Details:

In the area below, there is information that details how the Levy Limit has been calculated (for the proposed budget, as well as for the current and previous fiscal year budgets).

For FY20, the first number shown is the FY19 Levy Limit of \$88,864,251. As authorized by Prop 2½, the FY17 Levy Limit is multiplied by 2.5% to get \$2,221,606. The levy projected from new building construction (New Growth) is estimated to be \$1,100,000, the sum of these numbers is the new FY20 Levy Limit of \$92,185,857. After adding the levy for payment due on excluded debt of \$6,867,289, the maximum allowable levy equals \$99,053,146.

With the proposed FY20 level of spending requiring a tax levy of \$95,782,135, the result is a levy under the limit and an unused tax levy capacity projected at \$3,271,011.

Proposition 2½

Since 1982, Massachusetts Law has limited property tax increases by municipalities. The law restricts municipalities from increasing their property tax levy limit by more than 2½% each year, and is thus known as Proposition 2½.

It should be noted that property tax revenues resulting from “new growth” do not count towards the limit. This is because Proposition 2½ is intended to limit tax increases on existing taxpayers, while allowing the municipality to expand its services to meet additional needs posed by new growth.

Property Tax Levy Limit Calculation

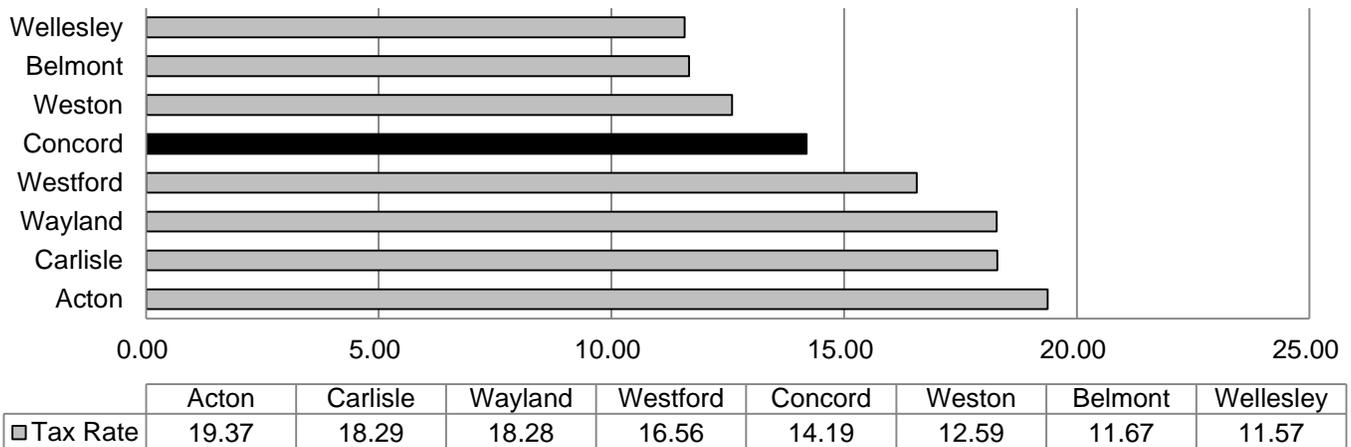
	FY18 Actual	FY19 Actual	FY20 Projected
Previous Levy Limit	\$ 82,116,773	\$ 85,491,022	\$ 88,864,251
New Growth Adjustment			-
Plus 2.5%	<u>2,052,919</u>	<u>2,137,276</u>	<u>2,221,606</u>
Subtotal	84,169,692	87,628,298	91,085,857
New Growth	1,321,330	1,235,953	1,100,000
Levy Limit	85,491,022	88,864,251	92,185,857
Excluded Debt Levy	<u>6,383,992</u>	<u>6,443,013</u>	<u>6,867,289</u>
Maximum Allowable Levy	\$ 91,875,014	\$ 95,307,264	\$ 99,053,146
Tax Levy	\$ 87,807,058	\$ 91,291,586	\$ 95,782,135
Unused Levy Limit	\$ 4,067,956	\$ 4,015,678	\$ 3,271,011

	FY19 Tax Rates		FY19 Unused Levy Capacity	
	Residential	Commercial	Amount	% of Limit
Acton	19.37	19.37	636,271	0.73%
Belmont	11.67	11.67	4,003	0.00%
Burlington	10.48	27.22	11,517,758	9.32%
Carlisle	18.29	18.29	1,938,475	6.57%
Concord	14.19	14.19	4,015,676	4.21%
Lexington	14.12	27.33	66,068	0.04%
Lincoln	14.03	18.44	6,859	0.02%
Needham	12.39	24.42	1,528,769	1.07%
Newton	10.45	19.94	15,067	0.00%
Sudbury	17.91	24.30	215,982	0.25%
Wayland	18.28	18.28	5,955,053	7.95%
Wellesley	11.57	11.57	38,904	0.03%
Westford	16.56	16.56	538,178	0.68%
Weston	12.59	12.59	9,130,624	10.62%

The table presented above provides data on the FY19 tax rates and unused levy capacity for neighboring municipalities. A lower tax rate makes the relative property tax burden less and a higher unused levy capacity shows that the municipality is not taxing at the maximum amount as determined by Proposition 2 ½.

Source: Massachusetts Department of Revenue, Division of Local Services, 1/9/19

Comparable Municipalities with Uniform Tax Rates



The chart presented above shows the FY19 tax rates of neighboring communities that have a uniform tax rate (e.g., a tax rate that is the same for residential, commercial, and industrial property).

Property Tax Rate

Assessment Date	Fiscal Year	Median single family parcel value	Tax rate	Tax Bill	Average single family value	Tax Bill	Total Tax Levy		New Growth Levy	impact on existing taxpayers	
							Net Levy	% over prior total levy			
Jan. 1, 2007	2008	\$735,650	\$10.72	\$7,886	\$944,487	\$10,125	\$58,946,453	\$1,368,514	\$57,577,939	2.70%	
Jan. 1, 2008	2009 (a)	707,100	11.90	8,414	899,866	10,708	62,648,641	947,751	61,700,890	4.67%	
Jan. 1, 2009	2010	656,700	13.09	8,596	835,697	10,939	65,797,569	1,068,881	64,728,688	3.32%	
Jan. 1, 2010	2011	657,750	13.19	8,676	839,569	11,074	66,545,397	817,300	65,728,097	-0.11%	
Jan. 1, 2011	2012 (a)	677,900	13.58	9,206	851,674	11,566	69,122,997	863,585	68,259,412	2.58%	
Jan. 1, 2012	2013	669,850	14.07	9,425	838,804	11,802	71,123,429	1,183,336	69,940,093	1.18%	
Jan. 1, 2013	2014	680,400	14.45	9,832	847,681	12,249	74,135,633	1,220,624	72,915,009	2.52%	
Jan. 1, 2014	2015 (a)	732,600	14.29	10,469	901,857	12,888	77,341,746	835,499	76,506,247	3.20%	
Jan. 1, 2015	2016	798,000	13.92	11,108	969,130	13,490	81,319,099	1,284,004	80,035,095	3.48%	
Jan. 1, 2016	2017	819,400	14.07	11,529	987,566	13,895	84,050,189	1,412,859	82,637,330	1.62%	
Jan. 1, 2017	2018 (a)	838,900	14.29	11,988	1,014,301	14,494	87,807,057	1,321,330	86,485,727	2.90%	
Jan. 1, 2018	2019	881,550	14.19	12,509	1,065,176	15,115	91,291,586	1,235,953	90,055,633	2.56%	
estimate	2020			\$12,974	\$15,676		\$95,782,135	\$1,100,000	\$94,682,135	3.71%	

notes: (a) valuation certification year, Mass. Dept. of Revenue on-site review

Operating overrides and debt exclusion levy impact	Fiscal Year	Voted Operating Override levy	% incr. in levy	Change from prior year	Debt Exclusion Levy	Total change in tax levy
2008	none			3,026,989	2,880,733	
2009	none			3,982,522	3,702,188	
2010	none			4,512,636	3,148,928	
2011	none			4,015,430	747,828	
2012	none			4,069,862	2,577,600	
2013	none			4,088,721	2,000,432	
2014	none			4,801,422	3,012,204	
2015	none			5,444,595	3,206,113	
2016	none			5,810,834	3,977,353	
2017	none			6,266,168	2,731,090	
2018	none			6,383,992	3,756,868	
current year	2019	none		6,443,013	3,484,529	
estimate	2020	none		\$6,867,289	\$4,490,549	

* FY11 is net of \$1,000,000 appropriated from the Debt Stabilization Fund and \$431,796 Thoreau MSBA grant allocation.
 * FY12 is net of \$700,000 appropriated from the Debt Stabilization Fund and \$427,413 Thoreau MSBA grant allocation.
 * FY13 is net of \$475,000 appropriated from the Debt Stabilization Fund and \$409,878 Thoreau MSBA grant allocation.
 * FY14 is net of \$965,000 appropriated from Debt Stabilization Funds (Elementary and High School) and \$409,878 Thoreau MSBA grant allocation.
 * FY15 Adopted budget is net of \$500,000 appropriated from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation.
 * FY16 Adopted budget is net of \$1,500,000 appropriated from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation.
 * FY17 Adopted is net of \$1,000,000 proposed from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation (final).
 * FY18 Adopted is net of \$785,000 appropriated from HS Debt Stabilization Fund
 * FY19 Adopted is net of \$225,000 proposed from HS Debt Stabilization Fund and \$186,272 from Exempt Debt Reserve (created out of necessity from 2017 Bond Refunding Issue)

Proposed FY20 General Fund Budgets Property Tax impact

incremental and total tax levy and budget changes

	FY19	Proposed FY20		
		<i>plus</i>	at proposed level	%Δ
Town Government operations	\$24,050,013	\$1,249,000	= \$25,299,013	5.19%
Concord Public Schools (K-8)	\$38,246,895	\$1,143,268	= \$39,390,163	2.99%
CCHS assessment:				
without debt exclusion	\$19,146,874	\$850,000	= \$19,996,874	4.44%
debt, non-exempt	\$102,802	(\$102,802)	= \$0	
debt, exempt	<u>\$3,679,345</u>	<u>(\$331,232)</u>	= <u>\$3,348,113</u>	
total assessment	\$22,929,021	\$415,966	= \$23,344,987	
Sum for General Fund Operating Budgets:		<u>3,242,268</u>		
<u>Projected Tax rate Impact</u>		3.71%		
Tax Bill at median \$881,550 value	\$ 12,509	+ 465	= \$ 12,974	
Tax Bill per \$100,000 a.v.	\$ 1,419	+ 53	= \$ 1,472	

SECTION I: Financial Summary

Property Taxes

Assessed Valuation, Levy Limit, Tax Levy and Rates: FY1980-2019

Fiscal Year	Total Assessed Value	Levy Ceiling	Levy Limit	Actual Levy		Uniform Tax Rate	Actual Tax Rates			Unused Levy Limit		
				Within Limit	Debt Exclusion		Residential	Open Space	Commercial	Ratio	\$	as % of Limit
1980	\$371,034,400			\$13,060,411		\$35.20						
1981	\$383,133,677			\$15,248,720		\$39.80						
1982	\$644,119,237	\$16,102,981	\$15,629,937	\$15,093,532		\$23.43	23.60	20.06	23.43	100.0	\$536,405	3.43%
1983	\$651,122,529	\$16,278,063	\$16,214,000	\$15,342,973		\$23.56	23.66	19.99	23.78	100.9	\$871,027	5.37%
1984	\$784,563,443	\$19,614,086	\$17,006,633	\$15,465,780		\$19.71	19.25	16.36	22.63	114.8	\$1,540,853	9.06%
1985	\$801,293,191	\$20,032,330	\$17,780,870	\$15,648,020		\$19.53	19.13	16.26	22.00	112.6	\$2,132,850	12.00%
1986	\$822,949,238	\$20,573,731	\$18,605,674	\$16,125,650		\$19.59	19.25	16.36	21.71	110.8	\$2,480,024	13.33%
1987	\$1,464,903,743	\$36,622,594	\$19,600,366	\$17,296,129		\$11.81	11.47	9.75	13.95	118.1	\$2,304,237	11.76%
1988	\$1,510,487,280	\$37,762,182	\$20,651,135	\$18,392,726		\$12.18	11.89	10.11	14.04	115.3	\$2,258,409	10.94%
1989	\$1,547,164,362	\$38,679,109	\$21,574,623	\$19,908,672		\$12.87	12.61	10.72	14.60	113.4	\$1,665,951	7.72%
1990	\$2,188,108,438	\$54,702,711	\$22,609,017	\$21,603,000		\$9.87	9.72	8.27	10.82	109.6	\$1,006,017	4.45%
1991	\$2,185,289,176	\$54,632,229	\$23,486,987	\$23,083,329		\$10.56	10.21	8.68	12.87	121.9	\$403,658	1.72%
1992	\$1,863,767,794	\$46,594,195	\$24,325,878	\$24,324,345		\$13.05	12.62	10.73	15.91	121.9	\$1,533	0.01%
1993	\$1,831,121,461	\$45,778,037	\$25,229,582	\$24,770,829		\$13.53	13.27	11.28	15.57	115.1	\$458,753	1.82%
1994	\$1,842,884,146	\$46,072,104	\$26,148,398	\$25,639,506	\$435,498	\$14.15	13.98	11.89	15.57	110.0	\$508,892	1.95%
1995	\$1,853,888,132	\$46,347,203	\$27,110,678	\$26,562,285	\$504,753	\$14.60	14.49	12.32	15.62	107.0	\$548,393	2.02%
1996	\$2,246,615,332	\$56,165,383	\$28,513,798	\$27,531,054	\$279,059	\$12.40	12.42	10.56	12.40	100.0	\$982,744	3.45%
1997	\$2,273,535,628	\$56,838,391	\$29,574,375	\$28,652,539	\$544,685	\$12.84	12.86	10.93	12.84	100.0	\$921,836	3.12%
1998	\$2,288,809,124	\$57,220,228	\$30,582,585	\$29,804,080	\$545,529	\$13.26					\$778,505	2.55%
1999	\$2,704,003,171	\$67,600,079	\$32,061,277	\$31,406,074	\$772,688	\$11.90					\$655,203	2.04%
2000	\$2,742,122,055	\$68,553,051	\$33,421,403	\$32,453,928	\$725,749	\$12.10					\$967,475	2.89%
2001	\$2,783,643,972	\$69,591,099	\$34,827,754	\$34,225,525	\$681,370	\$12.54					\$602,229	1.73%
2002	\$3,974,434,046	\$99,360,851	\$38,958,156	\$38,226,458	\$842,228	\$9.83					\$731,698	1.88%
2003	\$4,408,301,807	\$110,207,545	\$42,171,555	\$41,782,825	\$713,204	\$9.64					\$388,730	0.92%
2004	\$4,411,852,520	\$110,296,313	\$45,336,664	\$45,161,214	\$1,560,304	\$10.59					\$175,450	0.39%
2005	\$5,117,100,515	\$127,927,513	\$48,886,984	\$48,293,261	\$1,854,324	\$9.80					\$593,723	1.21%
2006	\$5,207,535,371	\$130,188,384	\$51,679,906	\$50,786,544	\$2,486,543	\$10.23					\$893,362	1.73%
2007	\$5,309,253,831	\$132,731,346	\$54,523,353	\$53,363,359	\$2,702,361	\$10.56					\$1,159,994	2.13%
2008	\$5,498,736,316	\$137,468,408	\$57,254,951	\$55,919,464	\$3,026,989	\$10.72					\$1,335,487	2.33%
2009	\$5,264,591,702	\$131,614,793	\$59,634,076	\$58,717,305	\$3,931,336	\$11.90					\$916,771	1.54%
2010	\$5,026,552,229	\$125,663,806	\$62,197,127	\$61,284,932	\$4,512,636	\$13.09					\$912,195	1.47%
2011	\$5,045,140,030	\$126,128,501	\$64,569,355	\$62,529,967	\$4,015,430	\$13.19					\$2,039,388	3.16%
2012	\$5,090,058,629	\$127,251,466	\$67,047,174	\$65,053,133	\$4,069,863	\$13.58					\$1,994,041	2.97%
2013	\$5,054,970,094	\$126,374,252	\$69,911,104	\$67,034,708	\$4,088,721	\$14.07					\$2,876,396	4.11%
2014	\$5,130,493,662	\$128,262,342	\$72,879,506	\$69,334,221	\$4,801,422	\$14.45					\$3,545,285	4.86%
2015	\$5,412,298,562	\$135,307,464	\$75,539,516	\$71,897,151	\$5,444,595	\$14.29					\$3,642,365	4.82%
2016	\$5,841,889,295	\$146,047,232	\$78,712,008	\$75,508,265	\$5,810,834	\$13.92					\$3,203,743	4.07%
2017	\$5,973,716,402	\$149,342,910	\$82,116,773	\$77,784,021	\$6,266,168	\$14.07					\$4,332,752	5.28%
2018	\$6,144,650,600	\$153,616,265	\$85,491,022	\$81,423,066	\$6,383,992	\$14.29					\$4,067,956	4.76%
2019	\$6,447,033,517	\$161,175,838	\$88,864,251	\$84,848,573	\$6,443,013	\$14.19					\$4,015,678	4.52%

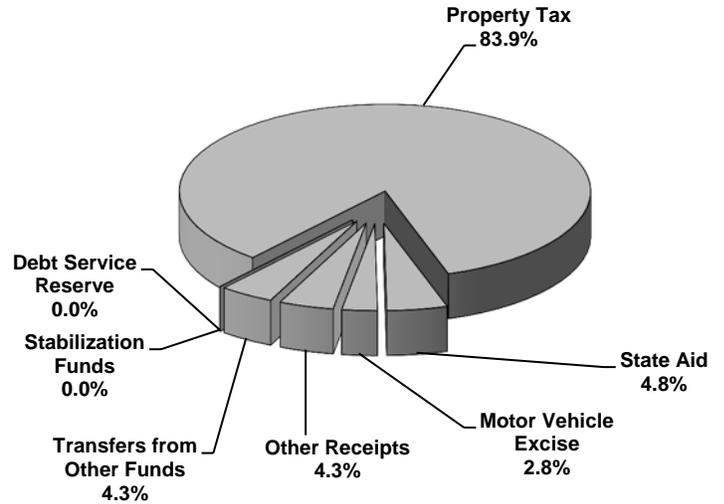
Financial Resources:

The General Fund budget is financed with funds generated from property taxes, local motor vehicle excise taxes, state aid, transfers from other local sources, investment earnings on temporarily available cash balances, and other local fees and charges.

The Resources section contains the following:

- Resource Category Descriptions 16
- Property Tax Detail 17
- State Aid and Local Receipts Detail 18-19

FY20 General Fund Resources
Totaling \$114,138,976



Property Tax – Property taxes constitute about 83.9% of the total annual resources of the Town budget and may be levied only up to a calculated levy limit (which is certified by the state Department of Revenue). This limit can only increase by 2.5% from the previous year’s levy limit. However, taxes generated from “new growth”, the increased property values resulting from new construction and change of property use, is added to the annual limit. In addition, any override or debt exclusion amount approved by a majority vote of the electorate is added to the annual levy limit (Page 17).

State Aid – The types of funds provided to Concord by the state government are listed in the Resource Detail – General Fund schedule (Page 18 under State Aid).

Motor Vehicle Excise Tax – These resources are raised from a tax on each individual vehicle garaged in the Town, according to a schedule of depreciated value set by statute and administered by the State Registry of Motor Vehicles (Page 18 Under Local Excise Taxes).

Other Receipts– A detail of these resources can be found under State Aid and Local Receipts in the following categories: Local Excise Taxes, Licenses and Permits, Fines and Forfeitures, Rentals, Fees, and Other Revenues. (Pages 18 – 19)

SECTION I: Financial Summary

Resources

PROPERTY TAX DETAIL - GENERAL FUND (FY14 - FY18 Actuals, FY19 Budgeted, and FY20 Projected)

	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Budgeted	FY20 Projected
Property Tax:							
66. Base	68,113,587	71,061,652	74,224,261	76,347,645	80,101,736	83,612,620	87,814,846
67. New Growth	1,220,624	835,499	1,284,004	1,436,376	1,321,330	1,235,953	1,100,000
68. Within levy limit	\$69,334,211	\$71,897,151	\$75,508,265	\$77,784,021	\$81,423,066	\$84,848,573	\$88,914,846
Debt Exclusion:							
69. Concord-Carlisle High School	(4,213)	(10,456)	196,161	189,624	179,233	0	0
70. New CCHS building	1,556,056	1,869,297	3,318,268	3,508,314	3,472,251	3,404,344	3,348,113
Harvey Wheeler CC renovations	110,837	107,389	103,694	0	0	0	0
71. CPS Bus Depot					158,661	141,026	251,000
72. Alcott School - Bond, Sept. '04 (\$7m), refunded	509,863	496,519	439,838	432,645	418,265	406,960	393,715
73. Alcott School - Ph 2 bond, Mar. '07 (\$2.35m)	211,132	204,980	198,829	191,724	176,240	166,320	159,500
74. Thoreau School - Bond, Sept. '06 (\$10m)	807,628	786,172	588,300	670,755	219,710	200,190	178,135
75. Thoreau School - Bond, Sept. '07 (\$6.8m)	573,769	558,589	541,037	525,570	500,537	445,440	427,560
76. Thoreau school - Bond, Mar. '09 (\$140k)	0	0	0	0	0	0	0
77. Willard School Design - Bond Spr. '08 (\$1.84m)	215,734	210,285	204,383	198,269	181,563	191,110	0
78. Willard School - Bond, Mar. '09 (\$11.9m)	979,864	955,980	937,245	918,750	898,438	580,262	796,110
79. Willard School - Bond, Jan. '10(\$12.9m)	1,013,547	1,000,005	986,463	972,475	954,300	935,680	916,375
80. Phase 1, WPAT State Loan	101,450	101,332	101,212	101,089	99,794	99,794	99,794
81. Willard constr. - Bond, June '11 (\$400k est)	100,633	74,381	0	0	0	0	0
82. Thoreau advance refunding, May '15	0	0	105,282	0	0	0	0
83. MMRHS, New building	0	0	0	0	0	146,887	297,995
84. subtotal, debt exclusion	\$6,176,300	\$6,354,473	\$7,720,712	\$7,709,215	\$7,258,992	\$6,718,013	\$6,868,297
<i>less:</i>							
85. Elementary School Debt Stabilization							
85A. Bond Premium							
85B. CCRSB PY Debt Reserve							
86. Thoreau School MSBA grant							
87. High School Debt Stabilization							
88. Net debt exclusion	\$4,801,422	(\$500,000)	(1,500,000)	(1,000,000)	(875,000)	(275,000)	0
89. TOTAL PROPERTY TAX	\$74,135,633	\$77,341,746	\$81,319,099	\$84,050,189	\$87,807,058	\$91,291,586	\$95,782,135

FY20 PROJECTED TAX LEVY INCREASE

	FY19	FY20	Percent Increase
Property Tax - Base	\$83,612,620	\$87,814,846	5.03%
Property Tax - Net Debt Exclusion	\$6,443,013	\$6,867,289	6.59%
Total for Existing Taxpayers	\$90,055,633	\$94,682,135	5.14%
Property Tax - New Growth	\$1,235,953	\$1,100,000	-11.00%
Total Property Tax	\$91,291,586	\$95,782,135	4.92%

