

Observer reports

Alcott and Thoreau School Building Committee

The 2006-07 school year opened with the Thoreau School staff and students returning to Prairie St. and the newly reconstructed Thoreau school building. The new Thoreau includes all new facilities for administration and educational support as well as new classrooms. The project retained the 1994 addition that contains classrooms and the art room. This wing was renovated and retrofitted with technology equivalent to that of the new classrooms in the remainder of the building.

The School Building Committee was able to close out all aspects of the initial construction project except a small number of landscaping items that must wait until spring. The Committee has planned, designed, received bids and selected suppliers for the supplemental cooling system that is to be added to the Thoreau school as authorized by Article 40 of the 2006 Town Meeting, which committed an additional \$350,000 for this purpose. The work to install the cooling is expected to take place in the spring and summer of 2007.

The Thoreau School Construction Project work has been completed within the \$16,800,000 allocated under Article 27 of the 2004 Annual Town Meeting. The supplemental cooling expenses will draw first on the unused construction contingency for the Thoreau project and then on the \$350,000 allocated by Town Meeting. The projected final cost of the Thoreau project, including the design work that occurred in the year 2000, is projected at \$17.6 million.

With Thoreau operational, the School Building Committee was able to initiate Alcott Phase 2, Demolition and Site Restoration of the Alcott site. This phase included reconfiguring the entrance, parking and recreation areas. The demolition and paving work on Phase 2 proceeded through the fall and due to the good weather was able to be completed in good time. The final landscape plantings are scheduled for the spring and will complete the Alcott project. The installation of a supplemental cooling system for the Alcott building is also in progress with work expected to be completed in the summer of 2007. The projected final cost of the Alcott project, including the design costs, is projected at \$16.8 million (a local cost of \$9.6 million net of the state grant).

The Massachusetts School Building Administration (MSBA) concluded its audit of the Alcott project last September and the Town received a grant payment of \$7,175,997 Sept. 25, 2006 for the Alcott School construction project. This was the maximum allowable for the project based on its size (78,011 square feet) and the allowable cost per square foot as of the start of construction in 2002. The School Committee, School Administration and Town Manager continue to prepare an application for the Thoreau School project, to be submitted when the state re-opens the application process July 1, 2007. At this time it is not possible to anticipate the outcome of that application.

Board of Assessors

The Board of Assessors is a five-member body appointed by the Town Manager, with the approval of the Board of Selectmen. It is responsible for matters related to property valuation for local tax purposes. The Board is also responsible for acting upon abatement applications for property overvaluation and exemption applications filed by people who are elderly, have low incomes, are disabled veterans or are blind, and for the Community Preservation Fund. State law requires that properties be valued at their "full and fair cash value." Every three years, a full revaluation takes place and is certified by the state Department of Revenue (DOR). Interim year adjustments are made during each of the other two years, also subject to the review of the DOR. The Town is in a full triennial revaluation year, for the assessment date of Jan. 1, 2007, the FY08 tax year. Public review of proposed new values will occur in the fall of 2007.

The FY08 budget contains \$100,000 to support the triennial revaluation and also the ongoing town-wide interior inspection program. These funds are included in item 9D of the Town Manager's budget, Article 10.

One warrant article is sponsored by the Board of Assessors at the 2007 Annual Town Meeting. State law allows cities and towns to double the state-set limits on certain statutory property tax exemptions. Approval of Article 15, Property Tax Exemption by Town Meeting effectively doubles the amount of money that may be deducted from the tax bills of qualified applicants. The cost of the exemption increase is carried in the Overlay Account, which is an account not subject to Town Meeting appropriation. Since 2001, Town Meeting has voted affirmatively to take this action. The Finance Committee recommends affirmative action on Article 15. This article is expected to be on the Consent Calendar.

Board of Health

The five members of the Board of Health are appointed for three-year terms by the Town Manager. The Board promotes, enacts, and enforces health rules and regulations in accordance with local bylaws and state law, and it is responsible for the overall stewardship of the public health of the town.

Staff support for the Board is provided by four full-time employees in the Health Division who are responsible for enforcing local and State statutes, and regulations affecting public health. Their work includes:

- reviewing site plans for septic systems and issuing sanitation permits;
- inspecting restaurants, summer

camps, beaches and pools, and hazmat storage sites;

- responding to public health issues as they arise.

