



**Town of Concord**  
Finance Committee  
22 Monument Square  
Concord, Massachusetts 01742-0535

**AGENDA**

**Concord Finance Committee**

**January 16, 2020**

**Select Board Meeting Room  
Town House**

1. **Minutes-** Guidelines Subcommittee: November 21, 2019 & December 5, 2019; FinCom: December 5, 2019
2. **Review of 2020 Annual Town Meeting Warrant Articles; schedule presentations; committee write-ups**
3. **Middle School Building Committee Update**
4. **Chair's Report**
5. **Observer Reports**
6. **Finance Director's Report**
7. **Citizen comments**

**Reminders**

- **Next Regular Meeting:** January 23, 2020
- ***When Finance Committee members anticipate being absent from a meeting, it would be appreciated if they would notify Chair Dean Banfield by email at:***  
[dbanfield.fincom@gmail.com](mailto:dbanfield.fincom@gmail.com)

Supporting materials for agenda items are available online at [www.concordma.gov/fcmtgdocs](http://www.concordma.gov/fcmtgdocs) . Materials are generally uploaded on the Tuesday prior to the Regular Meeting.

**Town of Concord**  
**Finance Committee—Guidelines Subcommittee**  
**Meeting Minutes – November 21, 2019**

**Present:** Dean Banfield, Peter Fischelis, Greg Guarriello, John Hickling, Mary Hartman, Dee Ortner, Karle Packard, Christine Reynolds, Phil Swain and Thomas Tarpey

**Absent:** Richard Jamison, Parashar Patel, Wade Rubinstein, Brian Taylor and Andrea Zall

**Others Present:** School Committee Members Heather Bout and Wally Johnston; Select Board Member Michael Lawson; School Superintendent Laurie Hunter; Finance Director Kerry Lafleur; School Director of Finance & Operations Jared Stanton; Recording Secretary Anita Tekle

### Meeting Opened

Ms. Hartman called the meeting to order in the 2<sup>nd</sup> Floor Meeting Room at 141 Keyes Road at 7:03 pm. She announced that the meeting was being recorded for later broadcast.

### School Budget Presentation

Dr. Hunter introduced the presentation noting that efficiencies and improvements have been identified, and will continue to be identified in the coming months. She considers both the CPS and CCRSD budgets to be level-service, with a continued effort “to maintain and do better with what we have.” Mr. Stanton reviewed the zero-based budget (ZBB) process for CPS, noting that 3-5 years of actual expenses had been reviewed in the following categories: legal services; salaries; class sizes; contracted services (all departments); memberships/fees; professional development; special education; and supplies/materials, textbooks, equipment, software, hardware, leases, copiers, cellphones, vehicles, grants, revolving accounts, transportation, and activity/building use fees.

Mr. Stanton noted that the FY21 CPS budget is level-service, with the exception of special education (SPED). The FY21 increase over FY20 is \$1,392,711 (3.57%), which is above the Finance Committee (FC) guideline (\$1,242,233—3.15%). He reported the following budget drivers (items greater than \$60,000 higher than FY20), noting that in some cases these are offset by reductions or changes in other line items:

Category	Amount	Comments
Salary-Admin	\$ 137,364	Middle School Chair
Salary-Aide	\$ 70,122	Due to steps
Principals	\$ 423,743	3 Asst. Principals added—former teaching positions not back-filled
Salary-Teachers	\$ 349,267	Some transfers to Principals line item
Salary-Tutors	\$ 84,298	Due to steps
Vehicles	\$ 64,137	2 new bus leases
Special Education Tuitions	\$ 312,711	7 fewer students, but Circuit Breaker offset is lower than previous years
Utilities	\$ 104,697	Will have better estimates in the future, following this winter
<b>Total Budget Drivers</b>	<b>\$1,546,338</b>	

Mr. Stanton noted the following FY21 cost savings, by expense type:

Category	Amount	Comments
Contract Services:	-\$166,769	See following 4 items
Special Education	(-\$233,891)	Outside support reduced; doing more in-house

Maintenance	(-\$ 35,000)	
Special Education Transp.	(+\$ 65,247)	
District-wide toner contract	(+\$ 26,445)	Fixed cost—3 years; offset school supply & contract service lines
Salary—Clerical	-\$ 67,805	No reductions or additions; change in budget category
<b>Total Cost Savings</b>	<b>-\$234,574</b>	

Mr. Stanton projected early retirement incentive savings for FY20 (\$413,703), FY21 (\$394,659), and FY22 (\$494,177). He noted that these savings are due new staff being hired at lower salary levels. He reviewed the FY21 FTEs, which total 375.59 FTE headcount. He noted that salaries only are included in the CPS budget, since health insurance for CPS employees is included in the Town budget. When asked for the estimated benefit cost, Mr. Stanton estimated 14-15% for health insurance, with no estimate for other benefits. Dr. Hunter agreed to research and provide this number.

**Follow-Up:** Dr. Hunter/Mr. Stanton to provide an estimated cost of employee benefits, shown as a percentage above salary.

When asked how the 375.59 figure compares to previous years, Dr. Hunter explained that this number was not previously tracked, so this year's number a baseline for moving forward. Mr. Banfield asked how this number compares to the way employee numbers are reported to DESE, and Dr. Hunter responded that the numbers are close. Mr. Hickling commented that ClearGov footnotes that there may be minor differences in reporting these numbers to DESE. Dr. Hunter noted that enrollment numbers are slightly down. Mr. Tarpey asked whether the residency of employees is available, and Dr. Hunter agreed to provide this information.

