



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

**Concord Finance Committee Agenda -
March 9, 2023
Immediately following the Public Hearing
Hybrid Meeting:
Public Hearing Room, Town House, 2nd Floor, 22 Monument Square, and
via Zoom:**

<https://us02web.zoom.us/j/87065782176?pwd=cGRrelpOUzh3OE90TFNDU2ppdUxLQT09>

Meeting ID: 870 6578 2176

Passcode: 126549

Agenda

1. Assign Scribe
2. Public Comment
3. Review and Vote: recommendations on 2023 Annual Town Meeting Warrant Articles
4. Approve Meeting Minutes as may be available
5. Improvement ideas for Finance Committee (Parashar)
6. Adjourn

Backup meeting date in the event of postponement is March 14, 2023 at 7PM

Reminders:

• **Next Meetings:**

March 15 (Wednesday) – Public Hearing #5: Enterprise Funds

Backup meeting date in the event of postponement is March 16th at 7PM

March 27 (Monday) – Select Board Public Hearing (continuation)

March 29 (Wednesday) – Public Hearing #3: Planning Board (rescheduled)

When Finance Committee members anticipate being absent from a meeting, it would be appreciated if they would notify Chair Peggy Briggs by email at peg.briggs@gmail.com

Supporting materials for agenda items are available online at www.concordma.gov/fcmtgdocs . Materials are generally uploaded on the Tuesday prior to the Regular Meeting. If any member has materials they would like to present for discussion, please inform the chair in advance of the meeting.

Town of Concord
Finance Committee Public Hearing and Meeting Minutes

Special Town Meeting Public Hearing | November 17, 2022 | 7:00 PM
Public Hearing Room, 22 Monument Square, and via Zoom | YouTube link [here](#)

Call of Roll

- The Chair called roll as noted:
 - Members in attendance: Peggy Briggs (chair) Ray Andrews (online), Suresh Bhatia (online), Kathy Cuocolo, Eric Dahlberg (online), John Garofalo, Greg Guarriello, Amrith Kumar (online), Don Kupka, Lyndsey Lis, Dee Ortner, Parashar Patel, Christine Reynolds, Brian Taylor (online), Lois Wasoff (online)
 - Members not in attendance: N/A

Call to Order

- Following call of roll, the Chair called the meeting to order at 7:05 PM and appointed Eric Dahlberg as scribe.

Public Hearing

The purpose of the public hearing is to review the articles in the warrant for the Special Town Meeting scheduled to be held January 19, 2023 that have financial implications and are in the purview of the Finance Committee. Copies of slides used by presenters at the hearing are available at the Town's website at <https://concordma.gov/>.

Article 4: Community Preservation Act Community Housing Reserve Fund

This article proposes to rescind a total \$1,044,255.76 in Community Housing Funds that had been previously appropriated for the now-discontinued Junction Village Assisted Living project and transfer those funds to the Community Housing Reserve Fund so that they will be available for use in connection with future projects.

- Diane Proctor, Chair of the Community Preservation Committee, provided background on the Junction Village project and an overview of the article.
- Triveni Upadhyay, 156 Caterina Heights, stated that it is his opinion that the funds for the Junction Village project should be returned to the town, not allocated directly to the CPC.
- Christine Reynolds asked if the \$250,000 allocated to constructing a park would also be returned. Diane Proctor clarified that it would be rescinded. Christine Reynolds also asked if the \$1 million allocated from free cash would also be returned. Town Manager Kerry Lafleur responded that returning of that funding would require town meeting action.

Article 5: Concord Middle School Building Project

This article asks the Town to appropriate a sum not to exceed \$7,200,000 to cover additional anticipated costs associated with the construction of a new middle school. If passed at Special Town Meeting and subsequently at a special election, it would increase the total appropriation for the construction of the

middle school (with the appropriation approved by a Special Town Meeting held on January 20, 2022) to \$110,016,000. The total appropriation would be raised by borrowing outside the Town's levy limit.