In addition, the Health Division provides staff support to the Lincoln and Carlisle Boards of Health on a contract basis.

The annual appropriation for operating the Health Division is contained in the Town Manager's budget (line 5E, Article 10). The FY08 budget recommendation will maintain current staff levels. It includes \$20,000 for an enhanced mosquito monitoring and control program to reduce the spread of mosquito-borne viruses such as Eastern Equine Encephalitis and West Nile Virus.

Concord Free Public Library

The Concord Free Public Library (CFPL) has completed a second full year of operations in its renovated space in the Main Library building on Main Street. The Library Corporation owns two library buildings (the Main Library in Concord Center and Fowler Branch Library in West Concord), and its art, special collections and grounds. It maintains these through income from its endowment, private donations and support from activities organized by the Friends of the Concord Free Public Library. Library operations are primarily supported by the Town of Concord budget, along with private donations and minimal state aid.

In FY07, the Town provided \$1.58M to support operations at both libraries: \$1.24M for Personnel Services, \$67K for Purchased Services including Minuteman Library network fee, computer equipment maintenance, and Oral History program; \$137K for books and materials, supplemented with \$75K from the Library Corporation and \$13.5K from Friends of the Library; and \$135K for utilities, telephone, office supplies, capital outlay and other charges. The proposed FY08 Town budget for CFPL is \$1.635M, a 3.4% increase. Details are provided in the Town Manager's Proposed Budget FY2008, Account # 29.

According to statistics kept over the past three years, circulation has increased at both the Fowler Branch (+10%) and the Main Library (+6%). Daily attendance at the two libraries averages about 1,000. With more than 1,000 daily hits to the library's website, www.concordlibrary.org, there is convergence between virtual library use through online services and walk-in services.

Now that the Main Library building project is complete, the Library Corporation,

with ideas from the Library Committee and community representatives, is assessing the condition of the Fowler building in West Concord. Fowler faces challenges due to water issues in the basement, heating issues in the staff workspace and crowding on the main floor. A preliminary review of the building needs is underway, and the work to remedy these issues will be funded by the Corporation.

CFPL launched two initiatives this year:

- In collaboration with Concord Public Schools, adding a daily afternoon bus stop from Concord Middle School to the Main Library to increase outreach to middle school students; and
- An email newsletter to inform citizens about library services and events. To subscribe to the free newsletter, register at www.concordlibrary.org.

In response to a request from the Concord Carlisle High School Senate, CFPL is offering a pilot program this spring, adding hours at the Main Library to benefit students studying for exams. CFPL agreed to add 8 hours, 10:00 a.m. to 1:00 p.m., and 5:00 to 10:00 p.m., on the Sunday before final exams at the high school. The estimated \$600 cost for these hours will be funded from the current year budget. The library will be open to the general public during these expanded hours, but the added service would be marketed primarily to high school students. The library will staff these hours with a circulation librarian, reference librarian and custodian. If the pilot is successful, it may be expanded for the 2007-08 school year to also include the weekends before midterm exams. This would most likely to be funded by private donations in FY08.

Concord Housing Authority

The Concord Housing Authority (CHA) was formed in 1961. It is a State agency and has five members, four of whom are elected and one member appointed by the Governor.

The Concord Housing Authority's first units were the senior housing rentals of Everett Gardens. These were constructed in 1964 with funding from State, Town and private sources.

The Concord Housing Authority maintains 88 State elderly units at Everett Gardens and Peter Bulkeley Terrance. The CHA also administers 18 Scattered Site Federal Family units and maintains 29 Scattered Site State Family units. Of these, two multi-unit buildings are administered by other organizations, one is administered by Toward Independent Living and one by Minuteman ARC. The CHA also oversees two local properties. These two residences are privately funded.

All units are managed as rental properties. The two local properties have a minimum rent set by the Concord Housing Authority whereas all other rental units are based on income. Rent, as a percentage of income, ranges from 27% to 30%.

In the fall of 2006 the Concord Housing Authority hired a new full-time director. Judith Lincicum assumed the position of Concord Housing Authority Director in November. This ended the one-year con-

tract arrangement the CHA had with the Lexington Housing Authority to manage, assess and maintain its properties. Judith Lincicum comes to the Concord Housing Authority with many years of experience and leadership in housing management.