**Follow-Up:** Dr. Hunter will provide the residency information for CPS and CCRSD employees.

Mr. Stanton reviewed SPED tuitions (out-of-district (ood) costs), noting that expenses are about the same, but the offsets are about \$300,000 less than last year. He noted that FY20 ood placements are 27 students, while FY21 is projected to be 20 students. Mr. Banfield inquired about CASE Collaborative enrollments, and Dr. Hunter responded that these numbers are also decreasing. SPED transportation costs are not reimbursed by the State, but legislation is pending that may change this in the future. Mr. Stanton noted that SPED ood tuition costs may be pre-paid if a school district has available funds in at the end of the fiscal year (prepaying portions of the following year).

SPED OOD Tuition Type	Amount
Non-Public Tuitions	\$1,454,912
Collaborative Tuitions	\$ 842,748
<b>Total CPS Tuitions</b>	<b>\$2,297,660</b>
<b>SPED OOD Tuition Offsets</b>	
Circuit Breaker	\$ 650,906 (\$950,000 in FY20)
IDEA Grant	\$ 400,000
<b>Total CPS Tuition Offsets</b>	<b>\$1,050,906</b>

Mr. Stanton provided a benchmark data for 13 comparable school districts on enrollment, average household income, FY18 per-pupil expenditures, and FY18 cost of instructional services per student. Ms. Hartman noted that Concord has the third highest per-pupil expenditures and instructional services, but is 8<sup>th</sup> out of 14 school districts in average household income. Mr. Hickling asked

what conclusions could be drawn from the data. Dr. Hunter acknowledged that Concord is on the higher end (but not the highest), and agreed to dive deeper into the data. Mr. Stanton noted that some of the differences may be due to how data is being reported to DESE—there is some flexibility in terms of reporting categories, so we are not necessarily comparing apples to apples. DESE is making changes to improve the accuracy of reporting in the future.

Ms. Reynolds noted that Concord is among the highest in expenditures, but not totally out of the ballpark. She asked what other benchmark numbers are considered. Dr. Hunter responded that peer group contracts are used for comparison purposes during labor negotiations, noting that the benefits vary a lot among the districts. Mr. Fischelis noted that teachers claim that Concord's benefits are not as good as those offered in other districts, particularly in the area of health insurance. Ms. Ortner noted that Concord made the conscious decision many years ago to contribute 50% towards the cost of health insurance premiums, and pay higher salaries. Mr. Johnston commented that there is a difference in the length of service between Concord and other districts—Concord teachers stay an average of 12 years, while the average elsewhere is 10 years. Mr. Tarpey asked whether workload is considered when comparing salaries, noting that CCRSD teachers teach four classes, while most other districts require teachers to teach five classes. Dr. Hunter noted that philosophically the fewer classes allow teachers to spend more direct time with individual students. She noted that Concord also has a teacher-student cap of 90 students, across four classes. Ms. Bout noted the value of having teachers more accessible to students.

Ms. Hartman noted that \$150,000 is provided in the CPS contingency line item to cover unexpected or unknown costs. In response to a question, Dr. Hunter indicated that the \$900,000 in CPS capital expenditures, provided in the Town Manager's capital budget, is sufficient. She noted that the schools are doing better with preventative maintenance. Mr. Swain thanked Dr. Hunter and Mr. Stanton for the presentation, and for including the benchmark information. He inquired about the bus leases, which appeared to be a change from the past. Mr. Stanton responded that he supports bus leasing (5-year lease-to-own) for CCRSD, since the District receives 70% state reimbursement each year, for the term of the lease. If we purchase a bus, then we receive state reimbursement for only the first year of the 10-year borrowing. In response to a question from Ms. Ortner about electric buses, Mr. Stanton noted that the cost of an electric bus is four times the cost for a gasoline bus. Even with the 70% reimbursement, the cost to the District is much higher.

Mr. Fischelis asked what percentage increase in teacher salary is being considered for FY21. Dr. Hunter responded that this cannot be disclosed since contract negotiations are underway, and it is important that all parties bargain in good faith. The FC acknowledged this sensitivity. She noted that last year there was a 2.5% increase for the first 15 steps, and a 2.75% increase in the last step. Mr. Johnston noted that the School Committee (SC) is negotiating new 3-year contracts for CPS and CCRSD, effective July 1, 2020. Ms. Reynolds urged the SC to take the Sustainable Growth Rate (SGR) into consideration when negotiating contracts. Mr. Fischelis noted that 75% of the 3.57% projected budget increase is due to salaries. Even if all non-salary items are level, it will be impossi-

ble to keep costs at the SGR level. Ms. Reynolds remarked that all salaries and benefits are negotiated. Mr. Hickling noted that social security recipients are receiving an increase of 1.6% in 2020.

At this point, the group moved on to the CCRSD budget. Mr. Stanton reported that the same review of 3-5 years of actuals had taken place under the ZBB process. He noted that the ZBB was also done for revenue and health insurance for CCRSD. The total projected budget increase for FY21 over FY20 is \$757,152 (2.18%). Mr. Stanton reported the FY21 budget drivers as follows:

Category	Amount	Comments
Salary-Guidance	\$ 61,167	9 FTEs vs. 10 FTEs
Contract Services	\$ 106,162	(see following 2 items, which account for some of this total)
SPED transportation	(\$62,485)	
Ink Toner Contract	(\$20,569)	
Vehicles/Buses	\$ 61,488	2 new bus leases
Insurance	\$ 72,922	More employees taking the higher-deductible option, so increase is much lower than it otherwise would be.
Salary-Teachers	\$ 873,358	No additions, but lots of moving pieces—steps & lanes=4-5% increase, plus COLA increase of 2.5%-2.75%—could be as high as \$12,000 increase if a teacher changes lanes
Salary-Tutors	\$ 141,822	Previously hourly—now salaried
Utilities	\$ 79,122	
<b>Total Budget Drivers</b>	<b>\$1,396,041</b>	

Mr. Stanton noted the following CCRSD FY21 cost savings, by expense type:

Category	Amount	Comments
Charter/School Choice Assessments	-\$ 63,920	Small handful of students; Town carries this cost for CPS
SPED OOD Tuitions	-\$514,071	
Debt	-\$ 97,617	
<b>Total Cost Savings</b>	<b>-\$675,608</b>	

Mr. Stanton projected early retirement incentive savings for FY20 (\$136,505), FY21 (\$130,339), and FY22 (\$165,777). Mr. Stanton indicated that retirements are difficult to forecast. In response to a question whether retirement incentives would be offered again in the future, Dr. Hunter indicated that this was offered as a one-time incentive, so there are no plans to offer an incentive in the near future. This would be a subject for discussion by the SC. Mr. Fischelis noted that Concord's longevity pay is very generous when compared to other communities. Mr. Johnston indicated that the SC is interested in reducing this cost. Mr. Stanton indicated that utility costs were under budgeted last year, so the increase is budget correction.