SECTION I: Financial Summary

Resources

State Aid and Local Receipts

FY16 - FY18 Actuals, FY19 Budgeted, FY20 Proposed

	FY16	FY17	FY18	FY19	FY20	FY19 Budgeted to FY20 Proposed		Percent of Total
	Actual	Actual	Actual	Budgeted	Proposed	Amount	Percent	
State Aid								
4602 EARLY VOTING	\$0	\$0	\$3,428	\$0	\$0	\$0	0.00%	0.00%
4611 LOSS OF TAXES STATE LAND	\$424,522	\$419,471	\$415,310	\$415,310	\$539,839	\$124,529	29.98%	4.00%
4613 ABATEMENTS TO VETERANS	\$9,900	\$0	\$38,404	\$29,780	\$33,520	\$3,740	12.56%	0.25%
4614 ABATEMENTS TO SURVIVING SPOUSE	\$10,591	\$0	\$18,101	\$0	\$0	\$0	0.00%	0.00%
4615 ABATEMENTS TO THE BLIND	\$962	\$0	\$1,663	\$0	\$0	\$0	0.00%	0.00%
4616 ABATEMENTS TO THE ELDERLY	\$4,141	\$3,012	\$3,012	\$0	\$0	\$0	0.00%	0.00%
4620 SCHOOL AID CH. 70	\$2,705,857	\$3,030,314	\$3,229,888	\$3,310,635	\$3,553,702	\$243,067	7.34%	26.34%
4623 CHARTER SCHL TUTION ASSESSMENT REIMB.	\$5,407	\$1,620	\$808	\$893	\$1,075	\$182	20.39%	0.01%
4666 CORRECTIONAL INSTITUTIONAL AID	\$205,013	\$163,890	\$151,203	\$0	\$0	\$0	0.00%	0.00%
4667 VETERANS BENEFITS	\$32,509	\$60,752	\$54,499	\$63,727	\$49,897	(\$13,830)	-21.70%	0.37%
4673 UNRESTRICTED GEN GOVT AIDE	\$1,069,450	\$1,115,436	\$1,158,938	\$1,187,911	\$1,223,491	\$35,580	3.00%	9.07%
LIBRARY OFFSET RECEIPT	\$0	\$0	\$0	\$0	\$26,151	\$26,151	0.00%	0.19%
TOTAL - STATE AID	\$4,468,352	\$4,794,495	\$5,071,826	\$5,008,256	\$5,427,676	\$419,420	8.37%	40.22%
Local Excise Taxes								
4150 MOTOR VEHICLE EXCISE	\$2,937,836	\$3,029,693	\$3,159,258	\$3,095,000	\$3,174,229	\$79,229	2.56%	23.52%
4162 FARM EXCISE	\$1,489	\$472,779	\$0	\$0	\$0	\$0	0.00%	0.00%
4166 ROOM OCCUPANCY	\$334,372	\$115,668	\$667,462	\$550,000	\$800,000	\$250,000	45.45%	5.93%
4167 JET FUEL	\$203,899	\$353,568	\$166,260	\$115,000	\$153,000	\$38,000	33.04%	1.13%
4168 LOCAL MEALS TAX	\$360,185	\$198	\$380,083	\$380,000	\$404,250	\$24,250	6.38%	3.00%
4324 MV LESSOR SURCHARGE	\$0	\$0	\$292	\$0	\$0	\$0	0.00%	0.00%
TOTAL - LOCAL EXCISE TAXES	\$3,837,781	\$3,971,906	\$4,373,354	\$4,140,000	\$4,531,479	\$391,479	9.46%	33.58%
Licenses and Permits								
4411 LICENSES PERMITS	\$1,430,945	\$1,042,484	\$1,508,147	\$1,125,000	\$1,125,000	\$0	0.00%	8.34%
4412 ALCOHOLIC BEVERAGES	\$92,225	\$93,750	\$99,225	\$90,000	\$90,000	\$0	0.00%	0.67%
TOTAL - PERMITS	\$1,523,170	\$1,136,234	\$1,607,372	\$1,215,000	\$1,215,000	\$0	0.00%	9.00%
Fines and Forfeitures								
4171 PENALTY INTEREST-PROP. TAXES	\$769	\$343	\$1,018	\$0	\$91,800	\$91,800	0.00%	0.68%
4172 REAL ESTATE INTEREST	\$93,325	\$83,613	\$95,120	\$90,000	\$0	(\$90,000)	-100.00%	0.00%
4173 TAX TITLE INTEREST	\$33,817	\$57,110	\$51,818	\$30,000	\$30,000	\$0	0.00%	0.22%
4174 MV EXCISE INTEREST	\$10,388	\$7,349	\$6,602	\$0	\$0	\$0	0.00%	0.00%
4175 DEF. REAL ESTATE INTEREST	\$1,566	\$3,972	\$13,055	\$0	\$0	\$0	0.00%	0.00%
4771 TOWN BYLAW FINES	\$425	\$400	\$0	\$0	\$0	\$0	0.00%	0.00%
4775 COURT FINES	\$38,967	\$0	\$3,810	\$90,000	\$90,000	\$0	0.00%	0.67%
4777 DISTRICT COURT FINES	\$1,422	\$10,150	\$0	\$0	\$0	\$0	0.00%	0.00%
4778 CIVIL FINES RMV	\$77,298	\$76,780	\$48,736	\$0	\$0	\$0	0.00%	0.00%
TOTAL - FINES	\$257,977	\$239,718	\$220,159	\$210,000	\$211,800	\$1,800	0.86%	1.57%
Rentals								
4359 WIRELESS RENTAL FEES	\$220,030	\$220,449	\$228,373	\$222,500	\$222,500	\$0	0.00%	1.65%
4360 RENTALS - HWCC	\$33,280	\$32,073	\$33,787	\$30,000	\$30,000	\$0	0.00%	0.22%
4361 MILLBROOK TARRY	\$400	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%
4362 RIPLEY RENTAL	\$21,686	\$24,530	\$23,143	\$22,750	\$22,750	\$0	0.00%	0.17%
4363 MARSHALL FARM RENT	\$13,332	\$13,902	\$0	\$0	\$0	\$0	0.00%	0.00%
4364 MCGRATH FARM RENT	\$16,800	\$16,926	\$0	\$0	\$0	\$0	0.00%	0.00%
4365 37 KNOX TRAIL RENT	\$440	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%
4830 INTEREST ON INVESTMENTS	\$158,041	\$395,884	\$735,487	\$400,000	\$598,000	\$198,000	49.50%	4.43%
TOTAL - RENTALS	\$464,008	\$703,764	\$1,020,790	\$675,250	\$873,250	\$198,000	29.32%	6.47%

SECTION I: Financial Summary

Resources

State Aid and Local Receipts

FY16 - FY18 Actuals, FY19 Budgeted, FY20 Proposed

	FY16	FY17	FY18	FY19	FY20	FY19 Budgeted to FY20 Budgeted		Percent of Total
	Actual	Actual	Actual	Budgeted	Budgeted	Amount	Percent	
Fees								
4271 AMBULANCE FEES COASTAL	\$699,575	\$688,938	\$687,529			\$0	0.00%	0.00%
4320 FEES	\$1,725	\$2,025	\$2,075			\$0	0.00%	0.00%
4321 ADMIN DETAIL FEES	\$31,335	\$32,337	\$22,780			\$0	0.00%	0.00%
4322 FALSE ALARM FEES	\$8,550	\$18,875	\$11,450			\$0	0.00%	0.00%
4323 FIREARM IDENTIFICATION FEE	\$2,250	\$2,838	\$3,200			\$0	0.00%	0.00%
4327 FIRE ALARM MONITOR FEE	\$23,900	\$31,800	\$30,600			\$0	0.00%	0.00%
4328 SUBDIVISION APPLICATION FEES	\$4,400	\$6,669	\$5,900			\$0	0.00%	0.00%
4329 COLLECTORS FEES	\$14,200	\$13,550	\$13,775			\$0	0.00%	0.00%
4330 COLLECTORS COSTS	\$33,347	\$24,785	\$24,425			\$0	0.00%	0.00%
4331 CONSTABLE FEES	\$70	\$90	\$85			\$0	0.00%	0.00%
4333 FEES (TOWN CLERK)	\$107,298	\$109,642	\$108,387			\$0	0.00%	0.00%
4335 CABLE TV FRANCHISE	\$2,965	\$0	\$2,813			\$0	0.00%	0.00%
4337 COBRA FEES	\$171	\$185	\$145			\$0	0.00%	0.00%
4338 BAD CHECK FEES	\$2,644	\$2,766	\$3,070			\$0	0.00%	0.00%
4339 FILING FEES	\$8,850	\$12,590	\$11,700			\$0	0.00%	0.00%
4347 BUILDING REVIEW FEE	\$8,240	\$9,240	\$15,155			\$0	0.00%	0.00%
4360 RENTALS	\$15,268	\$8,296	\$14,750			\$0	0.00%	0.00%
4370 MISCELLANEOUS REVENUE	\$42,107	\$27,479	\$40,942			\$0	0.00%	0.00%
4376 HEALTH SERVICES OVERHEAD	\$11,583	\$9,491	\$15,334			\$0	0.00%	0.00%
4414 FIRE ALARM	\$12,350	\$12,835	\$15,876			\$0	0.00%	0.00%
4567 SCHOOL MEDICAID PAYMENTS		\$0	\$0			\$0	0.00%	0.00%
4772 LIBRARY BOOK FINES	\$34,940	\$37,219	\$37,150			\$0	0.00%	0.00%
4857 TUITION - INTEGRATED PRESCHOOL	\$120,885	\$144,080	\$118,420			\$0	0.00%	0.00%
TOTAL - FEES	\$1,186,653	\$1,195,729	\$1,185,562	\$1,200,000	\$1,075,000	(\$125,000)	-10.42%	7.98%
Other Revenue								
4141 41A REDEMPTION	\$19,336	\$12,146	\$54,327	\$0	\$0	\$0	0.00%	0.00%
4161 61B ROLLBACK	\$66,113		\$21,013	\$0	\$0	\$0	0.00%	0.00%
4181 PILOT-HOUSING AUTHORITY	\$20,190	\$19,705	\$20,174	\$20,000	\$20,000	\$0	0.00%	0.15%
4182 PILOT-FISH WILDLIFE	\$3,561	\$907	\$5,499	\$0	\$0	\$0	0.00%	0.00%
4190 SUPPLEMENTAL PROPERTY TAX	\$53,926	\$127,428	\$112,070	\$100,000	\$100,000	\$0	0.00%	0.74%
4369 SREC REVENUE	\$20,724	\$17,370	\$13,191	\$15,000	\$15,000	\$0	0.00%	0.11%
4371 POLICE FIRE IOD	\$0	\$0	\$27,214	\$0	\$0	\$0	0.00%	0.00%
4375 MISC REVENUE NON-RECURRING	\$302,119	\$4,883	\$1,025	\$25,000	\$25,000	\$0	0.00%	0.19%
4378 REFUND PRIOR YEAR	\$2,258	\$7,257	\$4,953	\$0	\$0	\$0	0.00%	0.00%
4387 E-RATE REVENUE	\$42,829	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%
4940 PREMIUM FROM SALE OF BONDS	\$362,178	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%
TOTAL - OTHER	\$893,233	\$189,696	\$259,464	\$160,000	\$160,000	\$0	0.00%	1.19%
Total								
STATE AID	\$4,468,352	\$4,794,495	\$5,071,826	\$5,008,256	\$5,401,525	\$393,269	7.85%	40.11%
LOCAL RECEIPTS	<u>\$8,162,822</u>	<u>\$7,437,047</u>	<u>\$8,666,701</u>	<u>\$7,600,250</u>	<u>\$8,066,529</u>	<u>\$466,279</u>	6.14%	59.89%
TOTAL REVENUE	\$12,631,174	\$12,231,542	\$13,738,527	\$12,608,506	\$13,468,054	\$859,548	6.82%	100.00%

Overview:

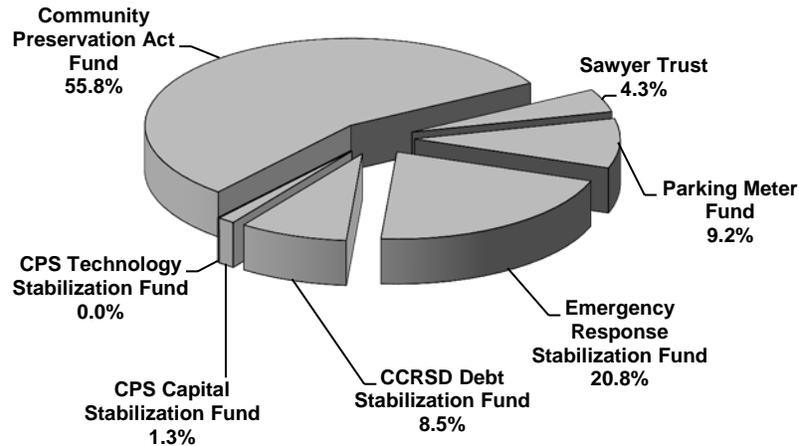
To augment current General Fund revenues and earmark funds for future expenditures, the Town has established several stabilization funds and the Sawyer Trust Fund.

With the adoption of the Community Preservation Act in 2004, the Town places a 1.5% surcharge on all real estate tax bills with an exemption for qualified low and moderate income owner-occupied residents, and an exemption for the first \$100,000 of taxable value of residential real property. When funds are available, the State matches the amount raised by the Town's 1.5% surcharge.

The Parking Meter Fund was established in 1975 to use revenues from parking meters and parking violation fines for the purchase and maintain parking meters and regulate and enforce parking activities.

Available Resources (as of June 30, 2018)

\$1.8 Million for CPA Projects
 \$1.0 million from Stabilization Funds
 \$298,458 for Parking-Related Projects
 \$139,746 for Sawyer Trust Building Projects



Other Resources

Stabilization Funds (which can be used with a two-thirds affirmative vote of Town Meeting)

- Concord Public Schools Capital Needs Stabilization Fund – As of June 30, 2018, the fund has an unencumbered total of \$43,334.
- Concord Public Schools Technology Stabilization Fund – As of June 30, 2018, the fund has a remaining balance of \$711.
- High School Debt Stabilization Fund – As of June 30, 2018, the fund has a total of \$276,287, to off-set the debt service cost associated with the construction of the new Concord-Carlisle Regional High School.
- Emergency Response Stabilization Fund – As of June 30, 2018, the fund has \$675,482 to be used to mitigate the impact of the Concord Mews development in West Concord on public safety services.

Sawyer Trust Fund -- For use at the discretion of the Town Manager, the \$1.7 million Sawyer Trust gift has a balance of \$139,746 as of June 30, 2018 for energy conservation initiatives in Town-owned buildings.

Community Preservation Act Funds – As of June 30, 2018, the amount available to fund Community Preservation Act (CPA) is \$1,811,419. These funds can be appropriated by Town Meeting for the purposes of funding community housing, historic preservation, open space, and recreation projects, as well as covering associated administration costs. By statute, the Town must designate at least 10% of annual revenues of the Community Preservation Fund either to be appropriated to or reserved for future spending for each of three categories: community housing, historic preservation, and open space purposes.

Parking Meter Revolving Fund – With revenues derived from the collection of parking meter deposits and the payment of parking violation fines, the Parking Meter Fund has a balance of \$298,458 as of June 30, 2018. This fund is replenished continually with revenue from meter collections and violation payments, and in FY18 revenues totaled \$404,653. With the authorization of the Police Chief, FY18 expenditures equaled \$373,701.

Stabilization, Trust, and Escrow Funds as of June 30, 2018**Concord Public Schools Capital Needs Stabilization Fund**

This fund was established at the 2006 Annual Town Meeting with the net proceeds (\$487,956) from the sale of Town land at Strawberry Hill Road to fund the Burke land purchase (Old Bedford Road, at Ripley). Subsequent additions totaling \$360,000 were made by the 2010 Town Meeting (\$260,000) and the 2011 Town Meeting (\$100,000) from unexpended CPS appropriations encumbered by the School Committee at June 30, 2009 and June 30, 2010 respectively. An amount of \$925,000 was appropriated from this Fund by Article 24 of the 2015 Annual Town Meeting for the public school bus depot. There is a Fund balance of \$43,334.04 as of June 30, 2018.

Concord Public Schools Technology Stabilization Fund

This fund was established by vote at the 2010 Annual Town Meeting and added to at the 2011 Annual Town Meeting, from unexpended CPS appropriations encumbered by the School Committee at June 30, 2009 (\$25,000) and June 30, 2010 (\$50,000) respectively. An amount of \$75,000 was appropriated from this Fund by vote of Article 11 of the 2014 Annual Town Meeting for public school technology projects. There is a Fund balance of \$711.62 as of June 30, 2018.

High School Debt Stabilization Fund

This fund was established by vote at the April 24, 2012 Special Town Meeting, funded by a \$2.0 million appropriation from Free Cash effective immediately upon the vote. Subsequent transfers from Free Cash have been voted at the 2013, 2014 and 2015 annual town meetings (\$750,000 each year). As a result of withdrawals from this stabilization fund, the balance as of June 30, 2018 is \$1,055,687 to be used to mitigate the property tax impact of the construction cost of the new high school. There is a Fund balance of \$276,287.32 as of June 30, 2018.

Emergency Response Stabilization Fund

This fund was established by vote at the 2012 Annual Town Meeting, funded by a \$1.0 million appropriation from Free Cash effective immediately upon the vote. The Free Cash appropriation was offset by the receipt of the same amount from the developer of Concord Mews as a required Mitigation Payment. In accordance with state law, the Mitigation Payment was recorded as General Fund revenue during FY12; the payment was not legally permitted to be applied and expended directly.

An amount of \$350,000 was drawn from the fund in the period from FY15 through FY17 to be applied to Fire Department costs for the initiation of a second ambulance services out of the West Concord Station. Additionally, \$50,00 had been appropriated by Article 29 of the 2012 Town Meeting for application to emergency access to the Concord Mews site. There is a Fund balance of \$675,482.48 as of June 30, 2018.

Sawyer Trust Fund

Special Town Meeting vote of Nov. 5, 2007 accepted this \$1.7 million gift and assigned the custody and investment of the fund to the Trustees of Town Donations. Interest, dividends and gains recorded to date and added to the fund total of \$70,002. To date, the Trustees have transferred \$1,787,815 to the Town Treasury at the request of the Town Manager. There have been 68 separate projects undertaken for the improvement of energy and resource conservation in Town government buildings and facilities. A total of \$139,746.14 remains in the fund as of June 30, 2018.

SECTION I: Financial Summary

Other Resources

Status of Stabilization and other special funds at June 30, 2018

Fund #	FUND TITLE	Legal Basis	Initial Funding		Balance at June 30, 2018
			Amount	Date	
86	Elementary School Debt Stabilization	Article 20 of 2008	\$2,500,000.00	7/1/08	\$0.00
85	Concord Public Schools Capital Needs	Article 32 of 2006	\$487,955.59	3/31/08	\$42,657.35
80	Concord Public Schools Technology	Article 25 of 2010	\$25,000.00	12/7/10	\$700.31
83	General Stabilization Fund				\$4,241.04
78	High School Debt	Art. 2, Apr. 24, 2012 Special Town Mtg.	\$2,000,000.00	6/29/12	\$1,055,687.01
79	Emergency Response	Article 29 of 2012	\$1,000,000.00	6/29/12	\$664,933.64
	SUBTOTAL: STABILIZATION FUNDS		\$6,012,955.59		\$1,768,219.35
Trustees	Sawyer Trust	Art. 4, Nov. 5, 2007 Special Town Mtg.	\$1,730,437.58	1/3/08	\$214,563.89
General Fund reserved	Thoreau School MSBA grant escrow (General Fund restricted fund balance)	*	\$6,336,666.00	6/7/10	\$0.00
					\$1,982,783.24

FY18 Transactions & Activity (12 months)					Balance at June 30, 2018
Additions	Interest and Dividends	realized and unrealized gains	Funds used		
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$676.69	\$0.00	\$0.00	\$0.00	\$43,334.04
\$0.00	\$11.31	\$0.00	\$0.00	\$0.00	\$711.62
\$0.00	\$67.23	\$0.00	\$0.00	\$0.00	\$4,308.27
\$0.00	\$5,600.31	\$0.00	\$785,000.00	\$0.00	\$276,287.32
\$0.00	\$10,548.84	\$0.00	\$0.00	\$0.00	\$675,482.48
\$0.00	\$16,904.38	\$0.00	\$785,000.00	\$0.00	\$1,000,123.73
\$0.00	\$232.39	\$0.00	\$74,585.36	\$0.00	\$139,746.14
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Interest and dividend income of the Thoreau escrow account is recorded as General Fund revenue</i>					
					\$1,139,869.87

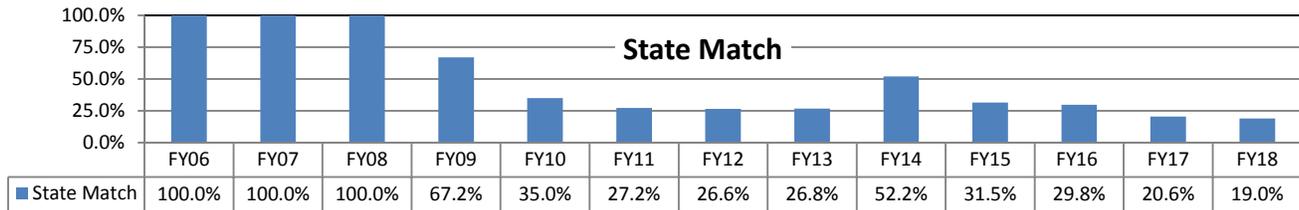
* Grant reserved (initial funding less funds used) shaded cells: General Fund revenue

Community Preservation Act Fund

The Community Preservation Act, M.G.L. c. 44B, allows Massachusetts cities and towns to raise monies through a surcharge of up to 3% of the real estate tax levy on real property. Concord adopted the Community Preservation Act at the 2004 Annual Town Meeting and ratified it at the polls in November 2004. Concord voters agreed to fund the CPA account through a 1.5% surcharge of all real estate property tax bills with two exemptions:

1. Residential property owned and occupied by any person who qualifies for moderate or low-income housing (earning less than 80% of Area Median Income), or low or moderate-income senior housing (earning less than 100% of the Area Median Income and are 60 years of age or older), and
2. The first \$100,000 of taxable value of residential real property.

Funds from the 1.5% surcharge are “matched” from revenues derived from a surcharge placed on all real estate transactions at the State's Registries of Deeds and placed in the CPA Trust Fund. From FY06 to FY08, there were enough funds in the CPA Trust Fund to provide Concord with a 100% match. However, as the number of participating municipalities increased (82 in FY06 to 172 in FY18), the State match percentage has decreased.



The chart below shows the annual revenues, expenditures, and fund balance for Concord's CPA account.

CPA Fund Balance (FY13 to FY18 Actual and FY19 to FY20 Projected)								
	FY13	Actual FY14	FY15	FY16	FY17	FY18	Budgeted FY19	Projected FY20
Beginning Fund Balance (@July 1st)	\$1,977,882	\$1,243,941	\$1,236,225	\$1,827,740	\$2,049,110	\$1,942,080	\$2,563,624	\$2,457,742
Surcharge Collection (Current Year)	\$921,209	\$964,992	\$1,016,159	\$1,078,059	\$1,120,149	\$1,179,113	\$1,238,192	\$1,298,987
Surcharge Collection (Prior Years)	\$7,056	\$4,794	\$3,051	\$3,937	\$0	\$0	\$0	\$0
State Match (of Prior Year net committed)	\$241,434	\$485,112	\$306,163	\$302,422	\$223,265	\$223,863	\$185,729	\$129,899
Earnings on Investment	\$3,664	\$2,340	\$3,514	\$8,423	\$15,596	\$34,248	\$7,500	\$7,500
Tax and Tax Title Penalty Interest	\$4,927	\$5,834	\$8,810	\$3,230	\$3,376	\$3,370	\$0	\$0
Total Fund Revenues	\$1,178,290	\$1,463,072	\$1,337,697	\$1,396,072	\$1,362,386	\$1,440,594	\$1,431,421	\$1,436,386
Expenditures	\$1,912,231	\$1,470,788	\$746,182	\$1,174,702	\$1,469,415	\$819,049	\$1,537,303	
Ending Fund Balance (@ June 30th)	\$1,243,941	\$1,236,225	\$1,827,740	\$2,049,110	\$1,942,080	\$2,563,624	\$2,457,742	

Parking Meter Fund

With the adoption of Article 65 of the 1975 Annual Town Meeting, the Town established in the Town Treasury a Parking Meter Fund to segregate revenues raised from the collection of parking meter deposits and the payment of parking violation fines. With the authorization of the Police Chief, these funds can be used to pay for costs incurred for the acquisition, installation, replacement, maintenance, and repair of parking meters and for the regulations and enforcement of parking and other traffic activities.