In early 2007 the Concord Housing Authority completed the renovations and upgrading of the Everett Garden bathrooms.

The CHA discussed at length the possibility and practicality of forming their own 501 (c3) non-profit organization and decided to take no action at this time.

The Concord Housing Authority is in the process of determining how to address renovations for the Peter Bulkeley building. CHA has \$1.3 million from the sale of the Belknap House that has been earmarked for renovations of the Peter Bulkeley building. Additional funding will be necessary and is being requested from State sources.

The Concord Housing Authority will move forward with the development of two duplex homes on the Amendolia property when the property is deeded to the CHA. The purchase and sales agreement has been submitted to the Town. Funding for this project was recommended by the Community Preservation Committee and approved at the 2006 Town Meeting. An additional \$60,000 for design is needed and is being requested under Article 33, item A, in the 2007 Warrant for Town Meeting.

Concord Housing Development Corporation

The Concord Housing Development Corporation (CHDC) is a non-profit housing corporation established by special legislation (Act Establishing the Concord Housing Development Corporation), Chapter 275 of the Acts of 2006) enacted Aug. 22, 2006 to preserve and create affordable housing in Concord. The CHDC is governed by a Board of Directors appointed by the Board of Selectmen. The Board of Selectmen may set policies and operating guidelines for CHDC, but day-to-day operation is independent of the Board of Selectmen and the Concord Town Manager. The intent, however, is that there be a partnership between the Board of Selectmen and the Board of the CHDC in furthering the affordable housing interests in Concord.

Goals of the CHDC

The CHDC is expected to play a principal role in the pursuit of Concord's housing goals, including:

- To maintain and increase a diversity of housing types and sizes to meet the needs of the Town and its traditionally diverse population;
- To increase the supply of affordable housing and preserve existing affordable dwellings;
- To enable people in changed circumstances to continue to live in Concord;
- To increase options that would allow older residents to remain in their homes;
- To enable Town and school em-

ployees, children of Concord residents, and farm workers to live in Concord;

- To enable those of modest to medium income to live in Concord.

To that end, the CHDC works closely with all Town boards, committees, and departments as well as with the Concord Housing Authority and the Concord Housing Foundation.

The CHDC replaces the Affordable Housing Committee and is the organization responsible for working with the Town Planning Department and the Planning Board on affordable housing issues in Concord. The long term responsibilities of the CHDC are quite broad but relate to expanding and developing more affordable housing options in Concord. These include:

- Making recommendations on a range of strategies for expansion or preservation of affordable housing;
- Increasing the number of housing options by identifying possible private, Town-sponsored, or other public opportunities for affordable housing, and by assisting in the creation of these options;
- Helping define what kind of data on affordable housing is useful and what kind of housing, housing inventory, demographic, and financial data the Planning Department should gather and make available to the public;
- Reporting annually to the Board of Selectmen regarding the state of hous-

ing affordability in Concord, opportunities, resources and barriers to affordable housing, and providing information on federal, State and local programs and/or regulatory changes;

- Reviewing Town Meeting articles and presenting comments and recommendations on those related to affordable housing;
- Entering into agreements with the Commonwealth, and federal, state or governmental agencies that relate to affordable housing;
- Receiving and investing funds from the Town or other sources for use on behalf of its affordable housing programs;
- Appearing before boards, commissions, departments or other agencies of Town, state or federal governments;
- Employing contractors, architects, engineers, consultants, attorneys, accountants, or experts in construction or finance that may be necessary for the work of the CHDC.

There are two articles on the Town Meeting warrant related to the CHDC:

Article 33: Item C of the Community Preservation Committee recommendations allocates \$100,000 to the CHDC. Item J of this article allocates \$213,245 to a housing reserve. A Special Town Meeting that has been called for April 25, within the Annual Town Meeting, will likely draw upon these appropriations for use by the Town or its designee for preservation of affordable housing units at the Emerson Annex. Funds will be proposed for the acquisition of Unit 4 and to help reduce the purchase price of Unit 8. The goal is to keep these two units as affordable housing listed on the State inventory. One unit was lost from that inventory last summer.