Mr. Stanton reported that the FY21 CCRSD FTEs are 203.78. The Grant/Revolving Account salary offsets are for METCO salaries (\$190,311) and for the Campus Monitors (\$50,000 from the parking lot revolving account, with the balance used to pay for plowing and parking lot maintenance).

Mr. Stanton reported on the following SPED ood tuitions paid and offsets:

SPED OOD Tuition Type	Amount
Non-Public Tuitions	\$2,690,850
Collaborative Tuitions	\$ 85,000
<b>Total CCRSD Tuitions</b>	<b>\$2,775,850</b>
<b>SPED OOD Tuition Offsets</b>	
Circuit Breaker	\$ 656,371
IDEA Grant	\$ 300,000

Total CCRSD Tuition Offsets	\$ 956,371
-----------------------------	------------

He noted that there are 41 ood SPED students in FY20, and 35 are projected for FY21. Dr. Hunter indicated that it is difficult to predict whether new SPED students will be coming to CCRSD due to moving into the district. Mr. Stanton provided benchmark data for 11 comparable school districts on enrollment, average household income, FY18 per-pupil expenditures, and FY18 per-pupil cost of instructional services. Ms. Hartman noted that we are on the high end of per-pupil expenditures, but at the mid-point of household income. Mr. Swain noted that Lincoln-Sudbury has a Princi- pal/Superintendent for the regional high school, but separate Superintendents for K-8.

Dr. Hunter reported that she is comfortable with the level service budget at the high school. In re- sponse to a question as to whether there are programs that she would like to fund that were unable to be included, Dr. Hunter said that she is happy with the programs that we currently have at the high school. She is still interested in expanding the parking at the high school, and will most likely include a warrant article on the 2020 Warrant. Ms. Hartman asked what has changed since this re- quest failed to pass at last year’s town meeting. Dr. Hunter indicated that the need has not changed, and she continues to speak with students to come up with solutions. Ms. Ortnier suggested changing the timing of the buses, to better accommodate student needs. Dr. Hunter responded that the stu- dents are driving to school and just parking all over downtown Concord. Mr. Hickling asked whether there is an environmental offset being planned, if parking were to be expanded. Dr. Hunter indicated that this is under discussion with the SC.

In response to a question from Mr. Packard, Dr. Hunter indicated that they are still working off of a campus plan that was done in the last couple of years. It’s a complex issue with lots of compo- nents—parking, paving, track, greenhouse, etc. Mr. Swain urged Dr. Hunter to discuss the parking and paving work with the Dept. of Public Works, to obtain better cost estimates. Mr. Banfield commented that there are a wide range of opinions about the high school, and he does not buy into the argument that there is a safety issue with students parking downtown. He lives in the neighbor- hood, and walking from downtown to the high school is not unsafe. He urged the SC to not pro- mote the idea that parking on campus is safer.

Mr. Swain asked what is being done to make sure that Carlisle pays its fair share of the CCRSD costs. Dr. Hunter indicated that this is still under discussion. Mr. Banfield indicated that he met with Select Board member Terri Ackerman and Town Manager Steve Crane, and provided Mr. Crane with the list of high school costs borne by Concord alone that was prepared by former Town Manager Chris Whelan last year. Mr. Crane felt that the effort required to recoup some of the costs would be considerable for the amount of money. He noted that rent for the bus depot is being con- sidered, but he was not enthusiastic about pursuing this issue.

**Next Meeting**

Ms. Hartman indicated that there will be a vote on the final guideline at the next meeting, noting that the CPS budget is about \$150,000 above the preliminary guideline, while the CCRSD budget is

about \$150,000 below the guideline. The Town budget is at the guideline. She asked members to think about what action to take at the meeting.

**Adjournment**

The meeting adjourned at 9:16 pm.

Respectfully submitted,

Anita S. Tekle

Recording Secretary

***Documents Used or Referenced at Meeting:***

- Superintendent's FY21 CPS Recommended Budget (dated 11.21.2019)
- Superintendent's FY21 CCRSD Recommended Budget (dated 11.21.2019)
- Superintendent's FY21 CPS Recommended Line Item Budget
- FY21 CCRSD Projected Revenue

**Town of Concord**  
**Finance Committee—Guidelines Subcommittee**  
**Meeting Minutes – December 5, 2019**

**Present:** Dean Banfield, Greg Guarriello, Mary Hartman, John Hickling, Richard Jamison, Dee Ortner, Parashar Patel (remote participation), Christine Reynolds, Wade Rubinstein, Phil Swain, Brian Taylor, Thomas Tarpey and Andrea Zall

**Absent:** Peter Fischelis and Karle Packard

**Others Present:** School Committee Members Cynthia Rainey and Heather Bout; Select Board Member Michael Lawson; Finance Director Kerry Lafleur; LWV Observer Diane Proctor; Recording Secretary Anita Tekle

**Meeting Opened**

Ms. Hartman called the meeting to order in the Select Board Meeting Room at the Town House at 7:00 pm. She announced that the meeting was being televised and recorded by MMN. Ms. Hartman announced that she had granted permission for Parashar Patel to participate remotely for the following reason: significant geographic distance due to work travel. Ms. Ortner inquired about a method for tracking pending issues that require further follow-up. It was agreed that the Chairs will work out a system.