- Pat Nelson and Dawn Guarriello, Co-Chairs of the Middle School Building Committee, provided an overview of the article, which is being moved because the cost estimates (the "60% estimates") already received as part of the process of preparing bid documents for the project have indicated that the costs will exceed the current appropriation. The 90% estimates will be received before the date of Special Town Meeting. They described the Middle School Building Committee's value engineering process that the building committee had used to identify certain cost reductions in response to these estimates, including the designation of "alt deduct" items that would be eliminated if the bids received exceed the final authorization.
- Triveni Upadhyay, 156 Caterina Heights, shared his perspective that a \$7.2M increase in total cost for the middle school will have a real impact on Concord taxpayers. He added that he would like the committee to make public the profit that the builder and other contractors will earn as a result of the project.
- Bob LeLacheur, Interim Finance Director, provided an overview of the tax impact of the \$7.2M additional debt.
- Kristin Martines, 66 Alford Circle, asked for clarification of the total tax impact to the median Concord household. Peggy Briggs and Bob LeLacheur walked through the components of the total impact.
- Dori Keough, 51 MacArthur Road, stated that she would like to see the town spread out the increase over time to reduce the impact and that she would like to see the building committee come up with ways to reduce the overall cost.
- Court Booth, 144 Wright Road, first stated that he is a member of the School Committee and of the Building Committee and that he is speaking as a citizen. He stated that it is up to the Finance Committee to work to understand the true total impact of building the middle school.
- Kathy Cuocolo asked for clarification that the estimated tax impact for the middle school building was significantly less when the original debt was authorized. Bob LeLacheur confirmed.
- David Schonbrun, 1679 Lowell Road, stated that he thinks the meeting is getting away from the article – the focus tonight is the \$7.2M increase, not the original authorization of \$102.8M. He added that the town voted overwhelmingly for a plan for the middle school and asked the Finance Committee to remember that. He also stated that it is dismaying to him that people are not being given the chance to speak about the school.
- Urvashi Upadhyay, 142 Cambridge Turnpike, stated that she does not think the town should re-litigate the original authorization, but expressed concern for those Concord residents who may be challenged to afford the additional tax impact of the \$7.2M increase.
- Joel Gagne, 31 Central Street, stated that he agreed with David Schonbrun and expressed gratitude for the work of the building committee. He stressed that the town has already approved the building and described the tone he is hearing as adversarial. He concluded by sharing his appreciation for the work of the Finance Committee.
- Dean Banfield, 73 Walden Terrace, stated that he is speaking on his own behalf and that he does not believe the building committee is being well-served by the OPM or the architect. He stated that the committee itself has done a great job despite being so ill-served by the professionals that have been hired.

- With no other members of the public indicating that they wished to speak, the Chair indicated that she would now ask the members of the Finance Committee to share their questions and input.
- Ray Andrews expressed interest in better understanding the value engineering that was done and the bigger components of the project that may influence the total cost.
- Suresh Bhatia stated that he feels everything should be on the table in terms of managing cost and that it's time to move forward.
- Peggy Briggs stated that she feels the building committee has done a great job and recognizes how challenging the issue is. She added that she thinks delaying the project will only add to the cost.
- Kathy Cuocolo stated she doesn't have any questions but does have a few observations that she would like to share: she was surprised when it was determined that the town would move forward with pursuing a new middle school without state assistance; she understands that the building has been approved, but the economic circumstances have changed dramatically; and she does not think asking the building committee to take another look at the project is too burdensome.
- Eric Dahlberg stated that he had a point of clarification in response to public input that suggested that the Finance Committee is standing in the way of a vote on the article: the Finance Committee is not doing that and does not have the authority to do that. He asked the building committee to explain what other districts in this predicament did. Dawn Guarriello provided a quick overview in response, noting that a number of towns have gone back to town meeting to seek approval of additional borrowing. Eric Dahlberg then asked what specifically would be cut from the project if town meeting does not approve additional borrowing. Dawn Guarriello responded that the project has three "sacred cows": educational plan, net zero readiness, and community spaces (such as the auditorium) – all would be impacted by redesign as a result of a failed vote.
- John Garofalo asked for clarification that the town approved the budget for the building regardless of rates or potential rate movements. Peggy Briggs responded that it did.
- Don Kupka asked if the building has been designed for future expansion and asked about the projections for enrollment and future capacity. Dawn Guarriello responded that the design capacity is for 700 students. Superintendent Hunter stated that current enrollment is roughly 650, and she will share enrollment projections after the meeting.
- Lyndsey Lis raised the issue of demographic trends and projections for future enrollment declines – she asked if that was factored into enrollment projections for the school. Superintendent Hunter responded that this was not factored in.
- Dee Ortner stated that she does not have questions but thanked the building committee for all of the work they have done.
- Parashar Patel asked how one of the example towns in the building committee's presentation, Westwood, was able to rely on ARPA funds. Dawn Guarriello responded that she will look into this. Parashar added that he does not want to relitigate the original approval and appreciates that the town now has a choice.
- Christine Reynolds observed that the approach of the building committee's value engineering was to limit the impact to space. She noted that the building committee has settled on a new total cost of \$110M, but that is not necessarily where bids will come in. She identified several components of the project that the committee may wish to consider as potential additional alt-deletes, including kitchen outfitting, audio-visual, sound system, telecom system, external bollards, and security cameras. Dawn Guarriello responded that if components fall under FF&E, they are "soft costs" and will not come in under the \$110M figure. Christine Reynolds followed up on the previously raised