Article 34: This article would transfer \$79,000 that was originally designated for the Affordable Housing Committee at Town Meeting 2006 to the Concord Housing Development Corporation (CHDC). The CHDC replaces the Affordable Housing Committee as described above.

Concord Municipal Light Plant

Overview of CMLP

The Concord Municipal Light Plant (CMLP), established in 1898, is one of 40 municipally owned electric utilities within Massachusetts. Audited financial reports of CMLP are filed with the Mass. Department of Telecommunications and Energy. CMLP's municipal ownership is important to Concord residents because it provides the Town with stable rates and better service at a lower cost than that of neighboring towns served by investor-owned utilities.

CMLP is a Town department overseen by the Concord Municipal Light Board. By Town Charter, the Town Manager serves as the general manager of CMLP, hires the Superintendent and appoints the Light Board members. CMLP stewardship and oversight by the Light Board ranges from Department operating policies to holding rate-setting hearings. The calendar year is also CMLP's fiscal year. Financial results for the previous calendar year are included in the Town's financial statements for the June 30 fiscal year.

CMLP purchases power from outside suppliers and sells it to approximately 7,600 residential, commercial, and industrial customers and public agencies in Town. CMLP's supplier since 2002 has been Constellation Energy Commodities Group, formerly Constellation Power Source, under a seven-year contract at very favorable rates. For 2007, the cost of purchased power is projected to represent about 68% of the total CMLP Operations and Maintenance expense.

CMLP is structured as an Enterprise Fund. It is entirely self-supporting and requires no tax money. CMLP pays for services received from various town departments, including the Finance and Personnel offices; the FY2008 budgeted charges total

about \$259,000. CMLP also makes an annual contribution to the Town as a Payment in Lieu of Taxes (PILOT, pursuant to Article 16). This payment is based on the same formula used to calculate the tax for investor-owned utilities in the State, and is based on net plant value times the commercial tax rate; the FY2008 budgeted PILOT is \$340,000.

Capital expenses may be financed by the issuance of Town bonds. These are supported as general obligations of the Town but are dependent on CMLP revenues for interest and debt retirement payments. CMLP maintains its own budget and set of accounts but all fiscal operations are conducted through the Town Finance Department. There is a separate Finance Committee public hearing for this and all other enterprise funds prior to Town Meeting.

Operating results

Financial Results. Sales for 2006 were 177,704 MWH, compared to 179,474 MWH in 2005. This is a decrease of about 1.0 percent. Operating revenues increased from \$16,298,994 in 2005 to \$17,313,125 in 2006. This increase in revenue includes an accounting adjustment to fund an emergency reserve and monies being collected to aid in the transition from the Constellation power contract to rates more closely based on market prices.

Rate Increase. The last general rate increase was effective July 1, 2004 when the Light Board approved a 4% change in rates. Subsequent to that time, however, the Light Board also approved implementing an extra charge on each kilowatt-hour for the transition fund discussed above.

Main Street Project. The objective of the Main Street Underground Project is to replace old underground electric cables and conduits and also to install facilities that

would allow telephone and cable TV wires to be placed underground. The conduit construction phase for the project was completed in 2003. New electric switchgear and cable from the substation to the railroad was completed in 2004. Electric cables from the railroad to the library were completed in spring 2005. The balance of the cable installation was completed in 2006. All that remains is to finish the installation of service cables to buildings along Main, Stow and Everett streets. This remaining work is projected to be completed during 2007.

Telecommunication Proposal. In 2002, the Telecommunications Study Committee reported to the Board of Selectmen proposing a municipally owned telecommunications network under which CMLP would offer cable television services to Concord customers. Authorization was approved at two Town Meetings, 2003 and 2004. This approval does not require CMLP to act, but only authorizes it to do so if investigation indicates that it is a desirable and viable program. Other telecommunications services such as the internet do not require such a vote.

During 2006, CMLP issued a Request for Proposals (RFP) to find a partner to help establish a Broadband over Power Line (BPL) telecommunications system to provide internet and voice-over internet telephone services to residents and businesses in town. After evaluating the one proposal received, CMLP is evaluating the business case of establishing a BPL system under a different scenario than contained in the RFP.