On page 25, there is a Statement of Revenues, Expenditures, and Fund Balance for the fiscal years 2012 to 2018. In FY18, Total Revenues equaled \$404,653 and Total Expenditures equaled \$373,701. As a result, Fund Balance increased by \$30,592 to \$298,458.

SECTION I: Financial Summary**Other Resources**Proposed FY20 CPA Projects (to be voted on at the 2019 Annual Town Meeting)

Item	Name of Project	Suggested Category	Suggested Amount to Award	Notes
A	Town of Concord – Regional Housing Services Program	Community Housing	\$19,000	
B	Town of Concord – Junction Village Assisted Living	Community Housing	\$300,000	\$125,497 from Housing Reserve Fund; \$174,503 from Prior Year Fund Balance.
C	Concord Free Public Library Corporation - Expansion and Renovation of the Main Library and the Heywood-Benjamin House	Historic Preservation	\$500,000	\$20,000 from Prior Year Fund Balance
D	Concord Home for the Aged - 110 Walden Street Preservation Project	Historic Preservation	\$20,800	
E	Town of Concord - Gerow Recreation Area Improvements	Open Space / Recreation	\$200,000	Split Evenly
F	Town of Concord - White Pond Beach Access Improvements	Open Space / Recreation	\$250,000	Open Space \$75,000; \$175,000 Recreation
G	Town of Concord – Warner's Pond Dredging Project	Open Space / Recreation	\$75,000	\$50,000 Open Space; \$25,000 Recreation
H	Town of Concord – Emerson Land Acquisition	Open Space	\$90,000	\$80,000 from Land Acquisition Reserve Fund
I	Town of Concord – Heywood Meadow Stone Wall Extension	Open Space	\$21,619	
J	Town of Concord – Old Calf Pasture Habitat Restoration	Open Space	\$5,000	
K	Town of Concord Public Works – Emerson Field Improvements	Recreation	\$300,000	
L	Staff and Technical Support	Administration	\$30,000	
Total Requested:			\$1,811,419	

SECTION I: Financial Summary

Other Resources

CONCORD FINANCE DEPARTMENT
Parking Fund
Statement for Revenues, Expenditures and Changes in Fund Balance

Fiscal Years 2012 to 2018

	Code	FY12	FY13	FY14	FY15	FY16	FY17	FY18
REVENUES:								
Meter collections		144,358	139,460	133,436	128,558	172,442	213,561	249,110
Meter violations		135,705	139,787	119,302	118,454	155,724	107,132	79,961
MBTA lot fees		34,367	35,999	38,483	42,631	50,036	38,422	46,892
Parking permits		9,825	14,639	16,668	22,815	26,002	35,172	28,691
Total revenues		<u>324,255</u>	<u>329,884</u>	<u>307,889</u>	<u>312,459</u>	<u>404,204</u>	<u>394,287</u>	<u>404,653</u>
EXPENDITURES:								
Personal services:								
Parking officer	5111	60,407	60,747	70,523	62,744	63,551	67,055	66,955
Hearing officer	5120	240	240	260	320	493	356	475
Overtime	5130	60,131	56,493	67,437	56,330	51,780	43,870	47,739
Benefits	various	2,551	2,551	3,380	2,815	3,649	2,676	2,657
Total personal services		<u>123,329</u>	<u>120,031</u>	<u>141,599</u>	<u>122,209</u>	<u>119,473</u>	<u>113,957</u>	<u>117,827</u>
Supplies & services:								
Electricity - traffic lights	5211, 5215	9,512	7,807	7,115	7,284	7,012	6,727	6,595
Equipment maintenance	5243	4,105	1,575	629	-	203	53	-
Computer Equipment	5245	12,195	11,241	12,039	12,345	12,152	14,093	16,661
Traffic signal maintenance	5246	4,097	6,739	51,617	3,834	1,013	-	-
Vehicular Maintenance	5251	1,672	90	461	205	763	961	2,622
Street Painting Marking	5292	36,517	38,996	22,147	36,724	33,611	61,387	42,570
Other Property Related	5299	-	-	330	-	-	-	-
Data processing - tickets	5303	12,819	10,577	10,359	10,882	13,271	7,691	4,806
Eng./Architect. Svs	5304	1,355	-	-	-	-	-	-
Banking Services	5310	-	-	-	-	3,069	14,794	24,245
Staff Training Svs.	5318	-	-	-	-	-	-	1,000
Other Prof./Tech. Svs	5319	26,669	64,865	-	10,678	22,857	4,948	21,482
Telephone	5341	-	-	-	-	200	440	1,387
Postage	5342	1,443	2,297	1,015	957	1,269	732	598
Printing	5381	-	2,464	2,400	4,598	4,777	-	259
Advertising	5383	-	-	-	-	587	122	-
Radar Service	5384	538	1,632	1,198	723	1,555	1,613	1,382
Misc. Purchased Services	5399	-	-	-	-	3,961	11,831	27,259
Gasoline	5411	2,542	3,039	2,681	2,226	611	1,011	1,250
Printed Forms	5423	860	1,626	1,490	1,104	1,669	759	1,594
Office Supplies	5429	-	-	-	30	-	2,064	-
Painting Supplies	5434	1,248	797	1,119	1,469	562	-	-
Other Vehicle Supplies	5483	-	-	-	-	-	8	-
Other equipment supplies	5484	1,732	961	2,091	2,053	724	428	26
Sign materials	5541	50	56	141	38	97	101	70
Traffic safety devices & signs	5551	2,320	2,147	4,459	3,245	1,425	5,830	5,532
Miscellaneous Signs	5553	-	-	-	628	290	-	19,000
Uniforms	5582	-	-	-	-	-	-	1,440
Other Miscellaneous Supplies	5599	-	-	-	505	901	100	9
Intergovernmental assessmnt	5646	9,734	9,465	8,907	10,776	10,776	7,749	7,749
Total supplies & services		<u>129,409</u>	<u>166,372</u>	<u>130,196</u>	<u>110,301</u>	<u>123,356</u>	<u>143,444</u>	<u>187,537</u>
Capital outlay:								
Traffic counters	5709	-	-	-	-	-	-	-
Other Equipment Expense	5709	-	-	-	-	1,390	-	-
Highway Improvements	5841	4,269	81,988	-	-	9,277	2,878	1,200
Public Safety Equipment	5857	7,463	1,875	-	-	-	7,500	-
Meter Replacement	5866	-	-	-	3,099	2,588	50,197	-
Vehicle	5871	-	37,725	-	-	-	-	-
Public Safety Equip Replace	5877	-	-	1,495	-	-	-	-
Computer Equipment Replace	5879	-	4,187	-	-	-	-	-
MBTA Lot Drainage Improve.	-	-	-	-	-	-	-	-
Replace. MBTA Lot Boxes	-	-	-	-	-	-	-	-
Total capital outlay		<u>11,732</u>	<u>125,775</u>	<u>1,495</u>	<u>3,099</u>	<u>13,255</u>	<u>60,575</u>	<u>1,200</u>
Interfund transfers:								
Police - admin. & staffing		15,000	15,000	15,000	62,943	64,192	66,869	67,138
Treasurer - ticket collections		27,088	28,311	29,126	-	-	-	-
Finance Administration		16,659	16,876	17,732	-	-	-	-
Total interfund transfers		<u>58,747</u>	<u>60,187</u>	<u>61,858</u>	<u>62,943</u>	<u>64,192</u>	<u>66,869</u>	<u>67,138</u>
Total expenditures		<u>323,216</u>	<u>472,366</u>	<u>335,148</u>	<u>298,552</u>	<u>320,276</u>	<u>384,846</u>	<u>373,701</u>
Net of Revenues & Expenditures		1,038	(142,482)	(27,260)	13,907	83,927	9,441	30,952
FUND BALANCE, JULY 1		328,933	329,971	187,489	160,230	174,137	258,065	267,506
FUND BALANCE, JUNE 30		<u>329,971</u>	<u>187,489</u>	<u>160,230</u>	<u>174,137</u>	<u>258,065</u>	<u>267,506</u>	<u>298,458</u>

SECTION I: Financial Summary

Expenses

Expenses – General Fund Budget:

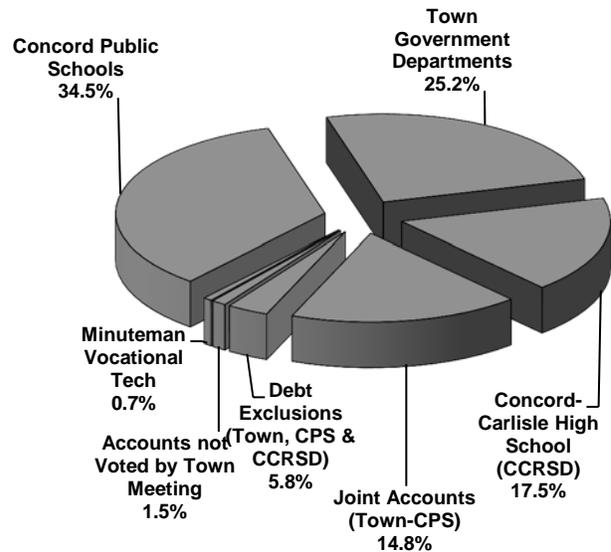
The General Fund budget is organized into 3 major organizational categories:

- Town Government;
- Concord Public Schools; and
- Concord-Carlisle Regional School District.

This section contains the following:

- Major Organizational Categories 26 to 27
- Joint Accounts 28
- Other Obligations 29
- Appropriations (Warrant) 36 to 38
- Town Gov. Budget Summary 39 to 47

FY20 General Fund Expenses Totaling \$114,138,976



Town Government (Page 8, line 7 – \$28,706,648 proposed for FY20)

This budget category relates to all sections of Town Government services that are under the direction and control of the Town Manager in accordance with the Town Charter, including general government, finance, public safety, public works, and human services. It should be noted that this year, the appropriation refers both the amount raised from the General Fund plus the amount transferred from other funds and accounts. For example, the Concord Municipal Light Plant uses various services of the Finance Department. The cost for these services is charged to the Light Fund. The budget presentation shows all these funding sources and the appropriation total includes funding from the General Fund and other funds and accounts.

Concord Public Schools (CPS - Page 8, line 8 - \$39,390,163 proposed for FY20)

Summary information is found in School Accounts Section. Separate School Department documents provide a more detailed analysis of the CPS budget, which is under the control and direction of the elected School Committee and the administrative direction of the School Superintendent.

Concord-Carlisle Regional School District (CCRSD - page 8, line 9 - \$19,996,874 proposed for FY20 as Concord's share of the District's operating budget)

Since the Concord-Carlisle Regional School District (CCRSD) is a separate political subdivision but not a taxing authority, the Town budget includes an assessment payable to CCRSD based on Concord's share of the previous year's enrollment figures. That assessment amount is shown in this category. Summary information is found in the School Accounts Section. Separate budget documents of the CCRSD provide a more detailed analysis of the Regional School District's budget, which is under the control and direction of the elected School Committee and the administrative direction of the School Superintendent. The Joint Superintendency operates a consolidated administration managing both the CPS (grades K-8) and the CCRSD (grades 9-12).

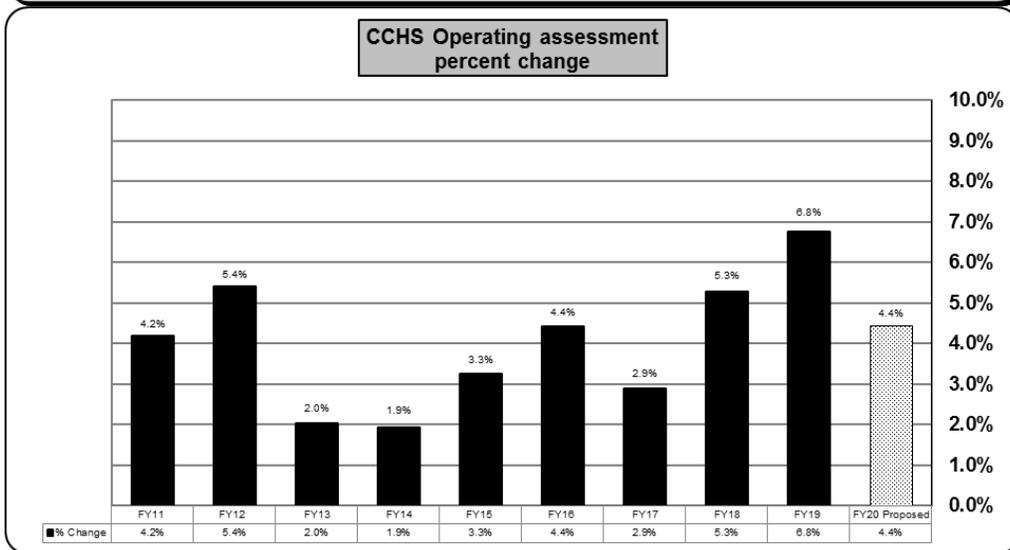
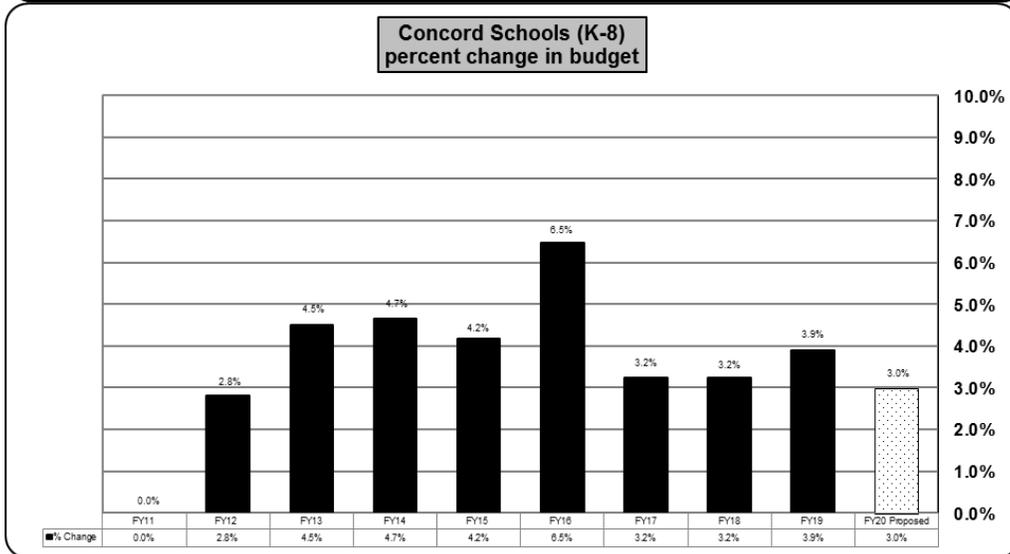
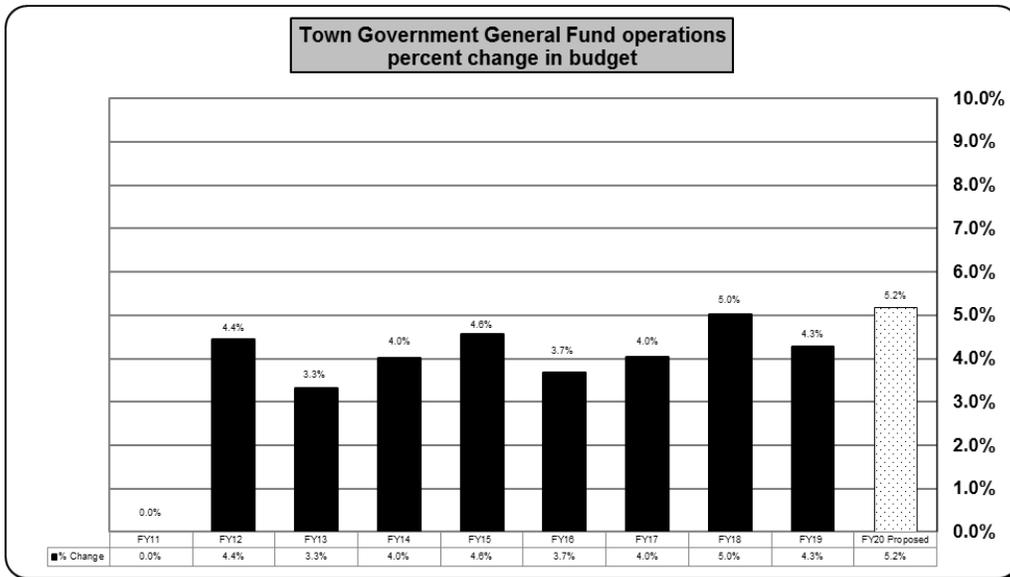
Minuteman Vocation Technical Regional School District (MVTRSD - page 8, line 10 - \$768,846 proposed for FY20 as Concord's share of the District's operating budget)

In a similar manner in which funds are transferred to the Concord-Carlisle Regional School District, the Town pays an assessment to the 10-town Minuteman Regional Vocational Technical School District calculated in part based on the number of Concord students enrolled in the prior year.

Total of Above Operating Budgets:

\$88,862,531 (page 8, line 11)

+ 4.65% increase from FY19



Joint Accounts

To take advantage of efficiencies and economies of scale, certain accounts of the Town Government and the Concord Public Schools are combined into joint accounts and administered by the Town Manager. The Concord-Carlisle Regional School District is not part of these joint accounts because it is a separate political subdivision.

The joint accounts are as follows:

Group Insurance (Page 8, line 12 - \$5,966,069, and line 13 - \$1,697,850)

Group Insurance refers to employee health, dental, and basic life insurance. This account covers the Town's contribution for Town Government and Concord Public School employees and retirees who are enrolled in these programs. The proposed budget also includes \$1,697,850 toward the Other Post Employment Benefit (OPEB) obligation which is consistent with fully funding the obligation by 2039.

Retirement (Page 8, line 14 - \$3,965,861)

This account contains the Town's portion of the annual funds transferred to the control of the contributory retirement system. With the exception of teachers, who are part of the State Teachers Retirement System, substantially all municipal employees who work at least 25 hours per week are covered by the Town's contributory retirement system operated in accordance with Chapter 32 of the Massachusetts General Laws. This pension obligation is expected to be fully funded by 2030.

Social Security / Medicare (Page 8, line 15 - \$800,000)

All town and school employees hired after April 1, 1986 are subject to the 1.45% Medicare payroll tax. Employees who are not required to be members of the Town's retirement system (part-time employees working fewer than 25 hours per week and other non-permanent employees) are covered by Social Security and are subject to the 6.2% payroll tax. By federal law, the Town must match all employees' contributions and this account provides the matching funds.

Other Fixed & Mandated Items (Page 8, line 16 - \$498,750)

These items are made up of the following: Property & Liability Insurance for the Town Government (not including the School Department); and Unemployment & Workers Compensation for the Town Government and the Concord Public Schools (grades K-8).

Town & CPS Debt Service within Levy Limit (Page 8, line 17 - \$4,196,145)

The issuance of debt to finance capital expenditures for both the Town Government and the Concord Public Schools is authorized by the Concord Town Meeting (by two-thirds majority vote) and is issued through the Concord Town Treasurer's office. This account covers the portion of annual principal and interest owed on the borrowing that is financed within the property tax levy limit.

Town & CPS Excluded Debt Service (Page 8, line 18 - \$3,221,181)

This issuance of debt service for the Town and Concord Public Schools is authorized by the electorate to be funded outside the constraints of the levy limit ("excluded debt"). This account covers the portion of annual principal and interest owed on the borrowing that is financed outside the property tax levy limit.

Joint Account Subtotal:**\$20,345,856** (page 8, line 20)

+5.16% increase from FY19

Other Obligations

There are also several accounts which are either assessments to other political jurisdictions or payments of debt service authorized by the electorate to be funded outside the constraints of the levy limit ("excluded debt").

High School Debt Exclusion (Page 8, line 22 - \$3,348,113)

The Town is assessed for the excluded debt service of Concord-Carlisle Regional School District.

Minuteman High School Debt Exclusion (Page 8, line 23 - \$297,995)

In a similar manner in which funds are transferred to the Concord-Carlisle Regional School District, the Town pays an assessment to the 10-town Minuteman Regional Vocational Technical School District calculated in part based on the number of Concord students enrolled in the prior year.

Other Obligations Subtotal: **\$3,646,108** (page 8, line 24)

-7.21% decrease from FY19

Budget Subject to Town Meeting Vote: **\$112,854,495** (page 8, line 26)

+4.31% increase from FY19

Items not subject to Town Meeting

The total Town budget plan includes some items that are not subject to appropriation by Town Meeting:

State Assessments (Page 8, line 27 - \$554,481)

By state law, these state charges are not subject to Town Meeting appropriation but must be financed within the property tax levy limit. The largest item is the assessment for the Massachusetts Bay Transit Authority (MBTA).

Snow/Ice & Other Deficits (Page 8, line 28 – \$230,000)

Because snow removal expense is unpredictable, state law permits deficit spending for this purpose as long as the current amount appropriated in the CPW Snow & Ice Removal account (account #18) is at least as much as the previous year's appropriation. This account provides for added room for a current year deficit which would be required to be added to the next year's tax levy, within the limit. The budget estimate is based upon an average of historical experience. It is subject to wide variation. Only the actual deficit of the current year ending June 30, 2019, if any, will be raised in the FY20 tax levy.

Overlay (Page 8, line 29 – \$500,000)

The Overlay account is the amount added to the property tax levy in excess of the sum required to meet appropriations, state assessments, and permitted deficits. The Overlay is used to cover property tax abatements and exemptions granted in each tax year by the local Board of Assessors. The proposed amount is based upon historical experience and is added to the tax levy within the levy limit.

Items not subject to Town Meeting Subtotal: **\$1,284,481** (page 8, line 30)

+24.77% increase from FY19

Total Budget Plan: **\$114,138,976** (page 8, line 31)

+4.50% increase from FY19

SECTION I: Financial Summary

Expenses

The General Fund Budget represents the portion of the total appropriated budget supported by the General Fund for the Town Government. At previous Town Meetings, the appropriation total has only included the General Fund portion.