point of enrollment projections and observed that the NESDEC 10-year projection for enrollment is 608 (for 2031). Dawn Guarriello observed that building the new school may itself drive an increase in future enrollment based on her experience. Christine Reynolds noted with respect to projected capacity that it appears classroom utilization will be 72%. Superintendent Hunter clarified that it is closer to 85%. Christine Reynolds suggested that CPC may be an option for funding the fields. Diane Proctor, CPC Chair, indicated that the fields could be eligible for CPC funding.

- Brian Taylor expressed appreciation for the work of the building committee. He posed a question for Bob LeLacheur: if there is anything with respect to the town's bond rating that may impact financing in the foreseeable future. Bob responded that there is not, though interest rates may certainly change. He added that incurring additional debt for the project would not be a reason why the town's AAA bond rating may change in the future.
- Lois Wasoff asked Bob LeLacheur if the cumulative impact of this and future projects, such as the public safety and public works facilities, may impact the town's bond rating. Bob clarified that borrowing for projects like this should not raise the attention of the rating agencies.
- The Chair provided a recap of noteworthy questions and points raised.
- Brian Taylor asked for clarification on the building committee's "sacred cows" and if the committee has undertaken an exercise of force ranking those in the context of contingency planning if the \$7.2M increase is not approved. Dawn Guarriello responded that they did not.
- Carmen Reiss, Town Moderator, stated that if the vote fails, there is no further action for town meeting and added that the warrant for Annual Town Meeting will have closed by the time of the Special Town Meeting, so any future town meeting on the project would have to come via a subsequent Special Town Meeting later in 2023. She also observed that the project's zero net readiness was established as a condition of the approval of the original \$103M for the project.
- Superintendent Hunter noted that, if the Special Town Meeting vote fails, the building committee will go back to "square one" and redesign the project to fall within the original \$103M approved budget, which will take 6-9 months.
- Parashar Patel asked if the "alt deduct" process applies to consultant costs. Dawn Guarriello responded that it does not.
- Don Kupka followed up on the question of enrollment projections and classroom size, asking if the building committee looked at the fact that total classroom needs will be 32 (not 36) with a projected total enrollment of 608 and a classroom size of 19. Superintendent Hunter responded that they looked at various future enrollment scenarios in their planning.
- Parashar Patel asked when it is expected that the town will receive the 90% estimate. Dawn Guarriello responded that those will be delivered on January 13th. Parashar asked if the figure in the town meeting motion can be changed if needed because of the 90% estimate. Carmen Reiss clarified that the figure cannot be increased because the motion is worded as "not to exceed."
- Carmen Reiss followed up on an earlier question as to whether or not changes to the project could be made under the original town meeting approval. She clarified that the approval was not specific to design.
- Christine Reynolds asked if the project includes cost for irrigation. Superintendent Hunter responded that irrigation is not included in the project but will need to be addressed.
- David Schonbrun asked if the enrollment projection of 608 reflects the "attractive force" of building a new school. The Chair responded that she thinks the enrollment projection is reasonable.