Fiber Optic Networks. In 2004, CMLP completed a fiber optics communications ring linking the Town buildings. This ring provides redundant service to most of the Town buildings and is a significant improvement over the old fiber optics system that had been in use since the early 1990s. CMLP also installed the fiber op-

tic cable linking the seven schools, providing them with a more reliable, modern and cost effective telecommunications network.

Remote Meter Reading. CMLP began installation of a drive-by radio remote meter reading system in 2006. Installation of the total system for electric and water meters is expected to take three years. The system is working as planned and helps to make meter reading more accurate and CMLP more efficient. It will also allow collection of data leading to helping to reduce losses.

Preparing for the future

Stabilization Fund. The CMLP current power supply contract with Constellation Energy that affords Concord a below-market cost supply of electricity ends in 2009. Increased fuel and transmission costs are driving up the market rate of electricity so that future rates are likely to be substantially above CMLP's current contract rate. CMLP has established a stabilization fund to buffer future cost increases.

Alternative Power Generation Sources. CMLP is aggressively pursuing alternative wholesale power generation sources to supplement and/or replace the Town's existing supply agreement from diversified alternative sources. These include: Russell Wood Fired Plant and projects in Chelsea, Taunton and Braintree.

Sustainable Energy and Conservation. Additionally, CMLP is seeking power from sustainable energy sources such as the Acton Hydro Dam project, the Berkshire Wind Farm and several other hydro and wind projects.

CMLP has a fund for energy services and conservation of just over \$207,000 for 2007. Energy services include: energy conservation promotions and audits, light bulb rebates, fund of Concord Conserves, electric thermal storage heat rebates, key account energy audits, residential conservation services, electric safety school programs, safety Saturday with the police and new web sites aimed at energy conservation and electric safety.

Warrant Articles for Town Meeting

Article 16.

Light Plant Payment in Lieu of Taxes (PILOT). CMLP has paid the town a PILOT of \$340,000 for the last several years. The amount of the payment is based on the largest amount ever paid or the tax rate times the net plant as of June 30th, whichever is greater. This approach adds stability to the Town's budgeting process.

Article 17.

Light Plant Expenditures. This is a routine article, normally on the Consent Calendar, simply authorizing operations for the year.

Personnel Board

The Personnel Board is appointed by the Board of Selectmen and oversees personnel policies for all non-union Town employees. The Board implements personnel bylaws, policies, and procedures. Responsibilities of the Board include review of compensation plans, job classifications, and incentive plans.

Staff support for the Board is provided by 2.8 employees in the Personnel Division and overseen by the Assistant Town Manager. In 2006, the Personnel Department provided services to approximately 600 employees on the Town payroll for some portion of the year, 340 of whom were part-time or seasonal workers, as well as 325 retirees. This number does not include employees of the Concord Public Schools.

The Personnel Board initiated a comprehensive classification and compensation study in January 2007 to review and simplify the classification system and to review the current compensation schedule for comparability with similar towns in

Massachusetts and positions in the private sector. It is anticipated that the study will be completed in the summer and its results may be brought to a Special Town Meeting for action in the fall of 2007.

The Personnel Board has submitted the following Articles to the Town Meeting for approval.

Article 7 recommends ratification of classification actions taken by the Personnel Board during the previous twelve months.

Article 8 establishes the classification and compensation plan for all regular-status positions, which includes administrative, clerical, library, laborer, managerial, and professional employees (ACL, LA, and MP) and includes a 3% across-the-board adjustment to all salary ranges. Funds for all Town employee increases are included in the Town Manager's budget under item 40 of Article 10, the Salary Reserve account.

Planning Board

The Planning Board is responsible for investigating all petitions calling for a variation, modification, change, or extension of use under the Zoning Bylaw, and for reporting its recommendations to the Board of Appeals.

The Planning Board conducts investigations regarding proposed amendments to the Zoning Bylaw to be considered by Town Meeting, and presents its recommendations at Town Meeting. The Concord Planning Board is authorized under the General Laws of Massachusetts to regulate the laying out and construction of roadways and subdivisions to insure the safety, convenience and welfare of present

and future inhabitants of Concord. The Board also ensures compliance with applicable provisions of the Concord Zoning Bylaw and the Wetlands Protection Act.