**Approval of Minutes**

On a **MOTION** made by Ms. Ortner and seconded by Ms. Zall, the Guidelines Subcommittee minutes of October 24, 2019 were unanimously **APPROVED**, as drafted (with Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Tarpey and Zall voting in favor).

On a **MOTION** made by Mr. Hickling and seconded by Ms. Reynolds, the Guidelines Subcommittee minutes of November 14, 2019 were unanimously **APPROVED**, as amended (with Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Tarpey and Zall voting in favor).

Approval of the draft November 21, 2019 minutes was deferred to a future meeting.

**Discussion/Recommendation on Final Guideline for FY21**

Ms. Hartman noted that the Sustainable Growth Rate (SGR) has been calculated as 2.16%. The FY20 Guideline was 3.45%. The hope is that we can have a “glide path” from 3.45% to 3.25% for FY21, which would total \$2,860,000 in available funds for the guideline budgets. She noted that \$279,000 was removed “from the pot” for the enrollment shift at the high school, with those funds added to the guideline for CCRSD. The Town Manager indicated that he can live with an increase of 2.5%. The remaining amount was allocated 2:1 to CPS and CCRSD. In sum, she noted the following:

- Town Budget – 2.5% request, which matches guideline
- CPS – 3.57% request, which is approximately \$150,000 above guideline (3.15%)
- CCRSD – 4.5% guideline (including \$279,000 for enrollment shift) – request is approximately \$150,000 below guideline

Mr. Banfield noted that the Finance Committee (FC) did not consider the declining debt at the high school, which is a savings of approximately \$75,000 for Concord in FY21. He noted that about half of the \$150,000 savings in the CCRSD budget was due to this declining debt. Ms. Reynolds was pleased that the Town budget came in at the guideline of 2.5% for the operating budget, but she had some issues with the capital projects being proposed. She agrees that it is good governmental policy to appropriate funds for maintaining existing infrastructure. Multi-year and multi-layered capital projects are more difficult to support when there are so many unknowns. She suggested the Town consider adopting a policy for multi-year projects that would require an additional town meeting vote to expand or significantly change an approved project. She noted the White Pond, Warner's Pond, and Gerow projects as recent examples where the scope of the project expanded following the initial town meeting approval.

Mr. Banfield was concerned that the Town is “spending to our cap” each year, with particular concern about increasing amenities or services vs. ongoing maintenance. Mr. Patel asked if the Select Board provides oversight to these projects. It was explained that the Town Manager is responsible for operations and expenditures within the budget, and he reports to the Select Board. Mr. Hickling expressed concern about the expansion of the Gerow project, which appears to now be a \$6 million project over the coming five years; he would have appreciated getting this information earlier, so it could have been incorporated into the decision to acquire the property. Ms. Hartman was concerned that we are seeing these multi-layered projects only one year at a time. She supports the idea of a policy change for multi-year projects.

In response to a question, Ms. Lafleur indicated that the Town has a long-standing financial policy to expend 2-3% of the operating budget annually on capital projects (no debt) and 5-6% of the operating budget on capital projects that incur debt. This policy was drafted by the Finance Department (one of the recommendations of the Town Governance Study Committee Report, to memorialize financial practices) and presented to the Select Board a few years ago. She doesn't believe that the Select Board ever formally adopted the policy. Ms. Lafleur agreed to discuss formalizing this policy with the Town Manager.

In discussing the CCRSD proposed budget, it was noted that there are two reasons why they were able to come in \$150,000 lower than the guideline—the decline in debt and the OPEB ARC reduction due to a change in formula. The high school is still spending against the E&D balance, but less so than in the past. Ms. Ortner inquired whether we would always plan to adjust the guideline when there are enrollment shifts at the high school—is this setting a precedent? Ms. Hartman responded that she felt that this should be considered each year, and not be considered a fixed policy.

Budget Entity	Guideline \$	Guideline % Δ	Total Guideline Budget FY21	Requested Budget FY21
Town	\$ 717,666	2.50%	\$29,424,314	\$29,424,314
CPS	\$1,242,223	3.15%	\$40,632,386	\$40,782,874
CCRSD	\$ 900,111	4.50%	\$20,896,985	\$20,746,322

Mr. Taylor inquired whether the \$150,000 over/under (CPS/CCRSD) was a coincidence. Ms. Bout responded that this was pure coincidence, and not done for convenience. In response to a question from Mr. Taylor whether we need to look at CPS/CCRSD jointly, or could they be considered separately, Ms. Hartman felt that they should be looked at independently. If the high school budget can make do with \$150,000 less, then perhaps that savings should go back to the general fund and reduce taxes. Mr. Rubinstein asked whether the \$150,000 overage for CPS was ongoing, or just for FY21. Mr. Banfield explained that this would be included in the base for FY22, if it is granted. The guideline is established each year. Ms. Reynolds noted that FY19 actuals for CCRSD were lower than budgeted, so they came into FY20 with a surplus. This was partly due to federal/state revenue being higher than anticipated. By design, the CCRSD is conservative in their revenue estimates. She feels comfortable that they can live with the lower request, \$150,000 below the guideline. Ms. Ortner noted that if we don't adhere to our original guideline for CPS, it will be harder next year to glide down to our SGR of 2.16%. Several members indicated that it is important to send a consistent message—the FC is looking out for the best interests of the taxpayer, and should not increase the baseline for CPS for FY21.