- Eric Dahlberg flagged that the Town Moderator made an important clarification that a specific design was not approved at town meeting or subsequently at the ballot.
- Dori Keough requested that the voters have an option to see a breakout of plans and prices specifically for the gym and auditorium.
- The Chair stated she would like to take a straw poll of members to understand if the Finance Committee is ready to vote tonight. After some clarifying discussion on process, she asked members to indicate if they are ready to vote by a show of hands. She observed that it appears that a majority of members raised their hands to indicate they are ready to vote tonight.

Adjourn the Public Hearing, move to Regular Meeting

- Parashar Patel made a motion to adjourn the public hearing. Seconded by Amrith Kumar. The Chair called roll and all members voted Aye. The Chair adjourned the public hearing at 9:33 PM.
- The Chair called roll as noted:
 - Members in attendance: Ray Andrews (online), Suresh Bhatia (online), Peggy Briggs, Kathy Cuocolo, Eric Dahlberg (online), Jon Garofalo, Greg Guarriello, Amrith Kumar (online), Don Kupka, Lyndsey Lis, Dee Ortner, Parashar Patel, Christine Reynolds, Brian Taylor (online), Lois Wasoff (online)
 - Members not in attendance: N/A
- The Chair called to order the regular meeting of the Finance Committee and Guidelines Subcommittee at 9:35 PM. She indicated that the Committee may now proceed to vote on Articles 4 and 5 as discussed at the preceding public hearing.
- Dee Ortner made a motion to recommend affirmative action on Article 4: Community Preservation Act Community Housing Reserve Fund. Seconded by Parashar Patel. The Chair called roll and all members voted aye. The Chair observed that the motion passes unanimously.
- Parashar Patel made a motion to recommend affirmative action on Article 5: Concord Middle School Building Project. Seconded by Greg Guarriello. The Chair invited discussion in advance of calling roll.
- Amrith Kumar asked if the Finance Committee is open to proposing amendments to the article at town meeting. He suggested considering an amendment related to the tax impact of the article. Carmen Reiss suggested that an amendment such as the one Amrith proposes may necessitate consultation with bond counsel. Amrith asked the Town Moderator if she would entertain a challenge to the originally approved article for \$102M. Carmen Reiss responded that she would not. Parashar Patel asked Amrith to clarify what language he would propose adding to the article. Amrith responded that it would be language to the effect of "such that the tax increase to the median household would not exceed \$1,000 per year..." Lois Wasoff questioned if such an amendment is relevant or appropriate, while acknowledging that she respects the impetus behind Amrith's suggestion. Bob LeLacheur noted that it may be outside the authority of town meeting to prescribe a maximum tax impact like this in the context of the article.
- Parashar Patel stated that he intends to vote in favor of affirmative action on the article, acknowledging that he is sympathetic to the tax impact.
- Don Kupka stated that he feels the taxpayers are owed two explanations: one from the building committee on the impact of inflation on the project and another from the Finance Committee on the tax impact. It is after those explanations are provided that the Finance Committee is able to make a recommendation on approval of the article.
- Kathy Cuocolo stated that she agrees with Don's point.