The Planning Board sponsored a public hearing to consider three warrant articles for the 2006 Town Meeting. Article 38 proposes an amendment to the Historic Districts Special Act; Article 39 proposes an extension of the Main Street Historic District; and Article 40 proposes a Zoning ByLaw amendment to add the uses of Planned Residential Development and Combined Industrial Business/Residence to the Limited Industrial Park District at the NMI/Starmet Superfund Site.

Playing fields proposal Articles 30 and 32

In August, 2006 the Town Manager presented the Board of Selectmen with a proposal for the construction of several new playing fields over the next three years. According to this report, it has been at least forty years since any new fields have been added in town. In this time, the use of existing fields has increased substantially due to: Title 9 and the resultant development of many girls team sports; the increase in the number of sports being played; and an increase in adult sports leagues. Current enrollment in youth sports exceeds 2500.

The plan proposed development of three multi-purpose, lighted fields (two with artificial turf) on the CCHS campus, two Little League baseball diamonds adjacent to the Alcott School and one multi-purpose field on the Ammendolia land off Old Bedford Rd. The cost was estimated at \$5.525 million. The plan proposed funding the project using Town funds from the Town Manager's Capital Plan, not requiring a debt exclusion vote, CPC funds and private donations.

Because of the heavy usage of available fields, many are in poor condition. The decision to use artificial turf on the two new high school fields will allow them to be used any time they are not covered with snow. Unlike the current fields, they will drain and will hold up under heavy use. They will also be lit for evening use, using technology that minimizes light spill onto adjacent areas.

Upkeep of the fields will be paid for through user fees and will not be a financial burden to the Town or to the Concord Carlisle School District.

In months since the August report, the Town Manager and other fields proponents

attended many meetings with the abutters who reside near the CCHS site. After much negotiation, the plan was amended in deference to the neighborhood. The number of fields at CCHS was reduced from three to two, eliminating the field closest to the abutting homes. The number of acres to be cleared was reduced from ten to eight. In response to concerns about clearing the pine woods to make way for the fields, the private donation sources agreed to include a reforestation option for giving. The goal of this provision is to plant, in other parts of Town, the same number of trees that will be cut down to make way for the fields.

The proposal has been reviewed and approved by the Board of Selectmen, CPS School Committee, Concord Carlisle Regional School District School Committee, Recreation Department, school staff, including the CCHS Athletic Director, youth sports leaders, and the Planning Board. The Community Preservation Committee (CPC) has allocated \$1.5 million of its current available funds to the project, subject to Town Meeting approval.

The proposed funding for the \$3.7 million FY08 portion of the project is to come from: Town Manager's Capital Budget (\$1.5 million); CPC fund (\$1.5 million) and private fundraising (\$700,000). This will pay for the construction and lighting of the two artificial turf fields at CCHS. An additional \$800,000 in privately raised funds will be used for the construction of fields on other sites. Private funds (user fees) will be used to maintain the fields.

The Finance Committee supports this plan and its creative use of multiple funding sources.

Recreation Commission

The Recreation Commission is appointed by the Town Manager and is responsible for setting policy directions for the Concord Recreation Department. The Recreation Department operates a number of programs that meet the year-round interests of the community. Major services include preschool and after-school care serving 269 children between the ages of three and eleven, summer activities including a day camp that serves 450 children, sports programs for children and adults, and the Beede Community Swim and Fitness Center that opened in May 2006. The programs and their operations follow.

The Beede Center, located across the driveway from Concord-Carlisle High School, is a 34,000 square-foot swim and fitness center with four pools and two fitness rooms. The \$10 million facility was developed and privately funded by a non-profit community group, CC Pools. January 2007, CC Pools paid off all debt on the facility and donated it to the Town.

The Beede Center is operated as the Swim and Fitness Center Enterprise Fund, established by a 2005 Town Meeting vote. As an enterprise fund, the Beede Center has an accounting structure whereby membership fees and other income support all expenses. That structure also allows the Beede Center to depreciate its assets and build up capital reserves for routine maintenance and future capital expenses. In short, it allows the Town to operate the enterprise without depending on tax support.

During its first year, the Beede Center attracted 2,000 memberships. To ensure community-wide access to the center, the Recreation Department offered free memberships to Concord residents over the age of 80, reduced fees for Town employees and residents over age 65, and reduced fees for residents with demonstrated finan-

cial need. The budget for the first year of operations was over \$2 million and the income from the enterprise fund covered all the costs.