General Fund Budget				
Item No.	Department	Fiscal 2018 Expenses	Fiscal 2019 Budget	Fiscal 2020 Proposal
General Government				
\$3,440,035 is 7.5% of Total				
1	Town Manager's Office			
	A. Town Manager	\$ 402,304	\$ 420,513	\$ 424,955
	B. Human Resources	263,011	287,694	298,026
	C. Facilities Management	289,998	320,205	396,230
	D. Resource Sustainability Fund	152,467	157,025	229,388
	E. Visitor's Center and Restroom	43,881	19,292	26,260
	F. 37 Knox Trail	17,643	13,943	9,631
	G. 55 Church Street	-	42,546	25,708
	H. Parks & Playgrounds	-	-	56,412
	Subtotal	1,169,305	1,261,217	1,466,610
2	Legal Services	458,002	250,000	250,000
3	Elections and Registrars			
	A. Elections	24,809	48,412	42,653
	B. Registrars	5,922	8,666	4,619
	Subtotal	30,731	57,078	47,272
4	Town Meeting and Reports	44,787	100,250	100,250
5	Planning			
	A. Planning Administration	368,591	397,546	419,139
	B. Natural Resources	226,023	229,931	235,753
	C. Inspections	484,642	483,683	487,309
	D. Health	320,627	342,706	359,269
	Subtotal	1,399,883	1,453,865	1,501,470
6	141 Keyes Road	70,373	72,994	74,433
	Total General Government	\$ 3,173,081	\$ 3,195,405	\$ 3,440,035
Finance and Administration				
\$2,656,085 is 5.8% of Total				
7	Finance Committee	3,306	3,410	3,410
8	Finance			
	A. Finance Administration	\$ 333,188	\$ 348,167	\$ 345,330
	B. Treasurer-Collector	292,313	295,530	290,317
	C. Town Accountant	51,547	168,310	169,055
	D. Assessors	434,827	431,786	438,001
	E. Town Clerk	239,881	253,004	263,738
	Subtotal	1,351,757	1,496,797	1,506,441
9	Information Systems	936,762	977,184	1,015,028
10	Town House	114,879	125,468	131,206
	Total Finance and Administration	\$ 2,406,704	\$ 2,602,858	\$ 2,656,085

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2018 Expenses	Fiscal 2019 Budget	Fiscal 2020 Proposal
Public Safety				
\$10,048,473 is 22.0% of Total				
11	Police Department	4,417,164	4,776,913	4,752,964
12	Fire Department	4,647,745	4,873,241	4,954,816
13	West Concord Fire Station	39,268	36,323	35,769
14	Police-Fire Station	284,656	284,816	261,627
15	Emergency Management	16,637	16,937	16,060
16	Animal Control Officer	24,730	26,000	27,236
	Total Public Safety	\$ 9,430,201	\$ 10,014,229	\$ 10,048,473
Public Works and Facilities				
\$4,373,102 is 9.6% of Total				
17	Public Works			
	A. CPW Administration	199,734	206,292	206,540
	B. Engineering	403,925	418,729	402,151
	C. Highway Maintenance	1,407,853	1,522,759	1,449,596
	D. Parks and Trees	635,124	774,741	728,890
	E. Cemetery	65,802	83,044	70,535
	Subtotal	2,712,438	3,005,565	2,857,713
18	Snow and Ice Removal	918,375	610,001	625,000
19	Street Lighting	54,032	56,863	56,863
20	CPW Equipment	325,000	325,000	325,000
21	Drainage Program	205,000	205,000	205,000
22	Sidewalk Management	110,000	115,000	125,000
23	Road Improvements	100,000	100,000	100,000
24	133/135 Keyes Road	83,579	83,107	78,527
	Total Public Works and Facilities	\$ 4,508,424	\$ 4,500,536	\$ 4,373,102
Human Services				
\$3,277,829 is 7.2% of Total				
25	Library	1,995,801	2,260,820	2,325,798
26	A. Human Services	38,191	56,562	47,178
	B. Senior Services	394,226	496,789	479,687
	C. Recreation Services	76,678	108,376	108,376
27	Harvey Wheeler Community Ctr.	126,491	125,905	115,133
28	Hunt Recreation Ctr.	111,701	100,636	95,930
29	Veterans	97,629	107,970	86,696
30	Ceremonies and Celebrations	19,012	22,624	19,030
	Total Human Services	\$ 2,859,728	\$ 3,279,682	\$ 3,277,829

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2018 Expenses	Fiscal 2019 Budget	Fiscal 2020 Proposal
Unclassified				
\$1,454,988 is 3.3% of Total				
31	Town Employee Benefits			
	A. Unused Sick Leave	92,000	90,000	90,000
	B. Public Safety Disability	122	2,500	2,500
	C. Employee Assistance Program	7,177	7,500	7,500
	Total	99,299	100,000	100,000
32	Reserve Fund*	-	225,000	225,000
* Transfers totaling \$225,000.00 were made to other accounts in Fiscal Year 2018.				
33	Salary Reserve**	618,954	122,802	1,168,988
** Transfers totaling \$618,954 in Fiscal Year 2018 and \$1,285,093 in Fiscal Year 2019 were made to other accounts.				
34	Land Fund	15,000	10,000	10,000
	Total Unclassified	\$ 733,253	\$ 457,802	\$ 1,503,988
TOWN GOVERNMENT SUBTOTAL		\$ 23,111,392	\$ 24,050,513	\$ 25,299,513
Account 1-34				
Joint (Town - CPS)				
\$20,345,856 is 44.6% of Total				
35	Insurance			
	A. Group Insurance	4,800,000	5,526,100	5,966,069
	B. OPEB	1,470,000	1,617,000	1,697,850
	C. Property/Liability	250,000	275,000	288,750
	Subtotal	6,520,000	7,418,100	7,952,669
36	Unemployment/Workers' Comp.			
	A. Unemployment Comp.	56,946	110,000	110,000
	B. Workers' Comp.	143,054	100,000	100,000
	Subtotal	200,000	210,000	210,000
37	Retirement	3,667,000	3,777,010	3,965,861
38	Social Security and Medicare	810,000	814,713	800,000
39	Debt Service			
	A. Long-Term Debt			
	Town Principal and Interest	3,015,800	3,277,862	3,450,625
	CPS Principal and Interest	700,350	679,283	715,520
	Subtotal	3,716,150	3,957,145	4,166,145
	Interest on Notes	135,000	30,000	25,000
	Other Debt Expense	8,850	7,500	5,000
	Subtotal Within Levy Limit	3,860,000	3,994,645	4,196,145
	B. Excluded Debt			
	Town Principal and Interest	99,794	392,294	350,794
	CPS Principal and Interest	3,507,713	2,992,575	2,870,387
	Less: Use of Stabilization Funds	(785,000)	(275,000)	-
	Subtotal Excluded Debt	2,822,507	3,109,869	3,221,181
	Total Debt Service	6,682,507	7,104,514	7,417,326
	Total Joint (Town - CPS)	\$ 17,879,507	\$ 19,324,337	\$ 20,345,856
	Total Appropriation	\$ 40,990,899	\$ 4,654,469	\$ 45,645,369

SECTION I: Financial Summary

Expenses

This FY20 General Fund + Transfers Budget represents the General Fund portion of the Town Government appropriation, the additional funding sources transferred in by the Enterprise Funds and other entities, and the total proposed General Fund Appropriation for FY20.

FY20 General Fund + Transfers Budget				
Item No.	Department	Fiscal 2020 General Fund	Fiscal 2020 Transfers	Fiscal 2020 Proposal
General Government				
\$4,446,474 is 9.1% of Total				
1	Town Manager's Office			
	A. Town Manager	\$ 424,955	\$ 277,416	\$ 702,371
	B. Human Resources	298,026	175,674	473,700
	C. Facilities Management	396,230	38,543	434,773
	D. Resource Sustainability Fund	229,388	-	229,388
	E. Visitor's Center and Restroom	26,260	79,500	105,760
	F. 37 Knox Trail	9,631	19,561	29,192
	G. 55 Church Street	25,708	91,006	116,714
	H. Parks & Playgrounds	56,412	67,922	124,334
	Subtotal	1,466,610	749,622	2,216,233
2	Legal Services	250,000	-	250,000
3	Elections and Registrars			
	A. Elections	42,653	-	42,653
	B. Registrars	4,619	2,755	7,374
	Subtotal	47,272	2,755	50,027
4	Town Meeting and Reports	100,250		100,250
5	Planning			
	A. Planning Administration	419,139	99,197	518,336
	B. Natural Resources	235,753	60,247	296,000
	C. Inspections	487,309	-	487,309
	D. Health	359,269	94,617	453,886
	Subtotal	1,501,470	254,061	1,755,531
6	141 Keyes Road	74,433		74,433
	Total General Government	\$ 3,440,035	\$ 1,006,438	\$ 4,446,474
Finance and Administration				
\$3,577,897 is 7.3% of Total				
7	Finance Committee	3,410	-	3,410
8	Finance			
	A. Finance Administration	\$ 345,330	\$ 351,225	\$ 696,555
	B. Treasurer-Collector	290,317	220,416	510,733
	C. Town Accountant	169,055	152,216	321,271
	D. Assessors	438,001	-	438,001
	E. Town Clerk	263,738	3,000	266,738
	Subtotal	1,506,441	726,857	2,233,298
9	Information Systems	1,015,028	174,054	1,189,082
10	Town House	131,206	20,901	152,107
	Total Finance and Administration	\$ 2,656,085	\$ 921,812	\$ 3,577,897

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2020 General Fund	Fiscal 2020 Transfers	Fiscal 2020 Proposal
Public Safety				
\$10,452,959 is 21.3% of Total				
11	Police Department	4,752,964	153,246	4,906,210
12	Fire Department	4,954,816	251,240	5,206,056
13	West Concord Fire Station	35,769	-	35,769
14	Police-Fire Station	261,627	-	261,627
15	Emergency Management	16,060	-	16,060
16	Animal Control Officer	27,236	-	27,236
	Total Public Safety	\$ 10,048,473	\$ 404,486	\$ 10,452,959
Public Works and Facilities				
\$5,284,323 is 10.8% of Total				
17	Public Works			
	A. CPW Administration	206,540	218,178	424,718
	B. Engineering	402,151	324,005	726,156
	C. Highway Maintenance	1,449,596	29,670	1,479,266
	D. Parks and Trees	728,890	97,700	826,590
	E. Cemetery	70,535	170,998	241,533
	Subtotal	2,857,713	840,551	3,698,264
18	Snow and Ice Removal	625,000	-	625,000
19	Street Lighting	56,863	537	57,400
20	CPW Equipment	325,000	-	325,000
21	Drainage Program	205,000	-	205,000
22	Sidewalk Management	125,000	-	125,000
23	Road Improvements	100,000	-	100,000
24	133/135 Keyes Road	78,527	70,133	148,660
	Total Public Works and Facilities	\$ 4,373,102	\$ 911,221	\$ 5,284,323
Human Services				
\$3,441,008 is 7.0% of Total				
25	Library	2,325,798	26,000	2,351,798
26	A. Human Services	47,178	21,157	68,335
	B. Senior Services	479,687	98,193	577,880
	C. Recreation Services	108,376	-	108,376
27	Harvey Wheeler Community Ctr.	115,133	-	115,133
28	Hunt Recreation Ctr.	95,930	17,829	113,759
29	Veterans	86,696	-	86,696
30	Ceremonies and Celebrations	19,030	-	19,030
	Total Human Services	\$ 3,277,829	\$ 163,179	\$ 3,441,008

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2020 General Fund	Fiscal 2020 Transfers	Fiscal 2020 Proposal
Unclassified \$1,454,988 is 3.0% of Total				
31	Town Employee Benefits			
	A. Unused Sick Leave	90,000	-	90,000
	B. Public Safety Disability	2,500	-	2,500
	C. Employee Assistance Program	7,500	-	7,500
	Total	100,000	-	100,000
32	Reserve Fund	225,000	-	225,000
33	Salary Reserve	1,168,988	-	1,168,988
34	Land Fund	10,000	-	10,000
	Total Unclassified	\$ 1,503,988	\$ -	\$ 1,503,988
TOWN GOVERNMENT SUBTOTAL Account 1-34		\$ 25,299,513	\$ 3,407,136	\$ 28,706,648
Joint (Town - CPS) \$20,345,856 is 41.5% of Total				
35	Insurance			
	A. Group Insurance	5,966,069	-	5,966,069
	B. OPEB	1,697,850	-	1,697,850
	C. Property/Liability	288,750	-	288,750
	Subtotal	7,952,669	-	7,952,669
36	Unemployment/Workers' Comp.			
	A. Unemployment Comp.	110,000	-	110,000
	B. Workers' Comp.	100,000	-	100,000
	Subtotal	210,000	-	210,000
37	Retirement	3,965,861	-	3,965,861
38	Social Security and Medicare	800,000	-	800,000
39	Debt Service			
	A. Long-Term Debt			
	Town Principal and Interest	3,450,625	-	3,450,625
	CPS Principal and Interest	715,520	-	715,520
	Subtotal	4,166,145	-	4,166,145
	Interest on Notes	25,000	-	25,000
	Other Debt Expense	5,000	-	5,000
	Subtotal Within Levy Limit	4,196,145	-	4,196,145
	B. Excluded Debt			
	Town Principal and Interest	350,794	-	350,794
	CPS Principal and Interest	2,870,387	-	2,870,387
	Less: Use of Stabilization Funds	-	-	-
	Subtotal Excluded Debt	3,221,181	-	3,221,181
	Total Debt Service	7,417,326	-	7,417,326
	Total Joint (Town - CPS)	\$ 20,345,856	\$ -	\$ 20,345,856
	Total Appropriation	\$ 45,645,369	\$ 3,407,135	\$ 49,052,504

SECTION I: Financial Summary

Expenses

This Town Government Budget represents the total appropriation for the Town Government and is the schedule that is shown in **Article 6 of the 2019 Annual Town Meeting Warrant**.

Town Government Budget				
Item No.	Department	Fiscal 2018 Expenses	Fiscal 2019 Appropriation	Fiscal 2020 Proposal
General Government				
\$4,446,474 is 9.1% of Total				
1	Town Manager's Office			
	A. Town Manager	\$ 644,865	\$ 680,357	\$ 702,371
	B. Human Resources	407,929	449,579	473,700
	C. Facilities Management	287,227	320,205	434,773
	D. Resource Sustainability Fund	152,467	198,025	229,388
	E. Visitor's Center and Restroom	43,881	19,292	105,760
	F. 37 Knox Trail	43,168	29,430	29,192
	G. 55 Church Street	-	106,031	116,714
	H. Parks & Playgrounds	-	-	124,334
	Subtotal	1,579,538	1,802,918	2,216,233
2	Legal Services	458,002	250,000	250,000
3	Elections and Registrars			
	A. Elections	24,809	52,997	42,653
	B. Registrars	8,677	11,421	7,374
	Subtotal	33,486	64,418	50,027
4	Town Meeting and Reports	44,787	100,250	100,250
5	Planning			
	A. Planning Administration	458,426	492,601	518,336
	B. Natural Resources	284,744	288,657	296,000
	C. Inspections	484,642	483,683	487,309
	D. Health	406,111	431,577	453,886
	Subtotal	1,633,923	1,696,517	1,755,531
6	141 Keyes Road	70,373	72,994	74,433
	Total General Government	\$ 3,820,109	\$ 3,987,097	\$ 4,446,474
Finance and Administration				
\$3,577,897 is 7.3% of Total				
7	Finance Committee	3,306	3,410	3,410
8	Finance			
	A. Finance Administration	\$ 547,770	\$ 580,307	\$ 696,555
	B. Treasurer-Collector	518,976	519,609	510,733
	C. Town Accountant	333,805	469,009	321,271
	D. Assessors	434,827	431,786	438,001
	E. Town Clerk	242,881	256,004	266,738
	Subtotal	2,081,566	2,256,716	2,233,298
9	Information Systems	936,762	1,133,259	1,189,082
10	Town House	139,927	144,973	152,107
	Total Finance and Administration	\$ 3,161,562	\$ 3,538,357	\$ 3,577,897

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2018 Expenses	Fiscal 2019 Appropriation	Fiscal 2020 Proposal
Public Safety				
\$10,452,959 is 21.3% of Total				
11	Police Department	4,500,980	4,887,870	4,906,210
12	Fire Department	4,653,745	4,879,241	5,206,056
13	West Concord Fire Station	39,268	36,323	35,769
14	Police-Fire Station	284,656	284,816	261,627
15	Emergency Management	16,637	16,937	16,060
16	Animal Control Officer	24,730	26,000	27,236
	Total Public Safety	\$ 9,520,017	\$ 10,131,187	\$10,452,959
Public Works and Facilities				
\$5,284,323 is 10.8% of Total				
17	Public Works			
	A. CPW Administration	410,943	423,957	424,718
	B. Engineering	697,924	739,561	726,156
	C. Highway Maintenance	1,437,428	1,438,381	1,479,266
	D. Parks and Trees	731,588	806,781	826,590
	E. Cemetery	187,959	241,010	241,533
	Subtotal	3,465,842	3,649,690	3,698,264
18	Snow and Ice Removal	918,375	610,001	625,000
19	Street Lighting	54,569	57,400	57,400
20	CPW Equipment	325,000	325,000	325,000
21	Drainage Program	205,000	205,000	205,000
22	Sidewalk Management	110,000	115,000	125,000
23	Road Improvements	100,000	100,000	100,000
24	133/135 Keyes Road	152,806	153,753	148,660
	Total Public Works and Facilities	\$ 5,331,592	\$ 5,215,844	\$ 5,284,323
Human Services				
\$3,441,007 is 7.0% of Total				
25	Library	2,021,801	2,286,820	2,351,798
26	A. Human Services	38,191	96,045	68,335
	B. Senior Services	394,226	583,425	577,880
	C. Recreation Services	101,761	108,376	108,376
27	Harvey Wheeler Community Ctr.	126,491	125,905	115,133
28	Hunt Recreation Ctr.	132,901	122,633	113,759
29	Veterans	97,629	107,970	86,696
30	Ceremonies and Celebrations	19,012	22,624	19,030
	Total Human Services	\$ 2,932,011	\$ 3,453,798	\$ 3,441,007

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2018 Expenses	Fiscal 2019 Appropriation	Fiscal 2020 Proposal
Unclassified \$1,503,988 is 3.0% of Total				
31	Town Employee Benefits			
	A. Unused Sick Leave	92,000	90,000	90,000
	B. Public Safety Disability	122	2,500	2,500
	C. Employee Assistance Program	7,177	7,500	7,500
	Total	99,299	100,000	100,000
32	Reserve Fund*	-	225,000	225,000
* Transfers totaling \$225,000.00 were made to other accounts in Fiscal Year 2018.				
33	Salary Reserve**	793,923	265,909	1,168,988
** Transfers totaling \$792,923 in Fiscal Year 2018 and \$1,361,974 in Fiscal Year 2019 were made to other accounts.				
34	Land Fund	15,000	10,000	10,000
	Total Unclassified	\$ 908,222	\$ 600,909	\$ 1,503,988
TOWN GOVERNMENT SUBTOTAL Account 1-34		\$25,673,513	\$ 26,927,191	\$28,706,648
Joint (Town - CPS) \$20,345,856 is 41.5% of Total				
35	Insurance			
	A. Group Insurance	4,800,000	5,526,100	5,966,069
	B. OPEB	1,470,000	1,617,000	1,697,850
	C. Property/Liability	250,000	275,000	288,750
	Subtotal	6,520,000	7,418,100	7,952,669
36	Unemployment/Workers' Comp.			
	A. Unemployment Comp.	56,946	110,000	110,000
	B. Workers' Comp.	143,054	100,000	100,000
	Subtotal	200,000	210,000	210,000
37	Retirement	3,667,000	3,777,010	3,965,861
38	Social Security and Medicare	810,000	814,713	800,000
39	Debt Service			
	A. Long-Term Debt			
	Town Principal and Interest	3,015,800	3,277,862	3,450,625
	CPS Principal and Interest	700,350	679,283	715,520
	Subtotal	3,716,150	3,957,145	4,166,145
	Interest on Notes	135,000	30,000	25,000
	Other Debt Expense	8,850	7,500	5,000
	Subtotal Within Levy Limit	3,860,000	3,994,645	4,196,145
	B. Excluded Debt			
	Town Principal and Interest	99,794	392,294	350,794
	CPS Principal and Interest	3,507,713	2,992,575	2,870,387
	Less: Use of Stabilization Funds	(785,000)	(275,000)	-
	Subtotal Excluded Debt	2,822,507	3,109,869	3,221,181
	Total Debt Service	6,682,507	7,104,514	7,417,326
	Total Joint (Town - CPS)	\$17,879,507	\$ 19,324,337	\$20,345,856
	Total Appropriation	\$43,553,020	\$ 46,251,528	\$49,052,504

SECTION I: Financial Summary

Expenses

Town Government Operations (accounts 1-34)

Proposed Budget Changes

The Town Manager is recommending a Town government General Fund plus Transfers appropriation at \$28,706,648 (the budgets of accounts 1-34 are collectively known as “the Town Government Budget”). The budget consists of several basic expense categories: personnel services; operations and maintenance (O&M); capital; and reserve (the reserve fund is overseen by the Finance Committee). The table below provides a summary of the Town government budget and transfers by these expense categories. It also presents the budget in further detail by functional area.

Town Government Operations - General Fund + Transfers Budget

Accounts 1 - 34

By Expense Category

	FY19 to FY20			
	FY19 Adopted	FY20 Proposed	\$Δ	%Δ
Personnel Services	\$ 20,679,681	\$ 21,833,686	\$ 1,154,005	5.6%
O&M	4,418,259	4,702,962	284,703	6.4%
Capital	1,604,250	1,945,000	340,750	21.2%
Reserve	225,000	225,000	-	0.0%
Total (Accts. 1-34)	\$ 26,927,191	\$ 28,706,648	\$ 1,779,458	6.6%

By Functional Area

	FY19 to FY20			
	FY19 Adopted	FY20 Proposed	\$Δ	%Δ
General Government				
Personnel	\$ 3,127,233	\$ 2,942,358	\$ (184,875)	-5.9%
O&M	798,114	983,176	185,062	23.2%
Capital	61,750	520,939	459,189	743.6%
Subtotal	\$ 3,987,097	\$ 4,446,474	\$ 459,376	11.5%
Finance & Administration				
Personnel	\$ 2,478,390	\$ 2,505,870	\$ 27,480	1.1%
O&M	859,966	879,407	19,441	2.3%
Capital	200,000	192,620	(7,380)	-3.7%
Subtotal	\$ 3,538,356	\$ 3,577,897	\$ 39,541	1.1%
Public Safety				
Personnel	\$ 9,191,548	\$ 9,504,981	\$ 313,433	3.4%
O&M	679,639	700,252	20,614	3.0%
Capital	260,000	247,725	(12,275)	-4.7%
Subtotal	\$ 10,131,187	\$ 10,452,959	\$ 321,772	3.2%
Public Works				
Personnel	\$ 2,834,630	\$ 2,850,555	\$ 15,924	0.6%
O&M	1,388,714	1,473,269	84,555	6.1%
Capital	992,500	960,500	(32,000)	-3.2%
Subtotal	\$ 5,215,844	\$ 5,284,323	\$ 68,479	1.3%
Human Services				
Personnel	\$ 2,681,971	\$ 2,760,934	\$ 78,963	2.9%
O&M	681,826	656,857	(24,969)	-3.7%
Capital	90,000	23,216	(66,784)	-74.2%
Subtotal	\$ 3,453,798	\$ 3,441,008	\$ (12,790)	-0.4%
Unclassified				
Personnel	365,909	1,268,988	\$ 903,079	246.8%
O&M	10,000	10,000	-	N/A
Reserve	225,000	225,000	-	0.0%
Subtotal	\$ 600,909	\$ 1,503,988	\$ 903,079	150.3%
Total	\$ 26,927,191	\$ 28,706,648	\$ 1,779,458	6.6%

Town Government Operations**Proposed Town Government Budget Changes****Staffing changes in the Town Manager's Proposed Budget:**

For FY20, the main **tax-supported** proposed staffing changes are as follows. Total FTE is 246.27

- Town Manager's Office proposes a new Department Clerk (0.50 FTE) to assist with reception and administrative tasks.
- Facilities Maintenance Division proposes hiring a HVAC Technician (1 FTE) and a Facilities Operations Coordinator (1 FTE) to reduce HVAC costs and manage projects.
- 55 Church Street is proposing to reduce the Receptionist/Clerk to part-time (-0.50 FTE).
- Parks & Playgrounds Division is proposing to hire one Facilities Maintainer (1 FTEs) assist with park and field maintenance as well as 600 hours of Limited Status work (0.29 FTE).
- Elections Division proposes a reduction in hours for the Election Officer as well as the Election Technician (-0.18 FTE).
- Registrars Division is proposing the removal of hours for an Office Assistant (-0.09 FTE).
- Natural Resources Division is proposing eliminating the 500 hours designated for a Intern (-0.24 FTE).
- 141 Keyes Road proposes to eliminate the part-time Building Maintenance Custodian (-0.50 FTE).
- Finance Administration Division assumes financial responsibility for the Retirement Administrator (1 FTE) and Retirement Assistant (0.50 FTE) from the Accounting Division due to a departmental reorganization.
- Accounting Division has been reorganized by -1.5 FTEs that are to be transferred to Finance Administration, and Accounting is proposing to reduce the Utility Account Clerk to a part-time position (-0.50 FTE).
- Assessing Division is proposing to eliminate the 75 hours of Limited Status work (-0.04 FTE).
- Town Clerk Division is proposing to increase Limited Status work to 1,256 hours (0.15 FTE).
- Information Systems Division proposes to hire a Information Systems Technician (1 FTE) to assist in Town and Library related IT projects as well as eliminate part-time (-0.24 FTE).
- The Police Department is proposing to hire one additional Police Officer (1 FTE).
- The Fire Department proposes to hire four additional Fire Fighters to staff the second ambulance in the West Concord Station and eliminate hours for a part-time Office Clerk (3.84 FTEs).
- The Library is proposing to hire a Social Media & Technology Coordinator to assist and expand its social media and technology capacity as well restructuring other positions (1.86 FTEs).
- Human Services Division is proposing to eliminate hours for the Youth Coordinator (-0.49 FTE).
- Senior Services Division is proposing to promote a part-time Social Services Coordinator to a full-time Social Services Supervisor as well as restructuring and increasing the number of hours for its Van Drivers, Geriatric Nurses, and Coordinators (0.85 FTE).
- Veteran's Services Division proposes a reduction in hours for the Town's Veterans Agent (-0.01 FTE).