- Christine Reynolds stated that she continues to have an issue with the process. She pointed to the limitations of the value engineering process and reiterated that there are other components of the project that should have been looked at. She stated that she would be more inclined to support affirmative action if the value engineering had been more robust, but her view has not changed and, hence, she cannot support affirmative action.
- Lois Wasoff stated that she agrees with Christine. She stressed that she appreciates the work of the building committee, but she is not comfortable voting in support of affirmative action given the process issues that Christine has raised.
- Amrith Kumar stated that he remains concerned about the tax impact, and he thinks the Finance Committee's action on this should be more nuanced than just a yes/no vote. He thinks there are other options that should have been presented, such as completing the project in phases. He added that he feels this is being presented as a fait accompli which he does not appreciate.
- Greg Guarriello asked that the Finance Committee report on this article not focus on the tax impact of the already-approved \$103M authorization because it is not relevant. Bob LeLacheur offered his perspective that the scope of the Finance Committee's discussion is on the \$7.2M increase, not the \$103M already approved. Kathy Cuocolo added that it is important context to show the increase in the tax impact for the already approved \$103M. Lois Wasoff added that she expects that the Finance Committee report on this article will make clear the different aspects of the tax impact of the whole project.
- John Garofalo stated that the Finance Committee's scope tonight is the \$7.2M and he's ready to vote.
- The Chair stated that she will vote to support affirmative action on the article. She views it as an investment, and she wants to live in a community that supports schools. She added that she is sympathetic to the impact to the taxpayers.
- Suresh Bhatia commended the building committee for their work. He agrees with Christine that the process could have been better, but acknowledged it is a difficult and tedious process. He stated that he will vote to support affirmative action.
- Ray Andrews stated that he feels the Finance Committee is choosing between "pay more now" and "pay more later" and that the timing is unfortunate. He added that he supports affirmative action on the article, despite concerns about tax impact and the building committee's decision not to look at bigger components of the project for savings.
- Dee Ortner asked for clarification if the Finance Committee will be voting tonight. The Chair responded that there will be a vote tonight and that the committee is currently in discussion on a motion to vote.
- Eric Dahlberg stated that he has been conflicted on the article, but that tonight's public hearing and discussion have been helpful. He agrees with earlier points that further delays will only drive future cost increases and he is ready to vote to recommend affirmative action.
- Christine Reynolds reiterated that the process is important, and she doesn't support a sunk-cost fallacy. She remains concerned at the rigidity of the approach and the risk that this will occur again and again.
- Hearing no further discussion, the Chair proceeded to call roll on the motion to recommend affirmative action on Article 5:
 - Ray Andrews - Aye
 - Suresh Bhatia – Aye

- Peggy Briggs – Aye
 - Kathy Cuocolo – Nay
 - Eric Dahlberg – Aye
 - Jon Garofalo – Aye
 - Greg Guarriello – Abstain
 - Amrith Kumar – Nay
 - Don Kupka – Aye
 - Lyndsey Lis – Aye
 - Dee Ortner – Aye
 - Parashar Patel – Aye
 - Christine Reynolds – Nay
 - Brian Taylor - Aye
 - Lois Wasoff – Aye
- The Chair reported that, with a vote of 11 Ayes, 3 Nays and 1 Abstention, the motion passes.
 - The Chair indicated that the Finance Committee would take a brief break.

Guidelines Subcommittee Discussion

Minuteman Regional Vocational Technical School District

- The Chair resumed the meeting at 10:35 PM.
- Steven Ledoux, Concord representative to the Minuteman Regional Vocational Technical School District, introduced the new Minuteman Superintendent Dr. Kathleen Dawson.
- Dr. Dawson provided a summary of Minuteman’s FY22 and FY23 budget, focusing on the recent shift in enrollment that Minuteman is experiencing and its impact to revenue and assessments.
- Dee Ortner asked for a summary of Minuteman’s new programs. Dr. Dawson responded that there are no new programs being added this year, but they did expand the animal science program and they are taking a look at more specialization in computer science, but that has not been added yet.
- Christine Reynolds welcomed Dr. Dawson and observed that the FY24 budget has not yet been finalized. She asked for confirmation that the FY24 budget will not be a decrease. Dr. Dawson confirmed that. Christine noted that Minuteman experienced a significant increase for last year and asked for a sense of what the number will be for FY24. Dr. Dawson responded that she does not yet have a number but does expect a need for additional funds for salary and for additional hiring. Christine followed up to ask for an update on OPEB obligations and on the towns that have pulled out of the Minuteman District. Steven Ledoux responded that they have looked at that and do not believe there is anything that Minuteman can do.
- Parashar Patel also welcomed Dr. Dawson and asked for an update on Minuteman’s plan to rent out facilities for community events. Dr. Dawson responded that the school has seen an uptick in interest and will report back on rental revenues.
- Dee Ortner asked Dr. Dawson what kinds of challenges she expects at Minuteman. Dr. Dawson responded that Minuteman will continue to strive to be as efficient and innovative as possible despite changes in enrollment. She also flagged the ongoing challenges of the pandemic.