The history of Town Meeting votes on the Beede Center follows.

2005: Article 30 established the enterprise fund to operate the Center.

Article 31 authorized \$515,000 to purchase fitness equipment and furnishings, which were not part of the donation of the facility by CC Pools. Item 32 in the Town Manager's FY06 Budget provided \$100,000 for start-up costs, to be repaid from the Beede Center budget in future years.

2006: Article 27 was an annual authorization of the Community Pool Enterprise budget as required by Massachusetts law—no taxpayer support was required

Child care services sponsored by the Recreation Department include the Carousel Preschool operated at the Harvey Wheeler Center and after school and school vacation care operated at Harvey Wheeler and at the Hunt Gym. In addition, the Recreation Department runs a summer day camp program at the Hunt Gym and on Emerson Field. User fees support these services, but the Department offers scholarship assistance to families in need in the total amount of \$25,000 for the school year programs and \$100,000 for the day camp. Funding for the scholarships is raised annually from individuals and local organizations, including the Concord Carlisle Community Chest, the Lions Club, and the DiGiovanni Family Trust managed by the Trustees of Town Donations. The Concord Open Golf Tournament, held at Nashawtuc Country Club, raises \$30,000 for the scholarship fund. The Shamrock Ball, held at the Hunt Gym in March, also raises funds to support the scholarships.

The Recreation Department organizes and supports several popular community wide events including the Fourth of July Picnic in the Park and Minuteman Classic Road Race, the West Concord Family Festival Parade, and the Concord Carlisle Community Chest Triathlon. During 2006, the Recreation Department served 7,000 community members. In addition to its own programming, the Recreation Department works with other sports organizations in Concord to provide and coordinate space on the playing fields.

The proposed budget for administration

and maintenance of the Hunt Gym as well as the 105 Everett Street building are included in the Town Manager's Budget, Article 10, Item 31. Recreation programs are self-supporting and are funded through user fees.

2007 Town Meeting

Article 23 is the annual authorization required under Massachusetts law to enact the Community Swim and Fitness Center Enterprise Fund budget. The Finance Committee recommends affirmative action on a budget of \$2.3 million.

Public Safety: SAFER Grant

For the past several years the fire chief has requested additional staff to meet the department's needs. Because the department operates with four shifts, the request has been for four additional firefighters, one for each shift. This request has remained unfilled due to budget pressures and other demands on limited Town funds. The fire chief seeks to manage the Department by replacing the first absent firefighter (of eight) on call for a particular shift. It is sometimes necessary to drop this number of firefighters on duty to seven. The overtime budget for the fire department has grown over the past several years and is disproportionately high when compared to similar towns.

One consequence of this staffing situation is that Concord receives more assistance from neighboring towns than it provides. Response times are naturally higher when the aid must come from a neighboring town. In addition, the average size of homes in Concord has increased dramatically since the 1950s, the last time fire department staffing was increased. In the past, the size of a typical Concord residence was 1200 square feet. Today few homes of that size exist, with many in the

range of 5,000 to 10,000 square feet and some even larger. Under current building regulations, residential properties are not required to contain sprinkler systems. Future building plans include the possibility of a 350-unit apartment complex on the Acton-Sudbury line along with some smaller residential development projects.

SAFER grant

The Fire Chief has been awarded and the Board of Selectmen has accepted a Staffing for Adequate Fire and Emergency Response (SAFER) grant from the Department of Homeland Security, which would provide partial funding for four additional firefighters over five years. The federal share of the new costs provided by the grant for each year will be: 60% (Year 1), 50% (Year 2), 30% (Year 3), 17% (Year 4), and zero (Year 5), respectively.

- In the first two years of the grant, the entire cost of the new firefighters will be offset by grant funds and savings in overtime.
- In year five of the grant, the Town will see a net increase in fire depart-

ment costs of about \$123,000, an increase of less than 5% over the current budget.