Mr. Banfield noted that when we originally allocated the available guideline funds, it was done on a rough 2:1 ratio (CPS/CCRSD). If a strict calculation had been done, then CPS would have received about \$50,000 more. Mr. Jamison inquired about SPED costs. Ms. Hartman noted that SPED costs were lower, but this was offset by higher early retirement costs. Mr. Jamison agreed that CPS should be allocated an additional \$50,000. Mr. Hickling expressed some frustration that the schools appear to be doing all the right things to lower SPED costs by bringing more of the services in-house, but the bottom line has not yet improved. The School Administration has expressed a long-term decline in SPED costs, but there have been few short-term savings. He suggested that perhaps they are “spending better,” but they are not spending less. He questioned the benefit of zero-based-budgeting (zbb), which has not been obvious in the bottom line. He supports adhering to the original guideline budget for CPS, with an additional \$50,000 allocation. Mr. Patel suggested that a tradeoff be required—if CPS adheres to the guideline budget, then what areas would be cut? Ms. Hartman noted that there are still a lot of unknowns, with contracts yet to be negotiated, so it is unlikely that specific cuts could be identified. Ms. Reynolds concurred with Mr. Hickling, wondering why we are not seeing savings in SPED costs, with the restructuring/improvements that have been made.

Mr. Swain noted that with zbb, we have solid answers to questions that are asked, which was not always possible in the past. He feels that the CPS can fill the \$150,000 gap within its budget allocation. Mr. Tarpey is pleased with the performance of the new Superintendent and her staff. The quality of the information provided has improved significantly. He prefers to adhere to the original guideline budget, and not allocate additional funds. Ms. Zall concurred, feeling that it is important

to keep the SGR goal in mind. Ms. Ortner noted that Dr. Hunter has done an excellent job of looking at the long-term plan for SPED costs and students. She feels that we should be mindful of upcoming labor negotiations, adhere to the current CPS guideline, and not add the suggested \$50,000. Mr. Guarriello suggested that next year the FC consider the increasing or declining debt when establishing the guideline. Ms. Hartman emphasized that the Town can no longer sustain salary increases of 4-5% annually. She is undecided about the \$50,000. Mr. Hickling commented that the guidelines process is not perfect; he feels that an adjustment of \$50,000 is logical. Mr. Taylor noted the historical reference point attempted by the FC in establishing the “glide path,” which was the logic used by the FC in establishing the guideline. He urged the FC to establish the bottom line without trying to micromanage how the funds are spent.

Mr. Hickling fine-tuned the calculation, noting that it should be \$53,360 (not \$50,000). His calculations and methodology were confirmed for accuracy with Ms. Lafleur. On a **MOTION** made by Mr. Banfield and seconded by Mr. Hickling, the following was **VOTED** (with Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor and Zall voting Yes; and Tarpey voting No): to increase the CPS guideline from \$1,242,223 to \$1,295,000, and to make no other changes to the original CPS guideline. The revised numbers, as voted, now are as follows:

Budget Entity	Revised Guideline \$	Guideline % Δ	Total Guideline Budget FY21	Requested Budget FY21
Town	\$ 717,666	2.50%	\$29,424,314	\$29,424,314
CPS	\$1,295,000	3.29%	\$40,685,163	\$40,782,874
CCRS	\$ 749,448	4.37%	\$20,844,208	\$20,746,322

Ms. Lafleur noted that this results in a guideline total of \$2,860,000 (3.25%), so the levy limit remains at 4.02%. This is still subject to change, once items outside the guidelines are determined. She noted that health insurance costs are still unknown for next year. Ms. Hartman confirmed that there is still a CPS budget gap of approximately \$100,000.

**Adjournment**

The meeting adjourned at 8:23 pm. The group then convened the regular FC meeting.

Respectfully submitted,

Anita S. Tekle  
Recording Secretary

***Documents Used or Referenced at Meeting:***

- Town Manager’s FY21 Budget Summary (dated 12.04.2019)
- Town Manager’s FY21-FY25 Capital Program—Debt Authorization Plan (dated 12.04.2019)
- Town Manager’s FY21-FY25 Capital Outlay Plan—General Fund (dated 12.04.2019)
- Park Improvement Spending, Existing and Proposed (dated 11.30.2019)

**Town of Concord  
Finance Committee  
Meeting Minutes – December 5, 2019**

**Present:** Dean Banfield, Greg Guarriello, Mary Hartman, John Hickling, Richard Jamison, Dee Ortner, Parashar Patel (remote participation), Christine Reynolds, Wade Rubinstein, Phil Swain, Brian Taylor, Thomas Tarpey and Andrea Zall

**Absent:** Peter Fischelis and Karle Packard

**Others Present:** School Committee Members Cynthia Rainey and Heather Bout; Select Board Member Michael Lawson; Finance Director Kerry Lafleur; LWV Observer Diane Proctor; Recording Secretary Anita Tekle

**Meeting Opened**

Mr. Banfield called the meeting to order in the Select Board Meeting Room at the Town House at 8:23 pm. He announced that the meeting was being televised and recorded by MMN. Mr. Banfield announced that he had granted permission for Parashar Patel to participate remotely for the following reason: significant geographic distance due to work travel.

**Approval of Minutes**

On a **MOTION** made by Mr. Swain and seconded by Mr. Taylor, the Finance Committee (FC) minutes of October 24, 2019 were unanimously **APPROVED**, as drafted (with Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Tarpey and Zall voting in favor).

On a **MOTION** made by Ms. Hartman and seconded by Ms. Reynolds, the Finance Committee (FC) minutes of November 7, 2019 were unanimously **APPROVED**, as amended (with Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Tarpey and Zall voting in favor).

**Approval of Guidelines Subcommittee Recommendation for FY21 Guidelines**

Mr. Swain made a **MOTION** which was seconded by Ms. Ortner to accept the recommendation of the Guidelines Subcommittee to establish the FY21 Guidelines, as follows:

Budget Entity	Guideline \$
Town	\$ 717,666
CPS	\$1,295,000
CCRSD	\$ 749,448
Total	\$2,762,114

During the discussion, Ms. Zall noted that there is still a gap of about \$100,000 between the CPS guideline and requested budget. Mr. Hickling responded that the School Department has a lot of flexibility as to how the budget allocation is spent. He felt that the current recommendation is an equitable compromise, and the burden to reduce the budget is now on the School Administration.