Budget Changes

The principal actions recommended in this budget for each appropriation account are as follows:

Acct # - Account Title (Refer to Article 6 on the 2020 Town Meeting Warrant)**1A Town Manager**

The Town Manager's operating appropriation for the General Fund represents a proposed 1.07% increase from FY19. The Town Manager's Office is staffed by the Town Manager, Deputy Town Manager, Public Information & Communications Manager, Administrative Manager, and a Senior Administrative Assistant. There is proposed funding for Sister Cities (\$1,500), Concord Cultural Council (\$2,000), the management of White Pond (\$18,000), and a new Receptionist (\$26,000).

1B Human Resources

The Human Resources operating appropriation for the General Fund is proposed to increase by 3.6% in FY20 due to increase in Overtime from \$2,000 to \$14,000 and Town wide Training from \$4,000 to \$10,000.

1C Facilities Management

This account was established with the FY05 budget in an effort to set up a central pool of funds from which to monitor building conditions, establish renovation priorities, and fund repairs and improvements. Since FY05 when the account was first budgeted at \$40,000, the funding level has gradually been increased to the recommended level in FY20 of \$327,776. The five-year Capital Outlay plan raises this funding target to \$407,776 by FY24. In order to decrease Town wide HVAC Maintenance costs, the division has proposed to hire a HVAC Technician.

1D Resource Sustainability Fund

With this new account initiated in FY13 with funding of \$25,000, an amount of \$145,000 is proposed to be allocated in FY20 for resource sustainability and energy conservation projects. The additional funds will cover part of the salary for the Director of Sustainability and Energy Specialist.

1E Visitors Center

The FY20 operating appropriation for the General Fund for the Visitors Center is proposed to increase by \$6,968. The Recreation Revolving Fund is supporting a Visitor and Tourism Manager and part-time help with a transfer of \$79,500.

1F 37 Knox Trail

The FY20 General Fund appropriation for the 37 Knox Trail office building is \$9,631. This building is currently shared between the Regional Housing Service Office (RHSO) and School Transportation Department.

1G 55 Church Street

The FY20 operating appropriation for the General Fund is proposed to have a 41.4% decrease due an increased contribution from the Recreation Revolving Fund and the Retirement Board, both of which use the space.

1H Parks & Playgrounds

This division is a new account in FY20 with funding proposed for one Facilities Maintainer (\$50,000), White Pond operations (\$20,000), and supplies and services (\$42,000).

2 Legal Services

The Legal Services account is level funded at \$250,000.

3A Elections

The amount required to fund the Elections account is dependent on the number of federal, state, and local elections that are held in a given year. In FY20, it is expected that there will be two elections, as compared to three proposed election in FY19. The operating appropriation for the General Fund is proposed to decrease from \$48,412 to \$42,653.

3B Registrars

There is 46.7% decrease proposed in this account. This account provides resources to register voters, conduct the Annual Town Census, and certify nomination papers and petitions.

4 Town Meeting and Reports

The current budget allows for a four-session Annual Town Meeting in April 2019. It has been common in the past several years for a Special Town Meeting to take place, but funds are not budgeted for this purpose.

5A Planning Division, DPLM

Since the FY14 budget presentation, the Zoning Board of Appeals budget has been incorporated into the Planning Division budget. In addition, the Planning budget contains funding for the Historic Districts Commission and the Historical Commission. The FY20 General Fund operating appropriation for the Planning Division is proposed to increase by 5.4%. Funding for Cross-Town Connect and the FLAG grant match (\$26,000) and the RHSO (\$19,000) are included in this budget.

5B Natural Resources Division, DPLM

The proposed Natural Resources budget represents approximately a 2.6% increase in the appropriation for the General Fund from that of the FY19 budget. An amount of \$5,500 is proposed for grounds keeping and lumber supplies and \$5,000 for pond and stream management.

5C Building Inspections Division, DPLM

Most of the allocation in this account goes toward funding the Building Inspections staff, which includes the full-time positions of Building Commissioner, Local Inspectors (2.60 FTEs), and Administrative Assistant. The operating appropriation for the General Fund is proposed to increase 0.75%. Building permit fees generated \$1.3 million in CY18.

5D Health Division, DPLM

This appropriation represents a 1.0% decrease in the operating appropriation for the General Fund from FY19. An amount of \$20,400 is recommended to fund the East Middlesex Mosquito Control Project for efforts to protect Concord residents and visitors from Eastern Equine Encephalitis and West Nile Virus. Included in the budget is \$16,225 proposed for the funding of the Public Health Nurse, \$7,500 for implementing Healthy Communities Initiatives and \$7,500 for additional food inspection services.

6 141 Keyes Road, DPLM

The FY20 proposed General Fund operating appropriation represents a 6.55% increase from FY19 to provide funding for utility, maintenance, and custodial costs for the Victorian-era brick building at 141 Keyes Road.

7 Finance Committee

Level funding for support of the Finance Committee is included in this budget.

8A Finance Administration Division, Finance Department

The Finance Administration Division General Fund operating appropriation is proposed to decrease by 0.81% from FY19. The Department includes the Finance Director, Budget and Purchasing Director, Assistant Treasurer, Budget Analyst, Retirement System Administrator, Administrative Systems Analyst, Finance Assistant, and Retirement Assistant.

8B Treasurer-Collector, Finance Department

The Treasurer-Collector General Fund operating appropriation is proposed to decrease by 1.76% in FY20. This decrease can occur because of expected savings from new employees hired.

8C Town Accountant, Finance Department

The FY20 General Fund operating appropriation is proposed to increase by 0.44% due to the proposed structural reorganization of department. This Department contains the Town Accountant, Assistant Town Account, Treasury Assistant, Collections Assistant, and two Senior Account Clerks.

8D Assessing Division, Finance Department

The Assessing proposed General Fund operating appropriation represents a 1.44% increase from FY19 because of \$7,000 increase in Computer Software Maintenance and other operating expenses.

8E Town Clerk, Finance Department

The Town Clerk General Fund operating appropriation is proposed to increase by 4.2% from FY19. This budget provides funding for the Town Clerk, Assistant Town Clerk, and Senior Department Clerk positions.

9 Information Systems

The Information Systems General Fund operating appropriation is proposed to increase by 5.4% in FY20. This is due in part to the hiring of a new Information Systems Technician (\$72,000) and decrease in overtime and defunding of the part-time position.

10 Town House

The FY20 General Fund proposed appropriation is increased by 7.2% from that of FY19 due to increases in Overtime (\$3,000) and cleaning supplies (\$3,500).

11 Police Department

The FY20 General Fund operating appropriation proposes a 0.41% decrease with capital expenses of \$185,200 due to new officers hired at lower starting salaries.

12 Fire Department

There is a proposed 3.2% increase in the Fire Department's FY20 General Fund operating appropriation with capital expenses of \$40,000. This increase is a result of hiring of four additional firefighters to staff the second ambulance run out of the West Concord Fire Station around the clock – an expense which is mainly funded during the first year by the Emergency Response Stabilization Fund.

13 West Concord Fire Station

This budget funds the operations of the West Concord Fire Station located at 1201 Main Street. This account has a proposed 1.61% decrease in the FY20 General Fund operating appropriation.

14 Police/Fire Station

This budget funds the operations of the Police and Fire Department headquarters at 209 Walden Street. The FY20 budget proposes a 5.98% decrease in General Fund operating appropriation.

15 Emergency Management

The FY20 General Fund operating appropriation reflects a decrease of 5.18% due to a decrease in Purchased Services.

16 Animal Control Officer

With the enactment of State legislation in 2012, each municipality was required as of October 31, 2012 to appoint an animal control officer. Concord has contracted with a private vendor to provide all animal control services for compliance with the regulations. The FY20 budget is proposed to have a 4.75% increase to \$27,236.

17A Public Works Administration, CPW

The FY20 General Fund operating appropriation reflects a 0.12% increase from that of FY19. Public Works Administration includes the CPW Director, Management Analyst, Administrative and Special Projects Coordinator, and an Administrative Assistant.

17B Engineering, CPW

The Engineering Division's General Fund operating appropriation is proposed to have a 4.16% decrease from FY19 to FY20 due to a staffing structure reorganization. The Engineering Division has a Town Engineer, two Public Works Engineers, Assistant Public Works Engineer, Associate Engineer, GIS / IT Program Analyst, and Administrative Assistant.

17C Highway Maintenance, CPW

The FY20 operating appropriation is proposed to increase by 2.94% from FY19 due to increased expenses from Workers Compensation (\$23,000), Purchased Services (\$10,000), and Supplies (\$3,000).

17D Parks & Trees, CPW

The FY20 Parks & Trees General Fund operating appropriation is proposed to have a 3.6% increase from FY19 due to an increase in expenses related to Purchase Services and Supplies (\$18,000).

17E Cemetery, CPW

The Cemetery Fund supports the Cemetery Division by providing resources for 65% of all operating expenditures and 100% of all capital improvements. The FY20 General Fund operating appropriation is proposed to increase by 0.61%.

18 Snow Removal, CPW

The snow removal budget is proposed to be funded at \$625,000, an increase of \$14,999 from that of FY19. If the actual FY20 expenditures exceeds the budgeted amount, the Town is allowed by State statute to add the difference to the following year's tax levy. The FY20 budget plan provides room for a \$230,000 overrun of the \$610,001 FY19 appropriation.

19 Street Lights, CPW

The FY20 Street Light appropriation is level funded due to the use of more energy efficient street lights.

20 Public Works Equipment, CPW

The Public Works Equipment budget of \$325,000 funds the Town's well-planned schedule of equipment replacement. This represents no change from FY19.

21 Drainage, CPW

The FY20 funding plan includes \$105,000 for drainage improvements and \$100,000 for culvert improvements.

22 Sidewalk Management, CPW

The proposed FY20 budget calls for an increase of \$10,000 for maintenance of the Town's existing sidewalks program to \$125,000.

23 Road Improvements, CPW

The General Fund proposed funding for road improvements is \$100,000. With additional amounts of \$668,900 expected from the State (Chapter 90 Funds) and \$1,400,000 in borrowing, the total FY20 amount for road improvements is recommended to be \$2,668,900.

24 133 and 135 Keyes Road, CPW

For FY20, there is a proposed decrease of 3.53% in the General Fund operating appropriation because the HVAC Maintenance has been removed due to the hiring of a Town HVAC Technician.

25 Library

As set forth in a long-standing agreement, the Trustees of the Concord Free Public Library Corporation, which owns the Main library and the Fowler Branch, are responsible for maintenance and capital improvements of the buildings and grounds; the Town covers the operating costs. For FY20, the Library General Fund operating appropriation is proposed to increase by 2.89% from FY19 to FY20 due to the hiring of a Media Coordinator (\$57,000), increase in custodial services (\$12,000), and other operating costs.

26A Human Services

The FY20 operating appropriation supports the staffing costs for the Community Services Coordinator. This budget is proposed to decrease by 16.59% as the Youth Coordinator position is not funded in this account.

26B Senior Services

The FY20 General Fund operating appropriation for Senior Services is proposed to increase by 11.09%. The increase is due to the transition of a part-time Social Services Coordinator (\$30,000) to full-time as well as increased hours for the Public Health Nurse and Outreach Coordinators.

26C Recreation Services

The FY20 General Fund operating appropriation for Recreation Services is level funded as the General Fund has assumed the cost of paying all of the salary of the Recreation Director, who had been partially supported by the Beede Center and Recreation Fund.

27 Harvey Wheeler Community Center

The Harvey Wheeler Community Center continues to be a great resource for the Town in providing space for the Senior Services office, as well as a meeting area for Town departments, not-for-profit groups, and private individuals. In FY20, there is a proposed 8.10% decrease in the operating appropriation for the General Fund.

28 Hunt Recreation Center

It is proposed that the FY20 General Fund operating appropriation for the Hunt Recreation Center decrease by 4.68% from the FY19 budgeted level since this budget no longer needs funding for HVAC Maintenance due to the hiring of a Town HVAC Technician.

29 Veterans Services

The FY20 proposed General Fund operating appropriation represents a 19.70% decrease from that of FY19. This is a result of the predicted decrease in veterans' benefits costs by \$21,276 to \$53,724 needed to serve fewer eligible beneficiaries.

30 Ceremonies and Celebrations

The FY20 proposed General Fund operating appropriation represents a 15.89% decrease from FY19 to \$19,030.

31 Town Employee Benefits

The proposed budget provides a total of \$100,000, with \$90,000 to cover unused sick leave buyback for some employees at retirement. This payment is restricted to non-union employees hired prior to July 1, 1992 and to uniformed Police and Fire personnel subject to the collective bargaining agreements. In all eligible cases, the benefit is capped at 62 days (65 for firefighters). This account also funds the Employee Assistance Program and certain medical costs for police and fire retirees for accidental disability expenses.

32 Reserve Fund

As budgets remain tight due to the economic situation and there are fewer resources available to cover unexpected events, the Reserve Fund appropriation becomes a crucial part of the budgeting process. By statute, this fund is to be used to meet "extraordinary or unforeseen expenditures" as approved by the Finance Committee. A funding level of \$225,000 is proposed for this purpose, unchanged from FY19.

33 Salary Reserve

The allocation in this account makes resources available for the funding of collective bargaining agreements. In addition, the account provides for a market adjustment to the pay scales and a step and merit adjustment to the salary schedules applicable to non-union employees effective July 1, 2019. Transfers from this account to the individual departmental operating accounts are reported to the Finance Committee and Select Board in accordance with the vote of Town Meeting adopting the budget article. This account is proposed to be funded at \$1,168,988 in order also to provide resources for such compensation adjustments for union and non-union staff and to provide funds for collective bargaining agreements that are not settled.

34 Land Fund

The budget is level funded at \$10,000 for FY20 and is used to facilitate the acquisition of land.

35A Group Insurance

The budget anticipates a \$439,969 increase in the General Fund appropriation required for FY20 group insurance costs supported by the General Fund. As part of the 17-member Minuteman Nashoba Health Group, the Town is self-insured for employee health coverage and the cost directly reflects actual claims experience.

35B Other Post-Employment Benefits (OPEB)

With the FY13 budget, Other Post-Employment Benefits (OPEB) has been separated into its own line item due to the increasing importance of recognizing and funding this liability. The OPEB liability primarily consists of the present value of the Town's portion of future retiree health care cost. That is, in addition to the amount allocated to pay for the current health care cost of retirees, there is also a liability for the future health care cost for Town Government and Concord Public School retirees. This liability is referred to as the Town Government's Annual Net OPEB Liability (NOL).

As of June 30, 2018, the General Fund share of the NOL was \$31,384,020. To adequately fully fund this liability by 2039, it is proposed that the FY20 Town budget allocates \$1,697,850, an increase of \$80,850.

35C Property & Liability Insurance

This account funds property insurance coverage for all Town-owned buildings and contents, vehicles, boilers and machinery; liability coverage for Town officials; and special risk coverage for police and fire personnel. Insurance policies cover the Concord Public Schools, the Concord-Carlisle Regional High School, 51 Walden Street (Friends of the Performing Arts in Concord - "FOPAC"), the Emerson Building ("Emerson Umbrella"), and all properties of Town departments including assets of the Town enterprises (Light, Water, Sewer, Beede Pool). For FY20, General Fund support is increased by \$13,750 to \$288,750.

36 Unemployment & Workers Compensation

An amount of \$110,000 is proposed for the Unemployment Compensation account. The Town pays only for actual claimants, not as a percent of payroll (since the minimum available "experience rating" percentage would be in excess of our actual historical costs). In addition, an amount of \$100,000 is proposed for Worker's Compensation costs; this amount funds a stop-loss reinsurance policy covering wage and other claims and the payment of miscellaneous medical expenses resulting from employee injury on the job. Coverage of unemployment and workers compensation applies to both Town and Concord Public School employees.

37 Retirement

Since the sharp economic downturn in the financial markets during the fall of 2008, assets of the Concord Retirement System have recovered from their previous peak reached in October 2007. At the most recent biennial actuarial valuation as of January 1, 2018, Concord has a funded ratio of 90.6% and expects to reach full funding status by the year 2030.

In FY20, the General Fund appropriation is projected at \$3,965,861, an increase of 5.0% from FY19 and consistent with the funding schedule. The retirement system is a "Defined Benefit" plan that provides a pension benefit based upon the highest three-year average annual covered pay and years of service (highest five years for members on and after April 2, 2012).

38 Social Security & Medicare

The General Fund cost for the Town's share of Social Security and Medicare cost is projected to decrease by 1.8%, to \$800,000. The Town pays 6.2% of the lower of an employee's total wages or \$127,200 toward Social Security for those employees not covered by the Concord Retirement Board and 1.45% of the regular earnings of covered employees for Medicare.

39 Debt Service

This item includes the appropriation for Town and CPS debt service within the levy limit and outside the levy limit (excluded debt). Most of the excluded debt is to cover the cost of construction of the three new elementary schools. For debt service, the FY20 budget proposes allocating \$7,417,326, which includes \$4,196,145 for debt service within the levy limit and \$3,221,181 for excluded debt. The excluded debt to pay for the construction of the new high school is budgeted as part of the assessment from the Concord-Carlisle Regional School District.

SECTION I: Financial Summary

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Definition

Capital Expenditure: The use of funds to acquire or enhance productive assets, such as structures, land, and equipment (including related plans, designs, and studies), which have a life expectancy of at least 2 years and a cost of at least \$5,000, and procured with the intention of increasing service capacity or efficiency.

The Capital Section includes the following:

- Capital Overview 48
- FY20 Capital Plan 49
- FY20–24 Capital Outlay Plan 50 to 52
- FY20 Capital by Account 53 to 55
- FY20 Capital Summary 56 to 58

Capital Improvement Plan

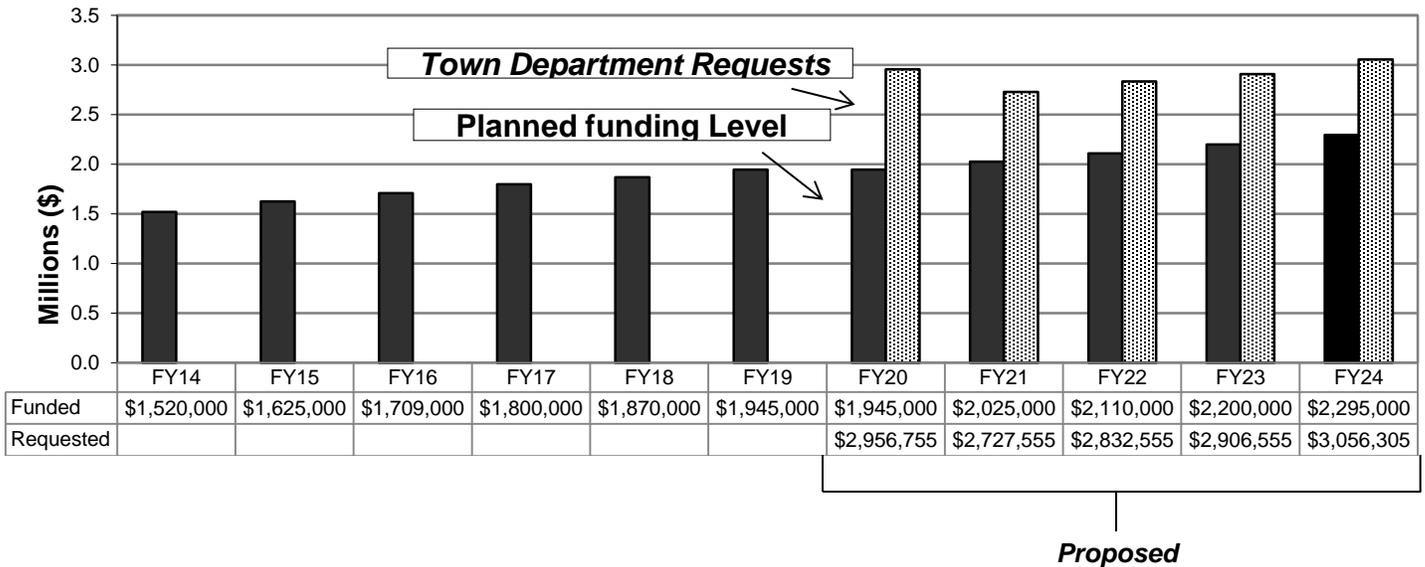
Capital Outlay Expenditures Supported Within the Levy Limit (Town Government accounts):

\$1,945,000

Capital Expenditures Within the Levy Limit Supported via FY20 Debt Authorizations:

\$4,850,000

**Town Government Departments
Capital Outlay Expenditures within the Levy Limit**



Capital Improvement Program FY20 – FY24

FY20 General Fund Budget Component

1. Borrowing authorizations submitted to the 2019 Annual Town Meeting

- *General Fund only*
- *Future tax-supported debt service to be funded within the Levy Limit*

Warrant Article	Description	Recommended New Borrowing Authorization
ART 7	Renovation/Construction/Acquisition of Town Buildings	500,000
ART 7	Park Improvements	1,400,000
ART 7	Land Acquisition for Open Space	100,000
ART 7	Road and Parking Lot Reconstruction	1,400,000
ART 7	Library Furniture, Fixtures, and Equipment	550,000
ART 12	CPS Capital Projects	<u>900,000</u>
Total		\$ 4,850,000

The debt service for these borrowings will be supported by the allocation of funds in future years to the Debt Service account. These authorizations are not proposed to be subject to a Proposition 2½ Debt Exclusion vote.