- The fire department will have a better capacity to respond to emergency calls and will move closer to meeting National Fire Protection Association (NFPA) standards for firefighter staffing. At the same time, the department will be able to decrease its reliance on the more expensive and less predictable method of using so much overtime to fill vacancies.
- Over the 5-year period, the total amount of the grant is \$414,000. The total cost in salaries and benefits of the four firefighters would be \$1,384,000. With the additional staffing, it is estimated that the fire department could reduce its overtime budget by \$896,000. Altogether, with the cost of uniforms and equipment (\$80,000) the net cost of accepting the SAFER grant and hiring four firefighters for five years will be \$153,000.
- After the fifth year, the Town is not obligated by the grant to retain the four firefighters. The Town may decide whether or not to continue with the new staffing level.

Spending trends over the last few years indicate that overtime has put increasing pressure on the fire department's budget.

As Town population ages, the number of medical calls continues to rise. The Town could eventually be forced to choose between increasing the budget to maintain the same service levels and cutting back service.

Without the grant, overtime costs will continue to rise, certainly in dollar terms and probably as a percentage of the Department's budget, even if all existing policies are maintained. The SAFER grant would enable the Department to continue to utilize a firefighter on each shift as a swing man who can move between stations to fill vacancies. Based on a historical analysis of the two most recent fiscal years staffing provided by Chief Willette, using the additional firefighters instead of the replacement overtime would have saved approximately \$168,000 per year. The Selectmen will monitor overtime costs quarterly, to see whether the grant is effective in reducing overtime.

The SAFER grant presents the Fire Department with an opportunity to increase staff and lower overtime costs. The Finance Committee commends the fire chief's initiative and the Selectmen's foresight in accepting the grant.

Senior Tax Relief Task Force

The Senior Tax Relief Task Force was appointed by the Board of Selectmen in Oct. 2005. The charge of the committee was to implement the key recommendations of the Property Tax Review Committee report from 2004. These recommendations included: increase outreach to seniors, examine existing tools for tax relief such as the Residential Exemption and the tax exemption and tax deferral programs, consider establishing a private fund for taxpayer relief, suggest methods of expanding existing tax relief programs, recommend new or additional criteria for determining eligibility, and evaluate utility discounts.

This year, the Senior Tax Relief Task Force continued to explore possible avenues for property tax relief. Roundtable discussions were held with representatives from a number of existing relief organizations, such as the Hugh Cargill Trust and the Silent Poor Fund, and the Concord Council on Aging. Development of mechanisms for identification of qualified recipients and delivery of funds was a primary focus.

The Task Force was approached this year by people interested in exploring the creation of a local income tax. This new tax revenue would replace a portion of the revenue collected via property taxes, shifting the tax burden from home owners to wage earners. A new subcommittee will develop this idea.

The Task Force also provided advice to the Board of Selectmen on allocation of monies received as part of the new Selectmen's Annual Appeal, in which Concord citizens were asked to consider a charitable donation. A total of \$48,137 was collected, of which \$7,050 was allocated to the existing Hugh Cargill, which assists Concord citizens with emergency financial situations.

There are a number of property tax relief programs already available to qualifying citizens. One of these, known as Clause

41A, allows older citizens to defer all or part of their property tax bill, at an interest rate of 8%, if they meet certain eligibility criteria. Details are available on the Concord website, www.concordnet.org, Board of Assessors page. State legislation enacted in November 2005 allowed cities and towns to set an alternative interest rate between 0% and 8%. At the 2006 Annual Town Meeting, voters approved Article 15, which recommended a rate of 4% for the tax deferral program.

Although this program would financially benefit qualified recipients, it has not been heavily subscribed. During FY07, 15 people applied to defer property taxes, an increase of three over the number who applied in FY06. A total of \$71,683 was deferred during FY07 as compared to \$55,843 in FY06. While the Town has worked to increase outreach to seniors during the past year by way of the Council on Aging, more work remains to be done.

The tax deferral program has a direct effect on the Town's Free Cash calculation. The cumulative amount of property taxes deferred must be treated as an unexpendable reserve from the General Fund's undesignated fund balance. Thus, a rising amount of tax deferrals automatically reduces the portion of the fund balance that is available as Free Cash for Town Meeting to use to support operating budgets. The Finance Committee will continue to monitor the impact of the tax deferral program on Town finances.

In the spring of 2006, at the request of the Senior Tax Relief Task Force and the Board of Selectmen, the Concord Municipal Light Board implemented a low-income rate assistance program that would reduce the rate paid by qualified taxpayers for electricity.