A **VOTE** was taken on Mr. Swain’s motion, which unanimously **PASSED** (with Banfield, Guarriello, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Tarpey and Zall voting in favor).

Ms. Hartman suggested that consideration be given to not have the Guidelines Subcommittee consist of all FC members—why not a true subcommittee, with a subset of members? Mr. Banfield noted that offering participation to the full FC has been the general practice. Mr. Swain concurred with Ms. Hartman. Mr. Tarpey noted that the work of the Subcommittee is the essence of the FC’s mission for the year, and should be available to all. It was agreed to further review this matter.

### **Role of Liaisons/Observers**

The role of the FC liaisons and observers was discussed. It was emphasized that the FC member is there to observe and not participate, not to be intrusive, and not to vote. Ms. Ortner noted that her input has been sought as liaison to the Capital Planning Task Force, so it is difficult to not participate. It was emphasized that her role should be to “inform” rather than “influence” the group. Mr. Lawson reminded all that liaisons are there as a representative of the FC, and not as an individual. Any information obtained should be brought back to the FC. He suggested that it is appropriate to respond to factual questions, and to provide or exchange information. It is not appropriate to offer an opinion unless the question is first brought back to the FC for a vote.

### **Chair’s Report**

Mr. Banfield reviewed the FC calendar. Once the Warrant closes, he would like observers to think about the write-ups for the FC Report. He urged drafts to be completed prior to the January 23 meeting. These reports can be finalized following the public hearings. He would like to avoid a time crunch leading up to the FC Report going to the printer.

### **Observer Reports**

Community Preservation Committee – Ms. Hartman reported that there is a lack of coordinated and transparent information, and much misunderstanding about multi-year projects being funded partly by the Town and partly through CPC funds. She is also concerned that some of the funds are being “banked” for future use. She would like to see clearer milestones.

Capital Planning Task Force – Ms. Ortner noted that there are nine voting members on this group. They are developing a strategy for the future process. No concrete direction has been established. They are still working through their charge. Ms. Reynolds is concerned that the charge is “softer” than requested and envisioned by the FC—there was not an interest in a “process,” but rather a real capital budget plan. Mr. Swain concurred—there is a need for a sequence to be established for large capital projects. Ms. Ortner noted that the charge for the task force approved by the Select Board is for the group to establish a capital budgeting process, and not a plan. Ms. Lafleur clarified that the charge is for the group to develop a process to be used annually to develop a 10-year capital budget, which would be updated annually. Mr. Banfield noted that the task force’s charge was discussed at multiple meetings of the Select Board. While this is not what was requested by the FC, it is what was adopted by the Select Board.

Mr. Tarpey asked how the facilities report dovetails with the capital plan. It was noted that the facilities report does not include school facilities. Mr. Tarpey was concerned that school facilities have historically not been well maintained, noting that school maintenance has often been deferred to allow funding of other projects. It was noted that the town facilities report has not yet been finalized. Mr. Guarriello asked whether the Select Board will appoint a capital budget committee once the task force has completed its work in six months. It is not known at this time what will be done. Mr. Banfield commented that the Select Board is divided as to where the decision-making process exists to green light a capital project. There is some resistance to having a standing capital budget committee. Mr. Swain noted that there is an ad hoc building committee instead of a permanent building committee. The latter was recommended by the FC, but not implemented by the Select Board. Mr. Banfield suggested that the FC wait and see what happens when the task force completes its work.

Council on Aging – Ms. Zall reported that there was a speaker from the Housing Authority at the last meeting, discussing Concord’s aging population and concerns about where they will live. Rental costs at the MEWS have increased, and there are not enough rental options available for seniors.

Minuteman Regional School – Ms. Reynolds reported that the FY21 budget has not yet been finalized, but should be completed soon. Belmont did not rescind its vote to leave the District, so they will be leaving on June 30, 2020.

Retirement Board – Mr. Hickling reported that the Retirement Board plans to bring an article to Town Meeting to increase the base amount on which the cost-of-living for retirees is calculated (currently on the first \$12,000 of pension).

Public Works Commission – Mr. Jamison noted that the Commission is meeting next week, and he will inquire whether \$325,000 for replacement capital equipment is sufficient for FY21. Ms. Lafleur noted that \$350,000 is set aside each year for replacement capital equipment. Requests often exceed amounts in the final budget. The salt shed replacement/enhancement of the DPW campus may possibly be done piecemeal, with the salt shed done first. No decision has been made.

Library Committee – Mr. Taylor noted that the Library Committee met last week. The Historic Districts Commission has approved the project, but an appeal has been filed, which will delay the project for 6-9 months. Although the building is owned by the Library Corporation, the Town is also a defendant in the suit. Ms. Zall noted that accessibility and parking for the library addition are still outstanding. Mr. Patel noted that the Planning Board recommended approval to the Board of Appeals, but it was unclear whether the parking recommendations were followed.

Planning Board – Mr. Patel reported that the recent hearing was sparsely attended.

Select Board – Mr. Banfield reported that the Board of Assessors has indicated a 10% decline in applications for the Senior Means Test tax relief program. The reason is unclear. There is some con-

fusion about the PEG Board's financial standing. They receive their funding through Comcast, but they are not set up as an enterprise fund. They are seeking direction from the Select Board.

The Select Board has received a report from the Moderator about the electronic voting survey. There is some discussion about the starting time for town meeting, and possibly changing the “no new business after” time to 10:15 pm (rather than 10:00 pm). It is also suggested that the testimonial times be limited. The cost for renting electronic voting equipment is \$8-11,000 for four nights.