2. Capital Outlay - expenditures for capital purposes funded from current resources

Town Government Departments (accounts #1-34):	\$ 1,945,000
Concord Public Schools:	\$ 900,000

Capital Financing Policy

General Fund – within the Levy Limit

Target: 7% to 8% of the total budget net of excluded debt levy

- Total FY20 Guideline Budget is proposed to be **\$114,138,976**
less \$6,867,289 excluded debt = \$107,271,687 net

- 7% to 8% target range equals **\$7,509,018** to **\$8,581,734**

- **FY20 Proposed Budget for capital expenditure financing:**

Debt service budget (“within levy limit” portion)	4,196,145
Capital outlay, Town Departments	1,945,000
Capital outlay, Concord Public Schools	<u>900,000</u>
Total	\$7,041,145

Capital financing as percent of Proposed Total Budget, net of excluded debt levy: **6.6%**

SECTION I: Financial Summary

Capital

Capital Outlay and Special Project Accounts
(General Fund only)

Acct #	Category	Budget FY19	Dept. Request FY20	Town Mgr Proposed FY20	\$ Change FY19 Budget to FY20 Proposed
1A	Town Manager				
	ADA Compliance	5,000	5,000	5,000	-
	Total - account #1A	5,000	5,000	5,000	-
1C	Facilities Management				
	DSX System in Town Buildings	-	50,000	-	-
	Building Improv - Townwide Fund	290,000	505,305	327,776	37,776
	Total - account #1C	290,000	555,305	327,776	37,776
1D	Resource Sustainability Fund				
	Resource Efficiency	120,000	275,000	145,000	25,000
	Total - account #1D	120,000	275,000	145,000	25,000
1E	Information/Visitors Center:				
	Building Improv - Info Center	2,500	5,000	2,381	(119)
	Total - account #1E	2,500	5,000	2,381	(119)
1F	37 Knox Trail				
	Building Improv - 37 Knox Trail	5,000	5,000	4,761	(239)
	Total - account #1F	5,000	5,000	4,761	(239)
1G	55 Church Street				
	Building Improv - 55 Church Street	5,000	10,000	3,705	(1,295)
	Total - account #16	5,000	10,000	3,705	(1,295)
5A	Planning Administration				
	Vehicle Replacement	-	25,000	20,000	20,000
	Total - account #5A	-	25,000	20,000	20,000
5B	Natural Resources				
	Pond & stream management	5,000	15,000	5,000	-
	Agricultural fields improvements	-	10,000	-	-
	Total - account #5B	5,000	25,000	5,000	-
6	141 Keyes Road Building				
	Building Improv - 141 Keyes Road	10,000	10,000	7,315	(2,685)
	Total - account #6	10,000	10,000	7,315	(2,685)
9	Information Systems				
	Town-wide Technology Fund	185,000	375,000	179,800	(5,200)
	Total - account #9	185,000	375,000	179,800	(5,200)
10	Town House				
	Town House Carpeting	-	37,000	-	-
	Building Improv - Town House	15,000	15,000	12,820	(2,180)
	Total - account #10	15,000	52,000	12,820	(2,180)
11	Police Department				
	Police Vehicles	140,000	105,000	105,000	(35,000)
	Public Safety Equipment	25,000	25,000	25,000	-
	Axon Body Cameras	-	35,000	-	-
	Axon Vehicle Cameras	-	13,000	-	-
	AED Defibrillator	-	10,200	10,200	10,200
	Computer Upgrades/Mobile Laptops	-	5,000	5,000	5,000
	Cruiser Laptops	-	40,000	40,000	40,000
	Total - account #11	165,000	233,200	185,200	20,200

SECTION I: Financial Summary

Capital

**Capital Outlay and Special Project Accounts
(General Fund only)**

Acct #	Category	Budget FY19	Dept. Request FY20	Town Mgr Proposed FY20	\$ Change FY19 Budget to FY20 Proposed
12	Fire Department				
	Miscellaneous Equipment	25,000	25,000	25,000	-
	Vehicle Replacement (Shift Cmd)	-	-	-	-
	Turnout Gear Replacement	15,000	15,000	15,000	-
	SCBA	-	5,000	-	-
	EMS Equipment	25,000	-	-	(25,000)
	Total - account #12	65,000	45,000	40,000	(25,000)
13	West Concord Fire Station				
	Building Improv - W. Concord	10,000	10,000	9,871	(129)
	Total - account #13	10,000	10,000	9,871	(129)
14	Police/Fire Station (Walden Street)				
	Building Improv - Walden St	20,000	20,000	12,654	(7,346)
	Total - account #14	20,000	20,000	12,654	(7,346)
17B	Engineering				
	GIS System	20,000	20,000	20,000	-
	Traffic Control Devices	10,000	20,000	10,000	-
	Drainage Improvements	25,000	25,000	25,000	-
	NPDES Permit Compliance	10,000	10,000	10,000	-
	Street Sign Replacement	20,000	20,000	20,000	-
	Total - account #17B	85,000	95,000	85,000	-
17C	Highway Maintenance				
	Guardrail Replacement	15,000	20,000	15,000	-
	Small Equipment	5,000	7,500	5,000	-
	Total - account #17C	20,000	27,500	20,000	-
17D	Parks & Trees				
	Public Shade Trees	25,000	40,000	25,000	-
	Turf Improv./Park Rehab.	62,500	100,000	62,500	-
	Small Equipment	5,000	7,500	5,000	-
	Total - account #17D	92,500	147,500	92,500	-
20	Public Works Equipment				
	Vehicles and Heavy Equipment	325,000	375,000	325,000	-
	Total - account #20	325,000	375,000	325,000	-
21	Drainage				
	Drainage Improvements	105,000	105,000	105,000	-
	Culvert Improvement	100,000	100,000	100,000	-
	Total - account #21	205,000	205,000	205,000	-
22	Sidewalks				
	Sidewalks - Maintenance	115,000	125,000	125,000	10,000
	Total - account #22	115,000	125,000	125,000	10,000
23	Road Improvements				
	Road Reconstruction	100,000	100,000	100,000	-
	Total - account #23	100,000	100,000	100,000	-
24	133/135 Keyes Road building:				
	Building Improv - 133/135 Keyes	10,000	16,250	8,000	(2,000)
	Fuel Dispenser	-	20,000	-	-
	Total - account #24	10,000	36,250	8,000	(2,000)

**Capital Outlay and Special Project Accounts
(General Fund only)**

Acct #	Category	Budget FY19	Dept. Request FY20	Town Mgr Proposed FY20	\$ Change FY19 Budget to FY20 Proposed
25	Library				
	Computer Equipment	10,000	10,000	10,000	-
	Total - account #25	10,000	10,000	10,000	-
26B	Senior Services				
	COA Van	65,000	-	-	(65,000)
	Total - account #26B	65,000	-	-	(65,000)
27	Harvey Wheeler Building:				
	HWCC - Exterior Steps & Ramp	-	135,000	-	-
	Building Improv - Harvey Wheeler	15,000	15,000	13,216	(1,784)
	Total - account #27	15,000	150,000	13,216	(1,784)
28	Hunt Recreation Center				
	Hunt Gym Carpet Replacement	-	35,000	-	-
	Total - account #28	-	35,000	-	-
TOTAL		\$ 1,945,000	\$ 2,956,755	\$ 1,945,000	\$ -

Capital Outlay and Special Projects Accounts General Fund Recommended Items

Highlights

The following are recommendations for the capital outlay and special projects items:

Acct # - Account Title

1A Town Manager

To be able to comply with the Americans with Disabilities Act, the Town provides money in this account for improvements to Town-owned buildings. In FY20, it is proposed that the funding level is \$5,000, the same as in FY19.

1C Facilities Management

This account was established with the FY05 budget in an effort to set up a central pool of funds from which to monitor building conditions, establish renovation priorities, and fund repairs and improvements. Since FY05 when the account was first budgeted at \$40,000, the funding level has gradually been increased to the recommended level in FY20 of \$327,776. The five-year Capital Outlay plan raises this funding target to \$407,776 by FY24. For FY20, this account will fund the Facilities Director, Master Craftsman, Facilities Operations Coordinator, Licensed Electrician & Skilled Carpenter, Facilities Maintainer, and a new HVAC Technician.

1D Resource Sustainability

Being established in FY13, the purpose of this new account is to provide supplemental funding for town-wide energy efficiency projects and improvements. In FY20, it is proposed that this account be funded at \$145,000.

1E Visitors Center

For routine building repairs, a budget of \$2,381 is being proposed for FY20.

1F 37 Knox Trail

Acquired by the Town in FY15, \$4,761 is proposed for routine building improvements in FY20.

1G 55 Church Street

Acquired by the Town in FY18, \$3,705 is proposed for routine building improvements in FY20.

5A Planning Administration, DPLM

Funding of \$20,000 is being proposed for a vehicle replacement

5B Natural Resources Division, DPLM

Funding of \$5,000 is being proposed for pond and stream management.

6 141 Keyes Road, DPLM

For routine building repairs, a budget of \$7,315 is being proposed.

9 Information Systems

The proposed funding level for the Town-wide Technology Fund is \$179,800. This fund is crucial in maintaining current technology throughout the Town departments. In addition, funds go toward supporting the basic network infrastructure linking all town buildings and connecting more than 250 desktop computers to the network with a secure and reliable system.

10 Town House

For routine building repairs, a budget of \$12,820 is being proposed.

Capital Outlay and Special Projects Accounts General Fund Recommended Items

11 Police Department

Funding is being proposed for the replacement of four police cruisers (\$105,000), upgrade and maintenance of public safety equipment (\$25,000), replacement of cruiser laptops (\$40,000), upgrading mobile laptops (\$5,000), and replacement AED defibrillators (\$10,200).

12 Fire Department

For the Fire Department, \$25,000 in funding is being proposed for miscellaneous equipment and \$15,000 for turnout gear.

13 West Concord Fire Station

For routine building repairs, a budget of \$9,871 is proposed.

14 Police/Fire Station

For routine building repairs, a budget of \$12,654 is being proposed. This amount is split equally between the Police Department and the Fire Department.

17B Engineering, CPW

The following items are being proposed for the Engineering Division: \$20,000 for continued enhancements of the Town's Geographic Information System (GIS), \$10,000 for the upgrade of traffic control devices for the Town's street intersections, \$25,000 for sustainable drainage improvements, \$10,000 for NPDES permit compliance, and \$20,000 for the federal/state mandated street sign replacement.

17C Highway Maintenance, CPW

For the Highway Maintenance account, it is proposed that \$15,000 be allocated for guardrail replacement, and \$5,000 for small equipment.

17D Parks & Trees, CPW

The following items are being proposed for the Parks & Trees Division: \$25,000 for public shade trees, \$62,500 for turf improvements, and \$5,000 for small equipment.

20 Public Works Equipment, CPW

The proposed Public Works Equipment budget of \$325,000 funds the Town's well-planned schedule of equipment replacement.

21 Drainage, CPW

The FY20 level funding of \$205,000 is proposed to be used for drainage and culvert improvements.

22 Sidewalk Management, CPW

The proposed FY20 budget calls for an increase of \$10,000 for the maintenance of the Town's existing sidewalks program at \$125,000.

23 Road Improvements, CPW

The General Fund proposed funding for road improvements is \$100,000. With additional amounts of \$675,300 expected from the State (Chapter 90 Funds) and \$1,400,000 in borrowing, the total FY20 recommended amount for road improvements is \$2,175,300.

**Capital Outlay and Special Projects Accounts
General Fund Recommended Items****24 133 and 135 Keyes Road, CPW**

For routine building repairs, a budget of \$8,000 is being proposed.

25 Library

The FY20 the CIP proposes to provide the Library with \$10,000 for public-access computer equipment replacement.

27 Harvey Wheeler Community Center

For routine building repairs, a budget of \$13,216 is being proposed.

SECTION I: Financial Summary

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Debt:

As of June 30, 2018, the Town of Concord’s outstanding tax-supported long-term debt is **\$34,086,830**.

This total represents 0.55% of assessed value, or \$21,929 of debt per capita.

The Debt Section includes the following:

- Debt Overview 60
- Historic Debt & Charts 61 to 63
- Debt Service Projection 64 to 65
- Debt Plan (FY20 – FY24) 66 to 67
- Possible Future Debt Projects 68 to 69
- Annual Debt Service Liability 70
- Excluded Debt Service 71 to 72
- Authorized and Unissued Debt 73 to 74

Rapid Debt Repayment

The Town aims for a rapid debt repayment schedule for tax-supported debt, with a goal (for “within the levy limit” debt) of 60% repayment within 5 years and 90% repayment within 10 years.

This policy serves the following purposes:

- To hold down the amount expended in the form of interest costs;
 - To provide new capacity for debt issuance on a regular basis and thereby enable newly recognized capital needs to be addressed annually;
 - To maintain the Town’s credit rating of Aaa, which reduces the cost of borrowing.
- See page 270 for details on the Town’s annual Debt Service account.**

Outstanding Principal and Percent of Debt to be retired for debt issued as of June 30, 2018

Paid Down Percentage Starting on June 30, 2018	Tax-Supported Debt				Enterprise and Other Debt		Total Debt	
	Within Limit		Excluded		Outstanding Principal	%	Outstanding Principal	%
	Outstanding Principal	%	Outstanding Principal	%				
On 6/30/18	\$11,661,425		\$22,425,405		\$20,824,191		\$54,911,021	
In 5 years	\$2,643,557	77%	\$9,963,587	56%	\$8,168,910	61%	\$20,776,054	62%
In 10 Years	\$0	100%	\$675,000	97%	\$0	100%	\$675,000	99%
In 15 Years	\$0	100%	\$0	100%	\$0	100%	\$0	100%

Note: The Town’s excluded tax-supported debt is primarily associated with the construction of the three Elementary Schools. Excluded debt associated with the construction of the new High School is assessed to the Town separately by the Concord-Carlisle Regional School District and is budgeted separately .

GENERAL OBLIGATION DEBT POLICIES

1. As a general policy, the threshold for an item for debt financing shall be an expenditure of at least \$100,000 and a useful life in excess of 5 years.
2. The term of long-term debt shall not exceed the expected useful life of the capital asset being financed, and in general it shall not exceed 20 years.
3. A rapid debt repayment schedule shall be maintained, with a goal of 60% principal repayment within 5 years and 90% repayment within 10 years, for tax-supported non-excluded debt.
4. Debt supported outside the levy limit—that is, through a debt exclusion—may be above the 7-8% allocation limit, and may be structured for a longer repayment schedule; such debt shall be reserved for large capital improvements, generally those costing over \$1 million and bonded for 10 years or more.
5. For all debt exclusion proposals, the impact on property tax rates shall be calculated prior to the vote.
6. All debt of the Town shall be issued as general obligation debt. As a policy, debt for enterprises may be paid for from fee revenue rather than through taxes.

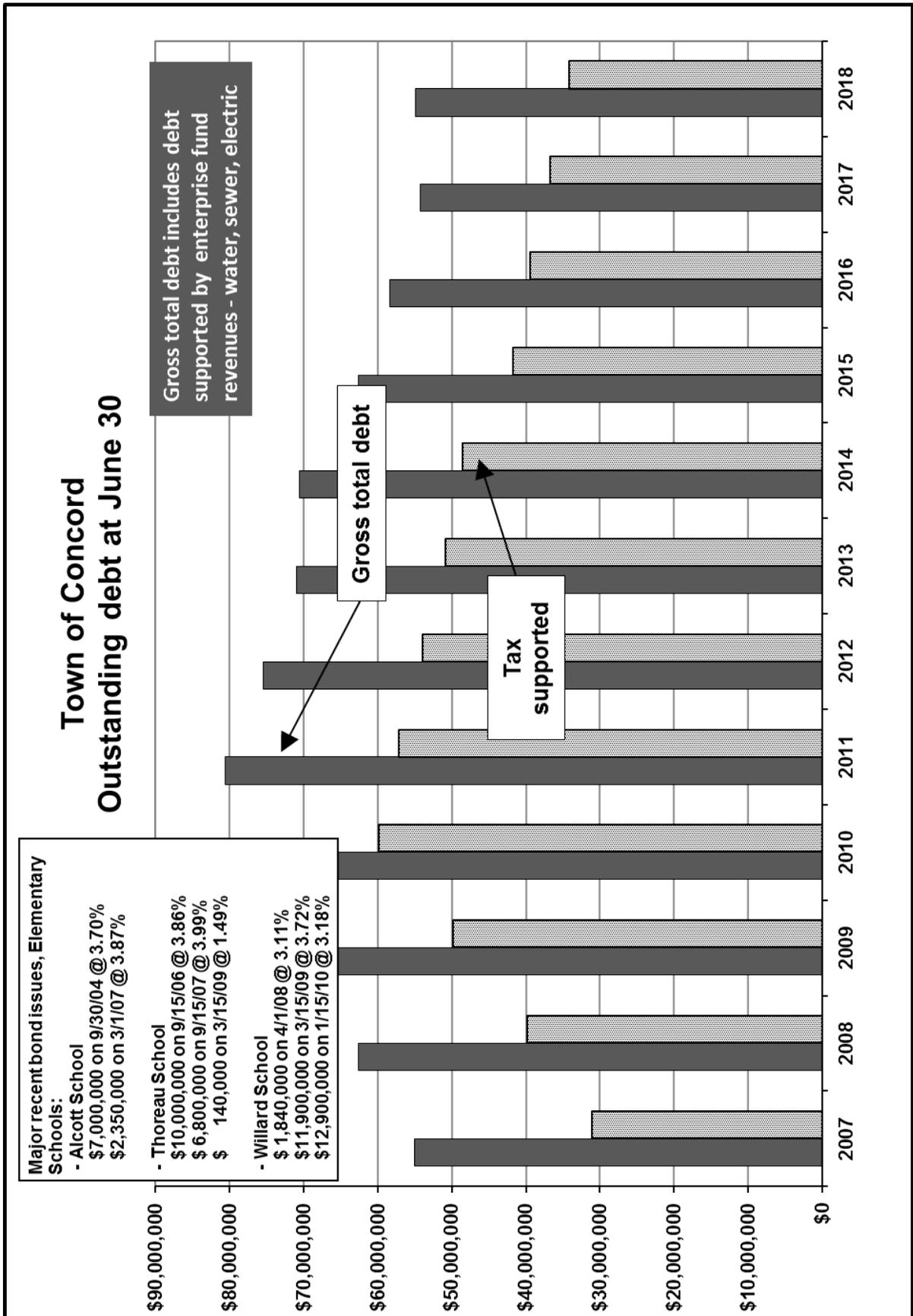
TOWN of CONCORD, LONG-TERM DEBT STATISTICS

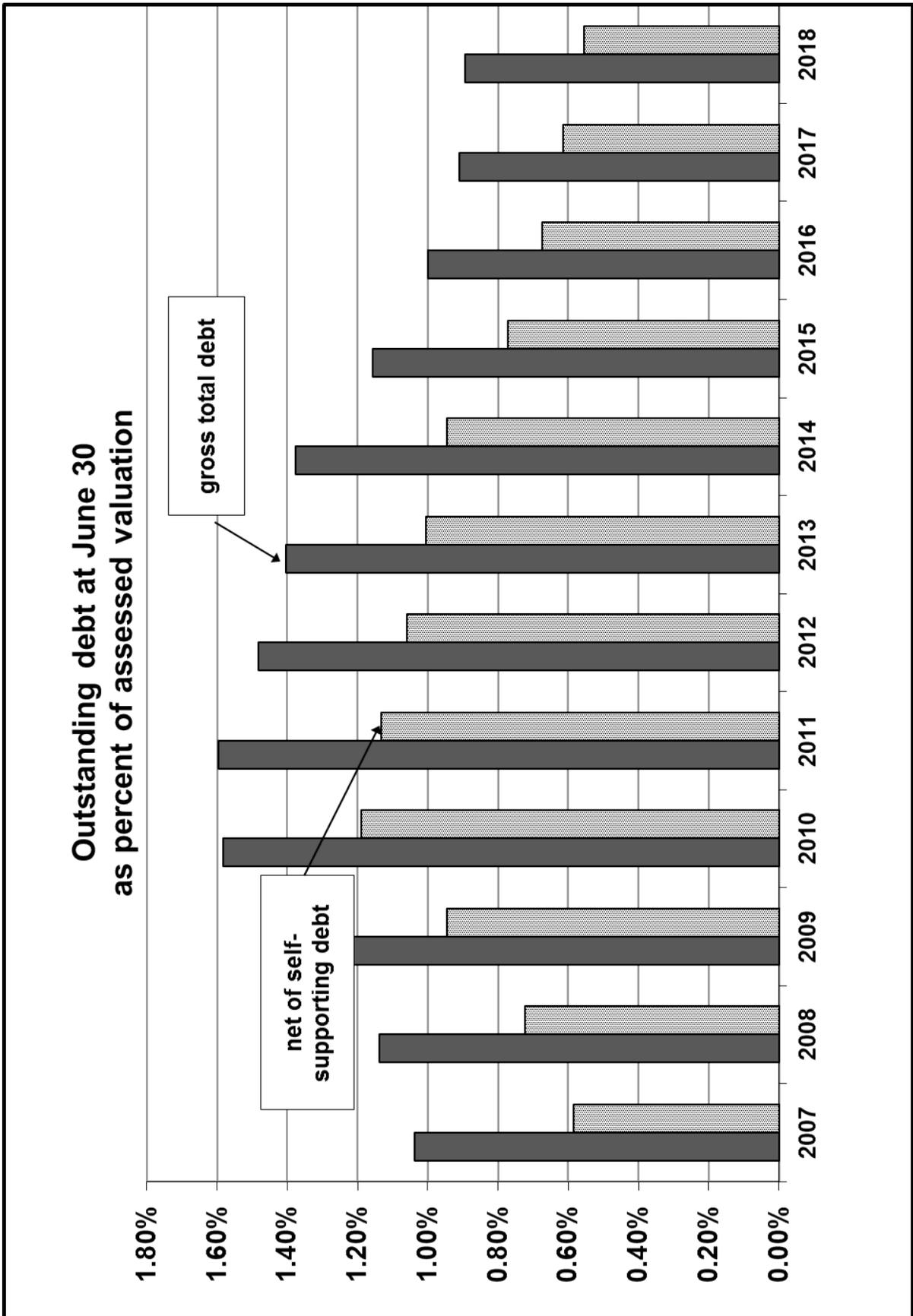
Direct Debt - FY07 to FY18

@	June 30	Assessed Value	Outstanding Long-term Debt		Population decennial census	per capita income decennial/ census	% of Assessed value		Debt per capita		Debt per capita as % of per capita income	
			Gross	Net			gross debt	net debt	gross debt	net debt	gross debt	net debt
	2007	\$5,309,253,833	\$55,091,156	\$31,052,480	16,993	\$54,477	1.04%	0.58%	\$3,242	\$1,827	6.30%	3.55%
	2008	\$5,498,736,316	\$62,606,176	\$39,739,546	16,993	\$51,477	1.14%	0.72%	\$3,684	\$2,339	7.16%	4.54%
	2009	\$5,264,591,702	\$71,479,236	\$49,855,220	16,993	\$51,477	1.36%	0.95%	\$4,206	\$2,534	8.17%	5.00%
	2010	\$5,026,552,229	\$79,599,890	\$59,831,473	16,993	\$51,477	1.58%	1.19%	\$4,684	\$3,521	9.10%	6.84%
	2011	\$5,045,140,930	\$80,557,680	\$57,138,277	17,668	\$67,374	1.60%	1.13%	\$4,560	\$3,234	6.77%	4.80%
	2012	\$5,090,058,629	\$75,393,732	\$53,893,601	17,668	\$67,374	1.48%	1.06%	\$4,267	\$3,050	6.33%	4.53%
	2013	\$5,054,976,094	\$76,984,036	\$50,782,417	17,668	\$67,374	1.40%	1.00%	\$4,076	\$2,874	5.96%	4.27%
	2014	\$5,130,493,662	\$70,598,766	\$48,544,694	17,668	\$67,374	1.38%	0.95%	\$3,996	\$2,748	5.93%	4.08%
	2015	\$5,442,298,562	\$62,596,727	\$41,730,402	17,668	\$67,374	1.46%	0.77%	\$3,543	\$2,362	5.26%	3.51%
	2016	\$5,841,889,295	\$58,382,966	\$39,391,306	17,668	\$67,374	1.00%	0.67%	\$3,304	\$2,230	4.90%	3.31%
	2017	\$5,973,716,402	\$54,309,396	\$36,601,977	17,668	\$67,374	0.91%	0.61%	\$3,074	\$2,075	4.56%	3.08%
	2018	\$6,144,650,300	\$54,911,022	\$34,086,831	17,668	\$67,374	0.89%	0.55%	\$3,108	\$1,929	4.61%	2.86%

"Net debt" is tax-supported, net of self-supporting debt issued for the water, sewer and electric funds.

EQV and Debt: The Town's Equalized Valuation (EQV) is the full and fair value of property in Concord and is set by the state biennially. This EQV is used in various state formulas for some state grant allocations. The value set at Jan. 1, 2018 is \$6,572,447,900. By state law (MGL c. 44, § 10), the Town's debt limit is capped at 5% of its EQV. The Town's gross outstanding debt of \$54,911,022 as of June 30, 2018 is 0.83% of EQV.