Concord Public Schools

- Dr. Hunter provided a status report on FY24 budget planning. She acknowledged that CPS is struggling with budget impacts of special education. She also reported that the state has approved a 14% increase to private special education placements and that CPS has experienced significant savings due to out-of-district placements in recent years, but that is not expected to be the case for FY24.
- Bob Conry, Assistant Superintendent of Finance and Operations stated that he is hopeful for additional support from the state through the Circuit Breaker program or other supplemental funding. He added that the district cannot rely on some safety nets that they have relied on in the past.
- The Chair asked what the dollar amount is for the 14% increase in private special education placements. Dr. Hunter responded that it roughly \$150K at CPS and over \$300K at the high school.
- Parashar Patel provided a preview of the guideline discussion that he expects to happen at the Monday, November 21st meeting.

Adjournment

- John Garofalo made a motion to adjourn. Seconded by Dee Ortner. The Chair observed that the motion passed unanimously and declared the meeting adjourned at 11:05 PM.

Respectfully submitted by Eric Dahlberg

DRAFT

Town of Concord

Finance Committee

Minutes of January 26, 2023 Meeting

YouTube Link:

www.youtube.com/watch?v=1fD4q3F9cME&list=PL1TTzrWEKOOonnNx4Y97syFCGhi0OGGQrA

Members present: Present: Ray Andrews (online & scribe), Peggy Briggs – Chair, Suresh Bhatia, Eric Dahlberg (online), John Garofalo, Greg Guarriello, Don Kupka, Lyndsey Lis, Dee Ortner, Parashar Patel, Christine Reynolds, Lois Wasoff (online)

Members absent: Kathy Cuocolo, Amrith Kumar, Brian Taylor

Others attending: Bob LeLacheur - Interim Town of Concord Finance Director, Gail Dowd - Town of Concord Chief Financial Officer, Matt Johnson – Chair, Concord Select Board, Mary Hartman – member Concord Select Board, Karlen Reed (online)

1. Call to Order. Ms. Briggs called meeting to Order at 7:00 with a roll call vote. Mr. Andrews volunteered to serve as scribe for the meeting.

2. Special Town Meeting follow up. There was a discussion about next steps now that the Special Town Meeting has been held and the article seeking an additions appropriation for the construction of the Middle School has been approved. Mr. LeLacheur said if the vote in February approves the additional \$7.2M appropriation, the current plan is to borrow \$50M toward construction of the new Middle School this spring after Annual Town Meeting. The current expectation is that the debt will be structured with a 30-year term and level payments. It is also expected that some additional funds will be added to the Middle School stabilization fund. Ms. Briggs reminded the committee that it is possible that CPC funds can be used for the outdoor playing fields. Ms. Ortner said there will be an article from CPS requesting approval of \$1.8M for construction of playing fields, at the new Middle School, if bids for the school itself come in above \$110M. Mr. Bhatia asked if the recreational areas could be done as public private partnership like Beede Center.

3. Annual Town Meeting Warrant Preview MS. Reynolds said that the Warrant for the ATM will contain 46 Articles including 31 that will be presented at FinCom hearings. Many of those are the usual items that come before ATM every year, such as Town and school budgets. CMLP will present an article to approve borrowing \$13M to install solar panels and battery storage at the new Middle School. Although CMLP is an Enterprise Fund the debt would be a general obligation of the Town. CMLP will have a public hearing on this. Ms. Reynolds suggested we invite Brian Foulds, Chair of the Light Board, to make a presentation about this topic in preparation for a public hearing.

The 250th Anniversary Celebration Committee will request an initial amount of \$650K. Mr. Johnson said the Massachusetts Legislature may be asked to approve \$1M for use by Concord and Lexington to celebrate the 250th anniversary.

Ms. Reynolds suggested we invite CPC to brief FinCom on what the proposals it intends to present at the ATM.