The Housing Authority is looking to request \$500,000 from free cash for affordable housing. The Select Board is looking to the FC to suggest a number for the Middle School Stabilization Fund. Ms. Lafleur noted that following the 2019 Town Meeting, free cash was at 9.5%. She anticipates that free cash will be certified at 10%. She has allocated \$1 million from free cash to reduce the FY21 tax rate. Mr. Banfield also reported that there will be six articles on the warrant which are coming back from the state legislature for re-voting at town meeting.

School Committee – Mr. Banfield reported that the School Committee plans to move one article for capital funds for the high school—nothing for the ring road, but \$795,000 to construct 125 new parking spaces.

Mr. Banfield noted that the Town Meeting Preview meeting is taking place on Saturday, December 7 at 8:30 am at the Town House. He plans to attend to provide on behalf of the FC.

Mr. Tarpey inquired about the status of the Junction Village project. Ms. Hartman responded that the State has not yet awarded the tax credits. Concord's contributions have been appropriated, but not turned over to the developer.

### **Middle School Stabilization Fund**

Mr. Swain made a **MOTION** which was seconded by Ms. Ortner to recommend that \$2 million be transferred from free cash to a Middle School Stabilization Fund. Ms. Hartman offered an **AMENDED MOTION** which was seconded by Mr. Banfield, to change \$2 million to \$2.5 million. During the discussion, it was noted that there is not much time and we are going to borrow at a higher rate and pay off sooner. Mr. Swain was concerned that the higher amount would encourage extravagance with the design. Mr. Banfield noted that the point of a Stabilization Fund is to mitigate the impact of the borrowing. Mr. Hickling suggested that the group not overthink the details. Ms. Hartman withdrew her amendment, and Mr. Banfield withdrew his second.

A **VOTE** was then taken on Mr. Swain's original motion, which **PASSED** (with Banfield, Hartman, Hickling, Jamison, Ortner, Patel, Reynolds, Rubinstein, Swain, Taylor, Tarpey and Zall voting in favor, and Mr. Guarriello abstaining).

Ms. Reynolds inquired about the status of the data breach disclosed by the Town Manager at the prior FC meeting. Mr. Banfield responded that the chain of custody of the equipment was lost—the hard drives never arrived at the truck where they were to be destroyed. The matter is still under investigation.

**Adjournment**

The meeting adjourned at 9:45 pm.

Respectfully submitted,

Anita S. Tekle  
Recording Secretary

***Documents Used or Referenced at Meeting:***

- None

**2020 Finance Committee Schedule**  
**Meetings and events**  
 January - June 2020

\* FinCom Meetings  
 Indicated by ✓  
 \* Regular meetings  
 Indicated by shading of  
 date

		Meeting	Topic/Event
	Friday January 10, 2020		Warrant closes at 4:00 P.M.
✓	Thursday January 16, 2020	regular meeting	Warrant article review and assignments
	Friday January 17, 2020		Town Manager's Budget Published
✓	Thursday January 23, 2020	regular meeting	Town Manager's budget review
	Monday January 27, 2020 <i>(snow date Tues.. Jan. 28)</i>		Town Caucus
✓	Thursday February 6, 2020	regular meeting	CPS & CCRSD budgets review
	Friday February 7, 2020		Warrant mailed
✓	Thursday February 13, 2020	regular meeting	
✓	Thursday February 20, 2020	regular meeting	
	Monday February 24, 2020 <i>(snow date Wednesday, February 26)</i>	Public Hearing	Select Board
	Tuesday February 25, 2020 <i>(snow date Thursday, Feb. 27)</i>	Public Hearing	Planning Board
✓	Thursday March 5, 2020 <i>(snow date Tuesday, March 10)</i>	regular meeting	Guidelines Review
✓	Monday March 9, 2020 <i>(snow date Tuesday, March 10)</i>	Public Hearing	Town Budget, Warrant Articles, inc. Capital
✓	Monday March 16, 2020 <i>(snow date Tuesday, March 17)</i>	Public Hearing	Education Budgets & Articles, CPA
	Tuesday March 17, 2020		Enterprise budgets published
✓	Thursday March 19, 2020	regular meeting	Fin Com Report recommendations
✓	Monday March 23, 2020 <i>(snow date Tuesday, March 24)</i>	Public Hearing	Enterprise budgets and Articles; recommendations completed
	Monday April 2, 2020		FinCom report to printer
✓	Thursday April 9, 2020	regular meeting	Town Meeting preparation
	Monday April 13, 2020		FinCom report mailed
✓	Monday April 27, 2020	Town Meeting	also April 28, 29, & 30 as needed
✓	Thursday May 21, 2020	regular meeting	Organization, election of officers Town Meeting Recap with Moderator
✓	Thursday June 25, 2020	regular meeting	Organize Guidelines Subcommittee

All regular meetings will be held in the Select Board's Room, Town House, @ 7:00 P.M.;  
 Public Hearings will be held at the Town House starting at 7:00 P.M.

**TOWN OF CONCORD**  
**2019 – 2020 Annual Town Meeting & Election Calendar**  
**For Annual Town Meeting Beginning April 27, 2020**