Debt Service Schedule, July 1, 2018 to final maturity for debt issued through June 30, 2018

Fiscal Year	Total Annual Debt Service		Total Principal Outstanding at June 30th	Tax Supported Annual Debt Service							
				Town (within levy limit)		Town (outside levy limit)		School (within levy limit)		School (outside levy limit)	
	Principal Matured	Interest Payment		Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment
2019	8,505,416	1,790,583	49,141,555	2,549,375	402,523	266,522	93,958	650,000	127,729	2,320,000	673,670
2020	7,962,060	1,545,148	41,179,496	2,130,000	330,826	262,632	88,161	645,000	106,320	2,275,000	596,395
2021	7,369,784	1,283,039	33,809,711	1,685,000	249,901	264,403	79,391	495,000	83,620	2,250,000	517,570
2022	6,816,794	1,037,524	26,992,918	1,396,300	184,151	266,209	68,835	471,700	63,470	2,229,000	439,420
2023	5,650,421	813,868	21,342,497	810,000	128,999	268,052	58,242	355,000	43,852	2,060,000	363,185
2024	5,192,224	633,020	16,150,273	580,000	93,599	269,932	47,612	195,000	30,602	2,030,000	292,195
2025	5,121,972	464,913	11,028,301	515,000	70,249	266,850	36,945	195,000	23,252	2,003,000	215,505
2026	4,687,572	326,940	6,340,729	475,000	50,299	268,806	26,488	190,000	16,002	1,605,000	163,775
2027	3,795,729	195,207	2,545,000	470,000	31,149	170,000	17,000	140,000	9,302	1,255,000	115,650
2028	1,870,000	96,850	675,000	312,970	12,849	170,000	8,500	137,030	4,252	1,250,000	71,250
2029	675,000	27,000	0	0	0	0	0	0	0	675,000	27,000
total	57,646,972	8,214,093		10,923,645	1,554,540	2,640,131	557,996	5,018,730	726,405	31,200,800	5,046,646

Interest expense as % of total debt service, FY20: **16.3%**

Interest expense as % of total debt service to final maturity: **12.5%** as of July 1, 2018

Projected as of June 30, 2018:

Debt Retirement - all

5 yrs | 10 yrs

63.0% | **98.8%**

Debt Retirement - tax supported only

64.2% | **98.2%**

SECTION I: Financial Summary

Debt

Revenue Supported Annual Debt Service								subtotals		
Water		Sewer		Betterment (WPAT loans)		Light (including Telecom)		Tax-supported		Revenue-supported
Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment	within Limit	Excluded	
485,000	94,435	618,831	108,499	853,187	124,706	762,500	165,063	3,729,627	3,354,151	3,212,222
485,000	78,735	617,570	95,573	796,857	110,764	750,000	138,375	3,212,145	3,222,189	3,072,874
485,000	61,535	629,036	82,607	811,345	96,541	750,000	111,875	2,513,520	3,111,364	3,027,939
373,000	44,335	640,734	69,409	814,851	82,030	625,000	85,875	2,115,620	3,003,464	2,735,234
225,000	30,015	602,668	56,725	829,701	67,226	500,000	65,625	1,337,850	2,749,479	2,376,960
220,000	21,715	614,843	44,550	782,449	52,123	500,000	50,625	899,200	2,639,739	2,286,305
217,000	14,995	627,265	32,129	797,858	36,715	500,000	35,125	803,500	2,522,299	2,261,086
215,000	8,300	639,936	19,457	793,830	20,996	500,000	21,625	731,300	2,064,069	2,219,143
155,000	1,550	652,865	6,529	652,865	6,529	300,000	7,500	650,450	1,557,650	1,782,837
0	0	0	0	0	0	0	0	467,100	1,499,750	0
0	0	0	0	0	0	0	0	0	702,000	0
3,866,200	556,216	6,861,078	771,091	8,263,944	764,911	6,730,000	1,087,993	18,223,320	39,445,572	28,901,433

SECTION I: Financial Summary

Debt

**FY20-24 Capital Program
DEBT AUTHORIZATION PLAN**

FINAL PLAN- January 16, 2019

	adopted					plan					FY20-24 Total
	FY2019 2018	FY2020 2019	FY2021 2020	FY2022 2021	FY2023 2022	FY2024 2023	FY2024 2023	FY2024 2023	FY2024 2023		
Projected Amount Available for Authorization											
General Fund - Financing within Levy Limit	\$6,000,000	\$4,850,000	\$4,760,000	\$5,025,000	\$4,600,000	\$4,235,000	\$4,235,000	\$4,235,000	\$4,235,000	\$4,235,000	\$23,470,000
<i>Town Manager</i>											
Renovation/Construction/Acquisition of Town Buildings	510,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
Land acquisition for municipal purposes	2,500,000				1,000,000	500,000	500,000	500,000	500,000	500,000	\$1,500,000
Park Improvements (White Pond, Rideout, Emerson, Gerow etc.)		1,400,000	375,000	230,000	350,000	310,000	310,000	310,000	310,000	310,000	\$2,665,000
Town House Chiller Replacement				345,000							\$345,000
<i>Planning</i>											
Land Acquisition for open space		100,000	460,000	0	350,000	350,000	350,000	350,000	350,000	350,000	\$1,260,000
Trail Improvements	75,000				750,000						\$750,000
Pedestrian Bridge Over Assebet River in W. Concord					500,000						\$500,000
West Concord Visitors Center, Acquisition & Renovation											
<i>Public Safety</i>											
Engine #3 (2008) & Engine #5 (1989) to be replaced w/ one truck	365,000									175,000	\$175,000
Engine #3 Refurbishment (2016) Pumper											\$0
Engine #4 Replacement (2017) Pumper											\$0
Engine #5 Replacement (1989) Brush Truck											\$0
Engine #6 Replacement (2006) Brush and Utility Vehicle											\$0
Engine #8 Replacement (1988)											\$0
Ambulance #1 Replacement (2008)			275,000								\$275,000
Ambulance #2 Replacement (2011)			250,000								\$250,000
Ladder #1 Refurbishment (2012)											\$0
Police & Fire Radios											\$0
<i>Public Works</i>											
Road and Parking lot Reconstruction	1,400,000	800,000	2,000,000	1,300,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	\$7,100,000
Cambridge Turnpike Reconstruction		600,000									\$0
Sidewalk extensions - phase 1											\$0
Sidewalk extensions - phase 2				500,000							\$500,000
Cemetery Roads Improvements											\$0
<i>Human Services</i>											
Library - Efficient Energy Systems	150,000										\$0
Library - Furniture, Fixtures, and Equipment		550,000									\$550,000
Harvey Wheeler Parking Lot	100,000										\$0
											\$0
											\$0
Subtotal - Town Projects	5,100,000	3,950,000	3,860,000	4,125,000	3,700,000	3,335,000	3,335,000	3,335,000	3,335,000	3,335,000	\$18,370,000

SECTION I: Financial Summary

Debt

**FY20-24 Capital Program
DEBT AUTHORIZATION PLAN**

Fiscal Year of Issuance Annual Town Meeting Year	adopted					plan			FY20-24 T total
	FY2019 2018	FY2020 2019	FY2021 2020	FY2022 2021	FY2023 2022	FY2024 2023			
CMS Middle School feasibility assessment study									\$0
Peabody		223,000	50,000	50,000	50,000	50,000	50,000	50,000	\$423,000
Sanborn		447,000	68,000	68,000	50,000	50,000	50,000	50,000	\$665,000
Alcott				475,000			25,000		\$500,000
Thoreau		15,000	55,000						\$70,000
Willard		15,000	118,000	55,000	80,000	20,000			\$288,000
District-wide		200,000							\$200,000
Ripley Administration Building		0	580,000	375,000	571,000	721,000			\$2,247,000
Green Initiatives, District-wide			1,050,000	550,000	600,000	850,000			\$3,050,000
Gross subtotal, CPS buildings	0	900,000	1,921,000	1,555,000	1,351,000	1,716,000			\$7,443,000
<i>less: Unfunded</i>									\$0
Subtotal - School Projects allocation	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$4,500,000
General Fund Total									
debt supported within levy limit	\$6,000,000	\$4,850,000	\$4,760,000	\$5,025,000	\$4,600,000	\$4,235,000			\$23,470,000

General Fund - Financing subject to Debt Exclusion Ballot

Keyes Road Campus - Site Reconstruction	20,000,000								\$20,000,000
Public Safety Complex					20,000,000				\$20,000,000
Municipal Offices						20,000,000			\$20,000,000
Concord Public School - Middle School renovations									\$0
Debt Exclusion Total	\$0	\$0	\$20,000,000	\$0	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$60,000,000

Water Enterprise Fund

Keyes Road site & covered storage (Water & Sewer)	\$500,000								500,000
Water Main Replacement	4,000,000								

Sewer Enterprise Fund

Keyes Road site & covered storage	\$100,000								100,000
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Beele Enterprise Fund

Cogeneration System	400,000								500,000
Enterprise Funds Total	\$0	\$4,400,000	\$700,000	\$0	\$0	\$0	\$0	\$0	\$5,100,000

GRAND TOTAL	\$6,000,000	\$9,250,000	\$25,460,000	\$5,025,000	\$24,600,000	\$24,235,000			\$88,570,000
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Potential Debt Exclusion projects

In addition to the General Fund portion of the Five-Year Debt Plan shown on the preceding pages, to be financed within the Property Tax Levy Limit, there are projects under active consideration or emerging in long-range planning which would need to be considered for funding subject to debt exclusion ballot approval – where the property tax levy to cover debt service would be apart from and in addition to the Levy Limit.

Tax-supported Debt Principal Forecast without new Debt Exclusions

Outstanding as of June 30, 2019	New Issues Planned from FY20 – FY24	Projected Maturing through June 30, 2024	Projected Outstanding as of June 30, 2024	<i>*Note: Date for Town of Concord only. Not inclusive of assessed share of CCRSD debt.</i>
\$31,036,883	\$23,470,000	\$20,938,228	\$33,568,655	

Possible Debt-Exclusion Projects during the Next Five Years

1. Keyes Road Campus Site Construction - \$20,000,000 in FY21

The Town is nearing completion of a Town-wide municipal facility needs assessment and master plan which will document and evaluate the Town’s existing facilities along with the ability to satisfy the immediate and long range operational and programming requirements of Town facilities. At the 2014 Annual Town Meeting, the Town Manager requested \$150,000 in funding (Article 30) to conduct a campus-wide feasibility study/concept design to evaluate the future reconstruction of the Keyes Road campus. Following the recommendations, of the aforementioned facility study, it is anticipated that over fiscal year 2020, this project will begin which will result in a concept design leading to design development for substantial building and site improvements at the Keyes Road campus. These improvements include upgrades to equipment and vehicle storage, fleet maintenance, employee facilities, salt and deicing material storage along with expanded office space. This project will also evaluate the potential for the development of office space for current and future town needs at this location. Following this initial study it is proposed that the project will progress to a design development phase requiring additional funding. Upon completion of preliminary design, a debt authorization in the range of \$20 million dollars will be requested in the fiscal year 2021 timeframe to complete final design and to construct these site and building improvements

2. Public Safety Complex - \$20,000,000 in FY23

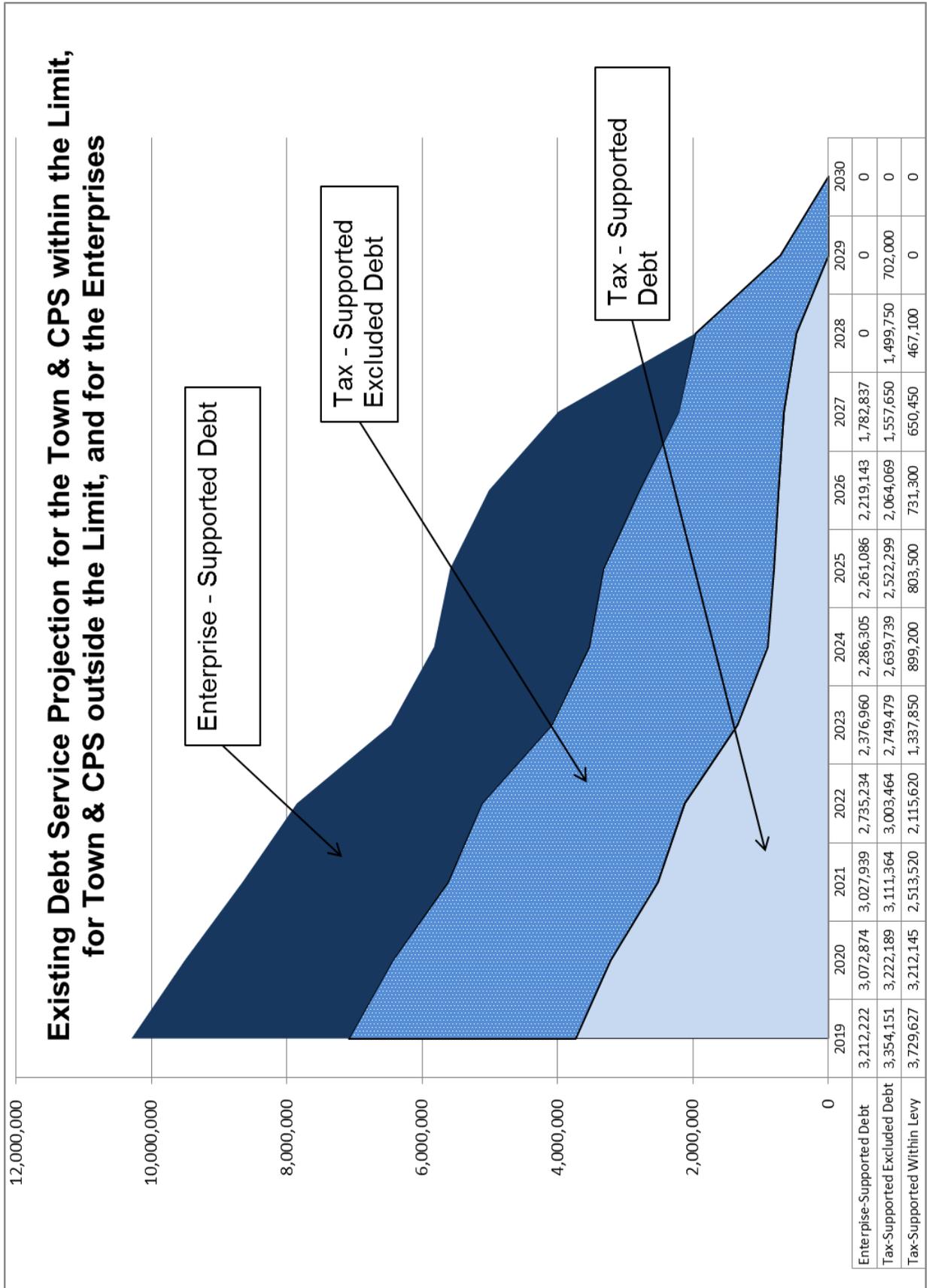
The Public Safety Building was built in the 1950’s and no longer meets the public safety needs of the Town or the operational requirements of the Concord Fire Department (CFD) or the Concord Police Department (CPD). On the Fire side, CFD has maximized its use of the available space, and there is a need for more office space, training facilities, and customer service areas. Some equipment is stored outside, which affects the already limited parking area. Since the building’s inception, the CFD staff has grown, training needs have increased, and the Fire Department’s responsibilities have expanded.

On the Police side, although there have been additions put on the building over the years, the layout of the station provides operational challenges and does not provide an environment to provide good service. Space is limited within the building. Some evidence is stored in a container box in the parking lot due to the space restrictions. The men’s locker room is at capacity and needs to be upgraded to provide space for the additional equipment that is now issued to officers. The Public Safety Dispatch center is small and functional but does not provide for the safety of dispatchers. Current standards call for ballistic protection in the lobbies of police stations and this is not the case at the Public Safety Building. The police lockup is aging and the female cell located in the sally-port. The lockup’s current configuration and proximity to other sections of the station are functional but does not provide optimal safety for officers. The building is not energy efficient and does not comport with the town’s sustainability goals.

The goal of this funding would be to build a state of the art facility, which would serve the public safety needs of the Town and meet the operational requirements of both the CFD and CPD, as well as being energy efficient and in compliance with the town’s sustainability goals.

Possible Debt-Exclusion Projects during the Next Five Years**3. Municipal Offices - \$20,000,000 in FY24**

The Town owns more than a dozen operational facilities and office buildings; through the office of the Deputy Town Manager, a comprehensive municipal facilities needs assessment and master plan is currently underway. Once complete, the study will provide an evaluation of the existing conditions within each of the Town facilities. The study will also provide Town Officials with a facilities master plan that highlights potential larger-scale initiatives and/or building projects which, once concluded, would increase inter-department efficiencies and create a centralized business operation for residents. It is expected that the final long term capital improvement plan will highlight the need for a more consolidated office building where the majority of the Town's functions may be housed. While the idea of combining the majority of Town Departments under one roof seems commonplace, doing so may require the Town to identify available land for purchase which could be used for a new construction build or to identify an existing available building which meets the needs of the Town in terms of square footage and location. The placeholder of \$20M in FY24 identifies an amount of funds which may be necessary to complete a large-scale facility renovation and/or an acquisition of real property needed to create a new and fully integrated Town facility.

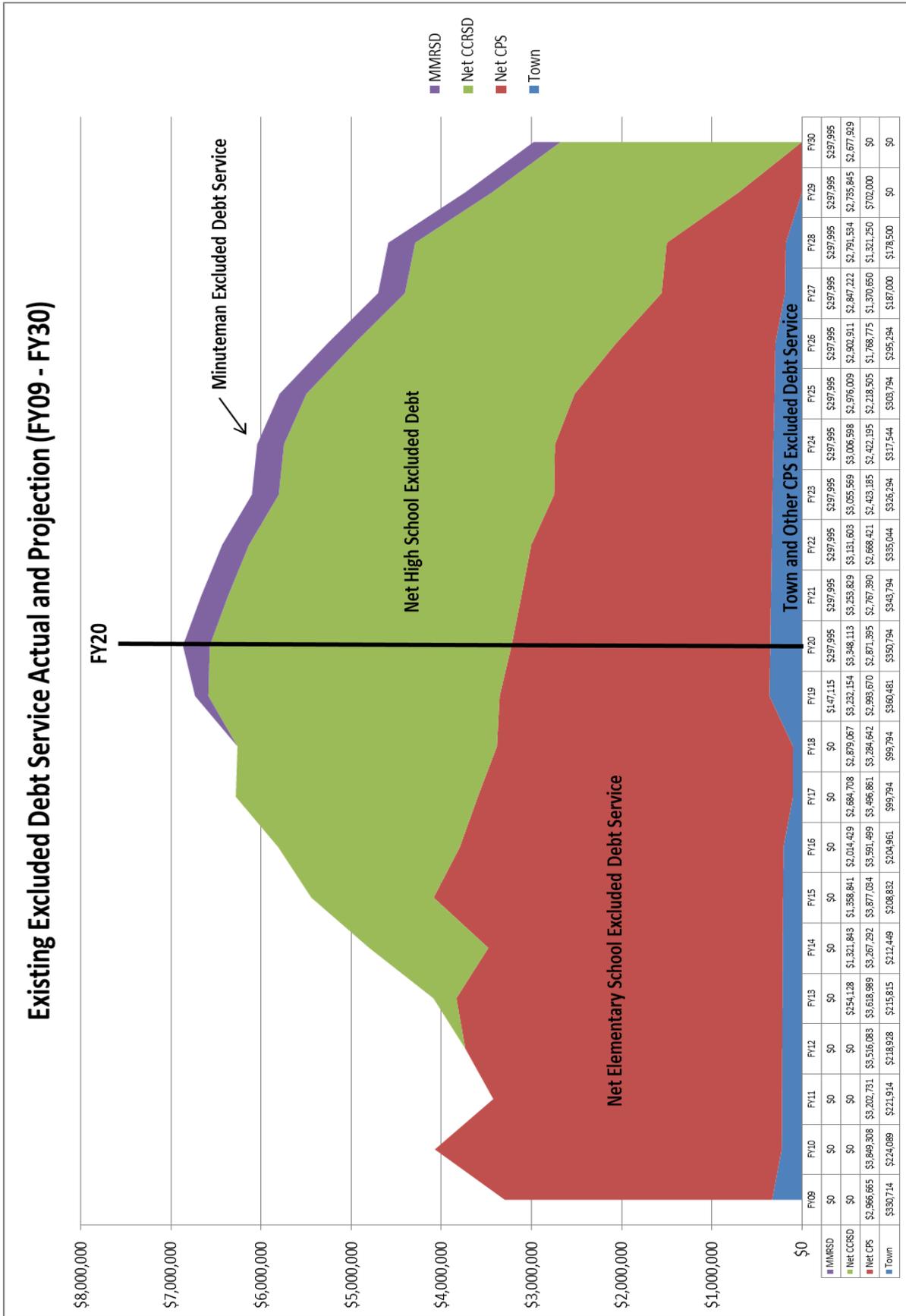


SECTION I: Financial Summary

Debt

**Excluded debt tax levy
(FY09 to FY18 Actual, FY19 Budgeted, and FY20 to FY30 Projected)**

Fiscal Year	Elementary Schools Construction										High School Excluded Debt				Other Debt			Summation of Excluded Debt			
	Alcott	Thoreau	Willard	Stabilization Fund	MSBA Thoreau grant	Offsets	Total CPS Excluded Debt	CCHS New building (1)	NSDEC Enrollment (2)	Concord's Share of CCHS Debt	Stabilization Fund	Total CCHS Excluded Debt	Town	Minuteman Regional	Gross Excluded Debt	Offsets (Grants & Stab. Funds)	Adjustments	Net Excluded Debt			
FY09 Actual	\$812,599	\$1,570,663	\$583,403			\$2,966,665							\$330,714		\$3,297,379			\$3,297,379			
FY10	\$811,335	\$1,578,640	\$1,359,333			\$3,849,308							\$224,089		\$3,973,397	\$100,000 (3)	\$100,000 (3)	\$4,073,397			
FY11	\$79,408	\$1,540,065	\$2,323,693	(\$1,000,000)	(\$431,796)	\$3,202,731							\$221,914		\$4,865,080	(\$1,431,796)	(\$8,639) (4)	\$3,424,645			
FY12	\$762,558	\$1,492,661	\$2,400,443	(\$700,000)	(\$427,412)	\$3,516,083							\$218,928		\$4,874,590	(\$1,127,412)	(\$12,167) (5)	\$3,735,011			
FY13	\$740,052	\$1,416,392	\$2,347,423	(\$475,000)	(\$409,876)	\$3,618,989							\$215,815		\$4,973,810	(\$864,876)		\$4,088,932			
FY14	\$720,995	\$1,381,397	\$2,309,778	(\$735,000)	(\$409,876)	\$3,267,292							\$212,449		\$6,176,462	(\$1,374,878)		\$4,801,584			
FY15	\$701,499	\$1,344,761	\$2,240,652		(\$409,876)	\$3,877,034			\$254,128				\$208,832		\$6,354,585	(\$909,878)		\$5,444,707			
FY16	\$638,667	\$1,234,619	\$2,128,091		(\$409,876)	\$3,591,499							\$204,961		\$7,720,767	(\$1,909,878)		\$5,810,889			
FY17	\$623,785	\$1,195,190	\$2,087,764		(\$409,876)	\$3,496,861							\$99,794		\$7,691,241	(\$1,409,878)		\$6,281,363			
FY18	\$594,505	\$720,930	\$1,969,207			\$3,284,642							\$99,794		\$7,048,503	(\$765,000)		\$6,263,503			
FY19 Budgeted	\$573,215	\$605,695	\$1,712,465			\$2,871,995							\$360,481	\$147,115	\$7,008,420	(\$275,000)		\$6,733,420			
FY20 Projected	\$530,320	\$589,365	\$1,667,705			\$2,767,390							\$350,794	\$297,995	\$6,868,297			\$6,868,297			
FY21	\$512,068	\$534,068	\$1,622,295			\$2,668,421							\$335,044	\$297,995	\$6,433,063			\$6,433,063			
FY22	\$347,850	\$498,310	\$1,577,025			\$2,423,185							\$326,294	\$297,995	\$6,103,043			\$6,103,043			
FY23	\$434,840	\$461,630	\$1,525,725			\$2,422,195							\$317,544	\$297,995	\$6,044,332			\$6,044,332			
FY24	\$318,710	\$427,020	\$1,472,775			\$2,218,505							\$303,794	\$297,995	\$5,796,303			\$5,796,303			
FY25		\$346,800	\$1,421,975			\$1,768,775							\$295,294	\$297,995	\$5,264,975			\$5,264,975			
FY26			\$1,370,650			\$1,370,650							\$187,000	\$297,995	\$4,702,867			\$4,702,867			
FY27			\$1,321,250			\$1,321,250							\$178,500	\$297,995	\$4,589,279			\$4,589,279			
FY28			\$702,000			\$702,000								\$297,995	\$3,735,840			\$3,735,840			
FY29														\$297,995	\$2,975,924			\$2,975,924			
FY30						\$0															