4. Storm Water Enterprise Fund. This is a proposal, being discussed now, to establish a separate fund to cover the costs of complying with new federal regulations related to clean water. The fund would cover the costs of the work that will have to be done (such as, for example, cleaning, maintaining, and repairing culverts) and separate those costs from the capital planning process. Several towns in Massachusetts have established funds of this type. The source of the funds could be a flat fee to residential property owners and a fee to commercial property owners that is calculated based on the amount of impervious surface in their properties. The proposal is not on the ATM Warrant. Instead, \$100K from the ARPA funds will be used to fund a feasibility study. Ms. Ortner volunteered to be the liaison from FinCom for this project.

5. Guideline budget updates. Mr. Patel reported that there is still a gap between the current CPS budget and the Guidelines. CPS has reduced the budget from its initial request by \$150K. CASE Collaborative reduced by \$50K cost of student transportation for out-of-district services, and CPS reduced by \$100K how much of state aid for Special Education it will “bank” for future needs. This still leaves a budget gap of \$583K. This situation (of CPS having difficulty meeting the Guidelines) has arisen in past years. Ms. Reynolds noted that CPS’s addition of 11 FTEs plus increases in compensation of 4-5% are driving the increase. Enrollment has not risen. It was noted that the State plans to use the Best Western as an emergency shelter for homeless families, which may have some impact on the schools.

Mr. Patel reported the CPS would like to come to FinCom in February to give context for its request for more money in an attempt to persuade FinCom to change the guidelines.

Ms. Briggs raised concern that CPS Budget may be higher than FinCom Guideline and FinCom may recommend “no action” on CPS Budget at ATM. Then at ATM some members of FinCom may vote to approve the CPS Budget and others may not, which would look “messy.” Ms. Wasoff reminded us that democracy is messy and that last year a similar situation arose which was resolved when CPS and CCRSD were able to present a combined budget that met the Guidelines.

Mr. Kupka shared highlights of information he retrieved from the Massachusetts Department of Elementary & Secondary Education regarding such metrics as operating budgets, standardized test scores and student:teacher ratios at nearby high schools. He will share this data with members of FinCom through Ms. Dowd.

Mr. Patel pointed out that the CPS budget increases over last 4-5 year have been 2.3-3.9%. This year they are asking for 5% increase. The current teacher contract expires in December 2024. Mr. Patel suggested that approving the CPS budget request at \$583K above Guideline sends the wrong message as the school administration begins to negotiate the next contract.

CPS will share more detailed information about its budget with FinCom at a meeting in February at which its budget will be the only agenda item. Mr. Patel will inform us when that meeting will be.

6. Capital Planning update. Ms. Briggs gave a brief update on Capital Planning for Tier 1 and Tier 2 projects.

7. ARPA. Ms. Dowd gave a brief update on the current plans with respect to the allocation of the funds to which the Town is entitled pursuant to the federal ARPA legislation.

8. Free Cash. Ms. Dowd informed the committee that Free Cash is currently estimated to be \$7,588K (or approximately 6%). She expects that amount to be certified by DOR as of July 1, 2022. She will be able to update that figure in March.

9. Personnel Classification & Compensation Study. The study is still ongoing. There was a brief discussion of what FinCom's involvement in that study should be. FinCom's role is to address the overall budget. Specific personnel decisions are not within its remit, although the overall impact of compensation changes on the budget is.

10. Approval of Minutes. The members present unanimously approved, on a roll call vote, meeting minutes for October 27, 2022, November 10, 2022, and November 21, 2022 (with minor amendments and corrections), and January 19, 2023 (as submitted).

11. Facilities Usage Policies. Mr. Patel noted that Minuteman Tech has reported a surplus from rental of their facilities. He and others will gather written Facilities Usage Policies from Minuteman, Beede, the schools, and town departments including recreation. Hopefully Facilities Usage Policies can be created that will enable the Town to offset part of the cost of the enlarged gymnasium and auditorium at the new Middle School.