<b>MEETINGS &amp; DEADLINES</b>		
<b>EVENT</b>	<b>DATE/TIME</b>	<b>LOCATION</b>
JOINT MEETING – CONCORD AND CARLISLE SELECT BOARDS, SCHOOL COMMITTEES, FINANCE COMMITTEES	THURSDAY, SEPTEMBER 19, 2019	TOWN HOUSE - HEARING ROOM
TOWN MEETING PREVIEW MEETING	SATURDAY, DECEMBER 7, 2019	TOWN HOUSE - HEARING ROOM
<b>TOWN MEETING WARRANT INFORMATION</b>		
OPEN WARRANT AT TOWN MEETING PREVIEW MEETING	SATURDAY, DECEMBER 7, 2019	TOWN HOUSE
DRAFT WARRANT ARTICLES DUE	MONDAY, DECEMBER 16, 2019	TOWN HOUSE
WARRANT CLOSURES	FRIDAY, JANUARY 10, 2020, 4 P.M.	TOWN MANAGER'S OFFICE
TARGET DATE FOR MAILING OF TOWN MEETING WARRANT TO RESIDENTS (AT LEAST 10 DAYS PRIOR TO PUBLIC HEARING)	FRIDAY, FEBRUARY 7, 2020	
<b>PUBLIC HEARINGS: ALL HEARINGS START AT 7:00 PM</b>		
SELECT BOARD	*MONDAY, FEBRUARY 24, 2020	TOWN HOUSE - HEARING ROOM
PLANNING BOARD	**TUESDAY, FEBRUARY 25, 2020	TOWN HOUSE - HEARING ROOM
FINANCE COMMITTEE – TOWN BUDGET & ARTICLES INCLUDING CAPITAL	***MONDAY, MARCH 9, 2020	TOWN HOUSE - HEARING ROOM
FINANCE COMMITTEE – SCHOOL BUDGET & ARTICLES COMMUNITY PRESERVATION COMMITTEE ARTICLE(S)	****MONDAY, MARCH 16, 2020	TOWN HOUSE - HEARING ROOM
FINANCE COMMITTEE – ENTERPRISE FUND BUDGETS & ARTICLES	*****MONDAY, MARCH 23, 2020	TOWN HOUSE - HEARING ROOM
* ** *** **** *****	THE SNOW DATE FOR THESE DATES WILL BE WEDNESDAY, FEBRUARY 26, 2020 THE SNOW DATE FOR THIS DAY WILL BE THURSDAY, FEBRUARY 27, 2020 THE SNOW DATE FOR THIS DAY WILL BE TUESDAY, MARCH 10, 2020 THE SNOW DATE FOR THIS DAY WILL BE TUESDAY, MARCH 17, 2020 THE SNOW DATE FOR THIS DAY WILL BE TUESDAY, MARCH 24, 2020	

EVENT	DATE	LOCATION
<b>FINANCE COMMITTEE REPORT INFORMATION</b>		
TARGET DATE FOR MAILING OF FINANCE COMMITTEE REPORT TO RESIDENTS (AT LEAST 10 DAYS PRIOR TO TOWN MEETING)	MONDAY, APRIL 13, 2020	
<b>ANNUAL TOWN MEETING – ALL SESSIONS START AT 7:00 PM</b>		
	MONDAY, APRIL 27, 2020 TUESDAY, APRIL 28, 2020 WEDNESDAY, APRIL 29, 2020 THURSDAY, APRIL 30, 2020	CONCORD-CARLISLE REGIONAL HIGH SCHOOL
<b>ELECTION SCHEDULE</b>		
PRESIDENTIAL PRIMARY	TUESDAY, MARCH 3, 2020	VARIOUS
TOWN CAUCUS – 7:30 PM	MONDAY, JANUARY 27, 2020 SNOW DATE: TUESDAY, JANUARY 28	TOWN HOUSE
TOWN ELECTION	TUESDAY, MARCH 31, 2020	VARIOUS
<b>HOLIDAYS RELEVANT TO THIS SCHEDULE</b>		
ROSH HASHANAH	SUNSET SEPTEMBER 29 TO NIGHTFALL ON OCTOBER 1, 2019	
YOM KIPPUR	SUNSET OCTOBER 8 TO NIGHTFALL ON OCTOBER 9, 2019	
COLUMBUS DAY OBSERVED	MONDAY, OCTOBER 14, 2019	
VETERANS' DAY OBSERVED	MONDAY, NOVEMBER 11 2019	
THANKSGIVING DAY	THURSDAY, NOVEMBER 28 INCLUDING NOVEMBER 29, 2019	
HANUKKAH	SUNSET DECEMBER 22 TO NIGHTFALL ON DECEMBER 30, 2019	
CHRISTMAS DAY	WEDNESDAY, DECEMBER 25, 2020	
NEW YEAR'S DAY	WEDNESDAY, JANUARY 1, 2020	
MARTIN LUTHER KING, JR. DAY	MONDAY, JANUARY 20, 2020	
PRESIDENT'S DAY	MONDAY, FEBRUARY 17, 2020	
SCHOOL VACATION	FEBRUARY 17 – 21, 2020	
ASH WEDNESDAY	WEDNESDAY, FEBRUARY 26, 2020	
GOOD FRIDAY	FRIDAY, APRIL 10, 2020	
PASSOVER	SUNSET APRIL 8 TO NIGHTFALL ON APRIL 16, 2020	
EASTER	SUNDAY, APRIL 12, 2020	
SCHOOL VACATION	APRIL 20 – 24, 2020	
PATRIOTS' DAY OBSERVED	MONDAY, APRIL 20, 2020	

**FinCom Town Meeting Planner**

	<u>23-Jan-20</u>	<u>6-Feb-20</u>	<u>13-Feb-20</u>	<u>20-Feb-20</u>
1	FY21 Town Budget Review	FY21 CPS Budget Review		
2	FY20 Reserve Fund Transfer Request	FY21 CCRSD Budget Review		
3				
4				
5				
6				
7				
8				
9				
10				
	<u>5-Mar-20</u>	<u>9-Mar-20</u>	<u>16-Mar-20</u>	<u>19-Mar-20</u>
1	FY21 Guidelines Review	Public Hearing: Town Budget, Warrant Articles, including capital	Education Budgets, CPA, Warrant Articles	FinCom recommendations
2				
3				
4				
5				
6				
7				
8				
9				
10				
<b>Other: Enterprise Fund Budgets available on 3/17/20; Enterprise Fund Public Hearing on 3/23/20; Final FinCom recommendations to be included in FinCom Report3/23/20</b>				