SECTION I: Financial Summary

Debt

Town of Concord, MA Authorized, but Unissued Debt as of June 30, 2018

Category	Authorization	Purpose	Authorized	Issued	Rescinded	Unissued as of 06/30/18	Account Code	Bond/ Note Issuance or other Comment	Anticipated Future Issue
within levy	8-A-TM-2017	Municipal Building Renovations	\$350,000	(\$312,600)	(\$37,400)	\$0	0030-122-123-0316	\$312.6K Bond Issued 6/6/18; \$37.4k automatically rescinded	
within levy	21(1)-ATM-2018	Municipal Building Renovations	\$510,000	\$0	\$0	\$510,000			\$510,000
within levy	21(2)-ATM-2018	Trail Improvements	\$75,000	\$0	\$0	\$75,000			\$75,000
within levy	21(3)-ATM-2018	Fire Engine Replacement, #5 and #7	\$365,000	\$0	\$0	\$365,000			\$365,000
within levy	21(4)-ATM-2018	Road Improvement Program 2018	\$1,400,000	\$0	\$0	\$1,400,000			\$1,400,000
within levy	21(5)-ATM-2018	Library, Energy Efficient Systems	\$150,000	\$0	\$0	\$150,000			\$150,000
within levy	21(5)-ATM-2018	Parking Lot Improvements, HWCC	\$100,000	\$0	\$0	\$100,000			\$100,000
within levy	11-A-TM-2018	Concord Public School Renovations	\$900,000	\$0	\$0	\$900,000			\$900,000
within levy	25-A-TM-2018	Gerow Land Purchase	\$2,500,000	\$0	\$0	\$2,500,000			\$2,500,000
within levy	30-A-TM-2014	Keyes Road Public Works Facilities Design	\$150,000	(\$150,000)	\$0	\$0	0030-426-426-0357	\$150k Bond Issued 6/6/18	
within levy	31-A-TM-2014	141 Keyes Road Renovations (DPLM)	\$600,000	(\$200,000)	\$0	\$400,000	0030-197-197-0358	\$200k Bond Issued 5/19/16	\$400,000
within levy	33-A-TM-2014	West Concord Infrastructure Improvements	\$100,000	(\$94,500)	(\$5,500)	\$0	0030-410-410-0360	\$100k Bond Issued 6/22/17; \$5,500 rescinded 2018 ATM	
within levy	34-A-TM-2014	Public Safety Building Security Improvements	\$85,000	(\$84,000)	(\$1,000)	\$0	0030-215-215-0361	\$84k Bond Issued 6/6/18; \$k automatically rescinded	
within levy	12-A-TM-2016	Concord Public Schools - Bus Depot	\$300,000	(\$268,200)	(\$31,800)	\$0	0030-300-300-0366	\$268.2k Bond Issued 6/6/18; \$31.8k automatically rescinded	
within levy	52-A-TM-2015	Rideout & Emerson Playground Improvements	\$600,000	(\$565,000)	(\$35,000)	\$0	0030-122-123-0368	\$565k Bond Issued 6/22/17; resized; \$35k rescinded 2018 ATM	
within levy	53-A-TM-2015	Parking Management Plan Implementation	\$250,000	(\$244,500)	(\$5,500)	\$0	0030-180-175-0369	\$150k Bond Issued 5/19/16; resized; \$5.5k rescinded 2018 ATM	
within levy	54-A-TM-2015	Town House Interior Improvements	\$700,000	(\$679,500)	(\$20,500)	\$0	0030-122-123-0370	\$350k Bond Issued 5/19/16; \$329.5k Bond Issued 6/6/18; \$20.5k automatically rescinded	
within levy	12-A-TM-2016	Concord Public School Renovations	\$570,000	(\$536,700)	(\$33,300)	\$0	0030-300-300-0373	\$536.7k Bond Issued 6/22/17; \$33.3k rescinded 2018 ATM	
within levy	22-A-TM-2016	Municipal Building Renovations	\$150,000	(\$141,000)	(\$9,000)	\$0	0030-520-546-0375	\$141k Bond Issued 6/6/18; \$9k automatically rescinded	
within levy	22-A-TM-2016	Municipal Building Renovations	\$50,000	(\$50,000)	\$0	\$0	0030-520-631-0375	\$50k Bond Issued 6/6/18	
within levy	23-A-TM-2016	Land Acquisition, Ball's Hill Road	\$800,000	(\$753,000)	(\$47,000)	\$0	0030-122-123-0376	\$753k Bond Issued 6/22/17; \$47k rescinded 2018 ATM	
within levy	24-A-TM-2016	Public Safety Equipment, Fire Engine Refurbish	\$150,000	\$0	\$0	\$150,000	0030-220-220-0377		\$150,000
within levy	25-A-TM-2016	Cemetery Improvements	\$50,000	(\$47,500)	(\$2,500)	\$0	0030-410-491-0378	\$47.5k Bond Issued 6/22/17; \$2.5k rescinded 2018 ATM	
within levy	26-A-TM-2016	Road Improvement Program 2016	\$1,350,000	(\$1,236,300)	(\$113,700)	\$0	0030-429-429-0379	\$1,236,300 Bond Issued 6/22/17; \$113.7k rescinded 2018 ATM	
within levy	57-A-TM-2016	Rail Trail Design/ Engineering, Phase 2B	\$250,000	(\$236,000)	(\$14,000)	\$0	0030-180-175-0383	\$236k Bond Issued 6/22/17; \$14k rescinded 2018 ATM	
within levy	9-A-TM-2017	Public Safety Communications	\$225,000	(\$211,200)	(\$13,800)	\$0	0030-215-215-0384	\$211.2k Bond Issued 6/6/18; \$13.8k automatically rescinded	

SECTION I: Financial Summary

Debt

Town of Concord, MA									
Authorized, but Unissued Debt as of June 30, 2018									
Category	Authorization	Purpose	Authorized	Issued	Rescinded	Unissued as of 06/30/18	Account Code	Bond/ Note Issuance or other Comment	Anticipated Future Issue
within levy	10-ATM-2017	Fire Engine #8 Replacement	\$575,000	(\$512,700)	(\$62,300)	\$0	0030-220-220-0385	\$512.7k Bond Issued 6/6/18; \$62.3k automatically rescinded	
within levy	11-ATM-2017	Ambulance Replacement	\$260,000	(\$232,700)	(\$27,300)	\$0	0030-220-220-0386	\$232.7k Bond Issued 6/6/18; \$27.3k automatically rescinded	
within levy	15-ATM-2017	Concord Public School Renovations	\$850,000	(\$757,030)	(\$92,970)	\$0	0030-300-300-0387	\$757,030 Bond Issued 6/6/18; \$92,970 automatically rescinded	
within levy	27-ATM-2017	Municipal Facility Needs Study	\$250,000	(\$235,000)	(\$15,000)	\$0	0030-122-123-0390	\$235k Bond Issued 6/6/18; \$15k automatically rescinded	
within levy	46-ATM-2017	Cemetery Improvements	\$150,000	(\$94,100)	(\$5,900)	\$50,000	0030-410-491-0391	\$94.1k Bond Issued 6/6/18; \$5.9k automatically rescinded	\$50,000
within levy	47-ATM-2017	Road Improvement Program 2017	\$1,415,000	(\$1,259,970)	(\$155,030)	\$0	0030-429-429-0392	\$1,259,970 Bond Issued 6/6/18; \$155,030 automatically rescinded	
excluded	15-ATM-2016	Concord Public Schools - Bus Depot	\$1,950,000	(\$1,735,625)	(\$214,375)	\$0	0030-122-123-0374	\$1,735,625 Bond Issued 6/6/18; \$214,375 automatically rescinded	
Enterprise	36-ATM-2012	Land Acquisition, WR Grace	\$600,000	(\$412,500)	\$0	\$187,500	0062-460-460-0345	\$400k Bond Issued 5/21/15; \$12.5k Bond Issued 5/19/16	\$187,500
Enterprise	36-ATM-2012	Land Acquisition, WR Grace	\$600,000	(\$412,500)	\$0	\$187,500	0060-440-440-0345	\$400k Bond Issued 5/21/15; \$12.5k Bond Issued 5/19/16	\$187,500
Enterprise	48-ATM-2013	Telecommunications	\$1,000,000	(\$600,000)	\$0	\$400,000	0073-000-000-0350	\$100k Bond Issued 6/12/14; \$500k BAN renewed 6/6/18	\$400,000
Enterprise	23-ATM-2016	Land Acquisition, Ball's Hill Road	\$800,000	(\$753,000)	(\$47,000)	\$0	0061-450-450-0376	\$753k Bond Issued 6/22/17; \$47k rescinded 2018 ATM	
Enterprise	28-ATM-2016	Water System Improvements, Treatment Plant	\$13,665,000	\$0	\$0	\$13,665,000	0061-450-450-0380		\$13,665,000
Enterprise	28-ATM-2016	Water System Improvements, Reservoir Impvms	\$965,000	\$0	\$0	\$965,000	0061-450-450-0381		\$965,000
Enterprise	28-ATM-2016	Water System Improvements, Nagog Intake	\$1,870,000	\$0	\$0	\$1,870,000	0061-450-450-0382		\$1,870,000
Enterprise	24-ATM-2017	Telecommunications	\$1,000,000	\$0	\$0	\$1,000,000	0073-000-000-0388		\$1,000,000
Enterprise	26-ATM-2017	Smart Grid Improvements	\$3,000,000	\$0	\$0	\$3,000,000	0062-460-460-0389		\$3,000,000

SECTION I: Financial Summary

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SECTION I: Financial Summary

Liabilities

Major Liabilities

The Major Liabilities are a result of the following:

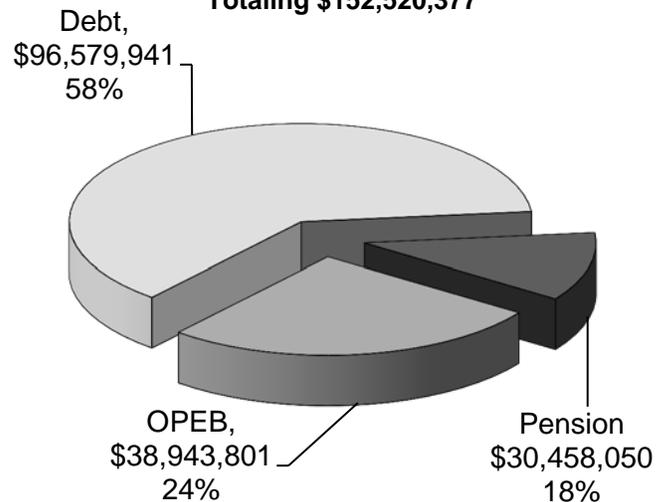
- Debt from the issuance of bonds;
- Pensions; and
- Other Post Employment Benefits (OPEB).

This section contains the following:

• Major Liabilities	76
• Reason for Presenting Major Liabilities	77
• Debt	78
• Pensions	79
• OPEB	80

Major Liabilities at June 30, 2018

(with CCRSD Overlapping Debt)
Totaling \$152,520,377



Major Liabilities (with CCRSD overlapping liability) as of June 30, 2018

<u>FY18 Liabilities</u>	<u>Debt</u>	<u>Pension</u>	<u>OPEB</u>	<u>Total</u>
General Fund	\$34,086,830	\$13,214,364	\$27,976,124	\$75,277,318
Enterprise and Other	\$20,824,191	\$1,646,373	\$2,790,536	\$25,261,100
Total Direct Town Liabilities	\$54,911,021	\$14,860,737	\$30,766,660	\$100,538,418
CCRSD Assessment @73.51%	\$40,004,142	\$2,285,602	\$9,692,215	\$51,981,959
Total	\$94,915,163	\$17,146,339	\$40,458,875	\$152,520,377

Note: The CCRSD OPEB information is as of June 30, 2017.

Major Liabilities

Major outstanding liabilities are commitments that the Town has made and is required to pay in future periods. There are three categories of major outstanding liabilities: Debt, Pension, and OPEB. Each liability is to be paid from one of three sources: (1) General Fund resources; (2) Enterprise or Other Fund resources which are primarily generated from customer rates and fees; or (3) the assessment to the Town of the separate political entity, the Concord-Carlisle Regional School District (CCRSD); in FY18, the Town is responsible for 73.51% of all CCRSD expenses and liabilities and the assessment ratio as determined by Concord and Carlisle student enrollment in grades 9-12 changes for each year.

Debt: Debt-funded projects have a useful life of many years and costs are appropriately distributed over these years. General Fund and Enterprise & Other Fund debt is guaranteed by the full faith and credit of the Town.

Pension: The Concord Retirement Board administers a defined benefit contributory retirement plan for substantially all municipal employees of the Town, Concord Public Schools, Concord-Carlisle Regional School District, and Concord Housing Authority, who work at least 25 hours per week and who are not covered by the State Teachers Retirement System. All aspects of the system are defined by state law.

OPEB: Other Post-Employment Benefits (OPEB) is the amount that the Town has committed to fund the employer-portion of health care and other benefits for retirees, spouses, or eligible survivors. To comply with new accounting standards, the Town began reporting this liability on the Financial Statements in FY09 and started transferring funds into the OPEB Trust Fund in FY10.

Liabilities and Credit Rating:

Liabilities, the future obligations that a municipality owes to an outside entity, need to be managed carefully. It often easier for a city or town to push off costs into the future or to not fully fund the obligations that have been made. If these liabilities become too large, they can crowd out other expenditures. Accordingly, credit rating agencies are placing greater emphasis on how municipalities manage their liabilities in determining their credit worthiness.

Benefits of a Good Credit Rating

The Town has made a concerted effort to earn and maintain a “Aaa” credit rating from Moody’s Investors Service. This is the highest possible rating and allows the Town to issue long-term bonds to fund its capital expenditures at the lowest possible interest rate, which decreases the cost of borrowing and benefits the taxpayer.

Moody’s Investors Service Methodology

In January 2014, Moody’s Investors Service restated the methodology of how it quantitatively sets the credit rating on bonds issued by cities and towns. To determine the credit worthiness of a municipality, Moody’s has identified the following four broad rating factors (and has assigned weights to each factor):

1. Economy / Tax Base (30%) – The ability of the underlying economy and the tax base to generate financial resources,
2. Finances (30%) – The local government’s fiscal position and available reserves to meet existing and future obligations,
3. Management (20%) – The legal (structural) and practical (political) framework to meet the financial responsibilities, and
4. Debt / Pensions (20%) – The municipality’s liability level as it affects the ability of the city or town to meet future obligations.

Town Credit Rating History

Moody’s Investors Service has examined the Town’s fiscal health using the four factors specified above. Since November 1987, Moody’s has assigned the Town an “Aaa” bond rating, the highest possible municipal rating category.

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
The Town’s Credit Rating (Moody’s)	Aaa							

Importance of Managing Liabilities

Various recent news reports have highlighted the difficulty that some municipalities have had in managing these major liabilities, especially those associated with pensions and OPEB. In fact, a few municipalities around the nation have had to declare bankruptcy, partly due to large unfunded pension obligations.

Due to the increasing importance of managing debt and pension obligations, Moody’s Investor Service uses a 20% weight for Debt / Pension in establishing the credit rating. Currently, Other Post-Employment Benefits (OPEB) obligations are not part of the rating methodology. Nevertheless, for transparency purpose, this section of the budget book provides information about the Town’s OPEB liability.

SECTION I: Financial Summary

Liabilities

Debt Liability:

Since 2002, the Town has undertaken to replace three elementary schools and its regional high school with new buildings – an investment of more than \$125 million. Tax-supported outstanding debt, including \$40,004,142 as the Town’s share of CCRSD debt, is \$74,090,972 at June 30, 2018. With the inclusion of enterprise debt which is paid from user fees, the total is \$94,915,163.

Rapid Debt Repayment Policy

The Town aims for a rapid debt repayment schedule for tax-supported debt, with a goal (for “within the levy limit” debt) of 60% repayment within 5 years and 90% repayment within 10 years. This policy allows the Town to properly manage this liability and maintain available debt capacity. Excluded debt and borrowing for enterprise projects generally have a longer payback period.

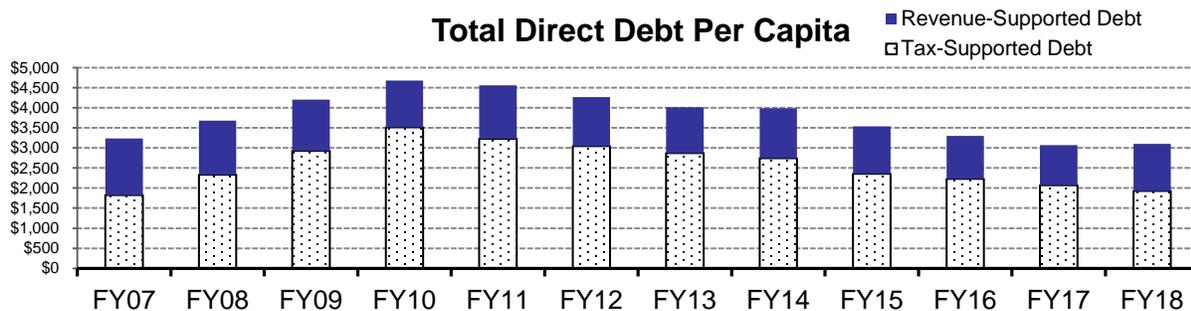
Direct Debt

The Town of Concord borrows money to pay for various capital projects, including the construction of new schools, the purchase of fire apparatus, and the renovation of public buildings and facilities. All borrowed funds are guaranteed by the full faith and credit of the Town, borrowing for enterprise-related projects is expected to be repaid from enterprise user fees rather than from tax-supported resources. Furthermore, some tax-supported debt-funded projects are voted by the electorate as being outside the Proposition 2 ½ tax levy limit constraints referred to as “debt exclusions”).

The chart below shows the amount of outstanding principal by category. For tax-supported debt repaid within the levy limit, the Town follows a rapid principal repayment policy; as of June 30, 2018, 63% of the borrowed principal will be repaid within 5 years and 98% will be repaid within 10 years. Tax-supported excluded debt has a longer repayment schedule, since almost all of this debt is for the construction of new school buildings which have a long useful life and the cost should be amortized over a longer time. A similar generational matching policy is applied to enterprise debt, employed for relatively long-lasting capital projects. This chart does not show the overlapping debt that the Town is responsible for as a result of the CCRSD assessment.

Outstanding Principal and Percent of Debt to be retired for debt issued as of June 30, 2018								
Paid Down Percentage Starting on June 30, 2018	Tax-Supported Debt				Enterprise and Other Debt		Total Debt	
	Within Limit		Excluded		Outstanding Principal	%	Outstanding Principal	%
	Outstanding Principal	%	Outstanding Principal	%				
On 6/30/18	\$11,661,425		\$22,425,405		\$20,824,191		\$54,911,021	
In 5 years	\$2,643,557	77%	\$9,963,587	56%	\$8,168,910	61%	\$20,776,054	62%
In 10 Years	\$0	100%	\$675,000	97%	\$0	100%	\$675,000	99%
In 15 Years	\$0	100%	\$0	100%	\$0	100%	\$0	100%

The graph below shows Direct Debt per capita. With the construction of the new elementary schools, the tax-supported debt began to increase starting in FY07. Debt associated with the Town’s assessment from CCRSD for the new high school is not included.



SECTION I: Financial Summary

Liabilities

Pension Liability:

As of the January 1, 2018 actuarial valuation, the Concord Contributory Retirement System's has a estimated Unfunded Liability was \$17,302,058. In FY20, the Town's annual funding to meet current obligations and to pay down this liability is \$5.0 million, of which \$3.9 million is the General Fund share.

Pension Funding Policy

The Town's Funding Schedule for the Concord Contributory Retirement System projects full funding status by fiscal year 2030. To achieve this goal, the FY20 General Fund appropriation is proposed to increase by 5%. A discount rate of 7.00% is assumed in the actuarial analysis for the January 1, 2018 valuation.

Pension

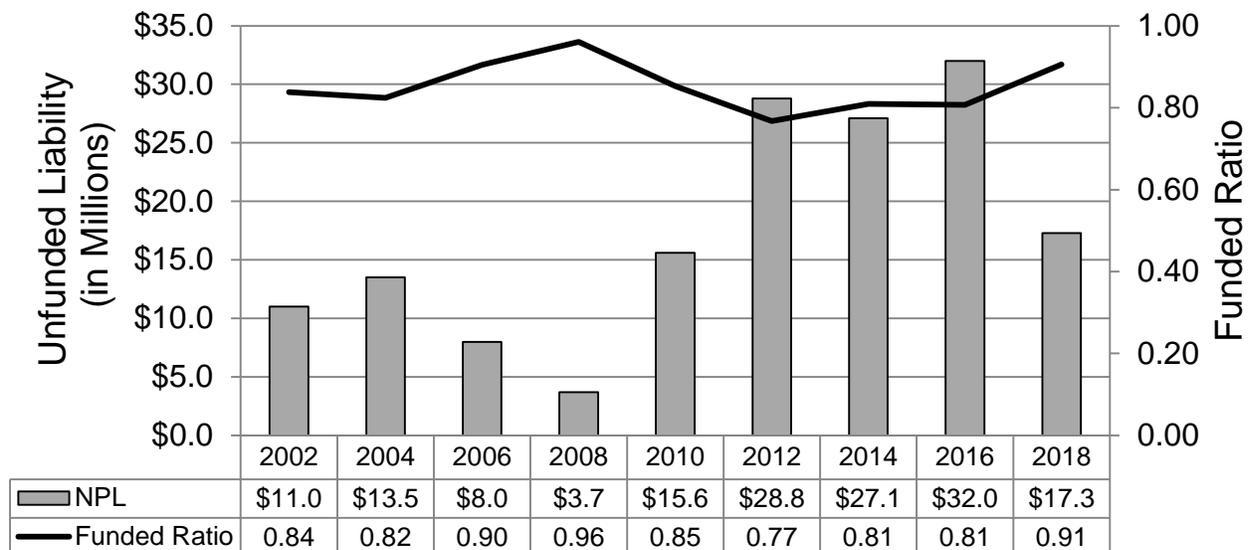
The Concord Contributory Retirement System operates under M.G.L. Chapter 32 to provide retirement benefits to substantially all municipal employees (with the exception of teachers who are covered by the State Teachers Retirement System) who work at least 25 hours per week.

The amount of the Pension Liability, or Net Pension Liability (NPL) is the difference between the amount that owed to current and future retirees, or Total Pension Liability (TPL), and the amount that has been set aside to cover this liability, or Plan Fiduciary Net Position (FNP). The TPL generally increases over time as salaries increase, while the FNP can fluctuate depending on market conditions. The Town's policy is to completely fund this liability by fiscal year 2030.

As of January 1, 2018, the Town's Total Pension Liability is estimated at \$183,717,899 and the Plan Fiduciary Net Position is 166,415,841, which results in an Net Pension Liability of \$17,302,058. The funded ratio (FNP / TPL) is 90.6%.

Pension Funding Progress

(as of January 1st)



With the implementation of Government Accounting Standards Board (GASB) Statements No. 67 and 68, the formula and terminology for calculating the unfunded pension liability changed. The information beginning in 2016 and going forward reflects the new GASB standards.

OPEB Liability:

As of the most recent actuarial study for a valuation date of June 30, 2018, the Net OPEB Liability (NOL) was \$34.5 million. The OPEB funded ratio was 31.8%. The funding schedule is a closed 30-year period beginning in FY09 and ending in FY39.

OPEB Funding Policy

The Town's policy to fund the OPEB obligation is two-fold. First, the OPEB liability as it is associated with covered enterprise employees is fully funded (9.1% of the OPEB expenses). Second, the amount appropriated for the costs associated with other covered Town Government employees is sufficient to cover the Actuarially Determined Contribution, which is calculated to satisfy funding requirements for the current costs and for the amortized liability.

Other Post-Employment Benefits (OPEB)

Other Post-Employment Benefits (OPEB) consists of health care and other benefits for retirees, spouses, and survivors.

As determine by an actuarial study, the OPEB liability, known as the Net OPEB Liability (NOL) is the difference between the amount needed to fund present and future benefits, or the Total OPEB Liability (TOL) and the amount set aside to fund this obligation, or the Plan Fiduciary Net Position (FNP). Consistent with the applicable accounting standards, the OPEB Trust FNP is always measured at market value.

Many Massachusetts cities and towns are beginning to fund the OPEB liability. The metric useful in determining how municipalities are progressing is the Funded Ratio. The Funded Ratio (or FNP divided by the TOL) measures the percentage of the TOL that is funded. As of June 30, 2018, Concord's Funded Ratio is 31.8%.

The table below provides the most recent available audited information from Concord and neighboring communities about the OPEB liability. As shown, Concord's Funded Ratio ranks well (i.e., a higher funding ratio is better) in comparison with the other municipalities.