12. Other Topics. Ms. Briggs asked members to suggest topics for the agendas of future meetings.

13. Adjournment. Mr. Patel made a motion to adjourn, which was duly seconded and passed unanimously. The meeting was adjourned at 8:33PM

DRAFT

Town of Concord
Finance Committee and CPS Committee
Meeting Minutes – February 15, 2023

Present: Peggy Briggs (Chair); John Garofalo; Parashar Patel; Christine Reynolds; Lyndsey Lis; Dee Ortnier; Kathy Cuocolo; Don Kupka; Lois Wasoff attended via Zoom.

Absent: Ray Andrews, Greg Guarriello, Brian Taylor, Suresh Bhatia, Eric Dahlberg, Amrith Kumar

Others Present: This was a joint meeting between the Finance Committee and the Concord Public School Committee. Please consider the School Committee minutes along with these Finance Committee minutes.

Open Meeting: Ms. Briggs called the meeting to order at 4:00 pm. The meeting was in a hybrid format, at the Ripley School and on Zoom.

School Committee Presentation. The Chairs reviewed the meeting objective, which was to revisit the continuing gap of over \$700k between the current Concord Public Schools (“CPS”) budget and the Finance Committee’s FY ’24 CPS budget guideline. In addition, the School Committee sought to clarify some comments regarding Concord Carlisle Regional High School (“CCRHS”) performance metrics as discussed at an earlier Finance Committee meeting. The Finance Committee Guidelines Chair, Parashar Patel, noted a desire to clarify the future rate of CPS cost growth and cost offsets.

Dr. Laurie Hunter, School Superintendent, provided a detailed presentation, attached. [\[LINK TO PRESENTATION TO BE INSERTED HERE WHEN AVAILABLE\]](#).

First there was a discussion of CCRHS’ performance and a data problem believed to negatively impact CCRHS’s ranking as published by Boston Magazine. The latest ranking showed CCRHS as 31st among State high schools, based on 72% of students going on to college – the actual college attendance is 91%. Historically, CCRHS has been ranked among the top 10 State school districts; the Superintendent is working to have the ranking revised.

The Superintendent covered the schools’ response to the decline in students’ mental health resulting from the pandemic as well as the recent announcement that homeless families will be housed at a local hotel. She discussed the results of school satisfaction surveys and student mental health surveys and responded to several questions.

Turning to the CPS budget, Dr. Hunter covered the growth of Special Education services provided within district, the growth in associated staff and the increase in the number of students with acute needs. She noted that the 7.5 FTE headcount growth in the FY’24 budget is related to Special Education services. The Superintendent responded to questions from the Finance Committee about the programs and related costs.

Dr. Hunter also covered metrics regarding per pupil spending, average teacher salaries, student teacher ratios, and average class size as compared to local districts. She also reviewed the latest district enrollment projections showing a downward trend which tapers off in the future. A discussion of the metrics ensued.

Next there was a review of CPS' operating cost growth and offsets (state funding/grants) including the use of ARPA and ESSR funds. It was noted in FY23 CPS added unbudgeted staff funded by ESSR grant funds, which were now rolling into the FY 24 operating budget request.

The Superintendent stated that the 4.7% requested CPS budget increase represented a level service budget and that the percentage increase was not without historical precedent looking back to FY13-15. She also noted that 80% of CPS' budget is tied to contractual salary increases and therefore has little room for reductions. Mr. Parashar Patel, noted that without context, historical comparisons of budget increases are less meaningful. The CPS School committee chair commented that the 4.7% increase was what was needed to maintain the strong results due to the increased mental health needs of the students.

Lastly, the Superintendent reviewed possible steps to close the budget gap. These steps were described as student facing but as far from core curriculum as possible and included reductions in transportation, field trips, and the instrumental music program. The list was intended to demonstrate the difficulty in reducing the budget further and the actions were not recommended by the Superintendent, nor had they been reviewed by the School Committee.

Finance Committee members commented on the budget presentation thanking the Superintendent and the School committee for the information and the dialog. In addition, comments included the difficulty of balancing the growing school and town budgets with affordable property tax growth, the need for Finance Committee, the School Committee and the Select Board to work together to address this structural issue, the need to identify efficiencies as well as other revenue sources (e.g. school fees, fund raising, increased commercial base, etc.) to fund cost growth, and the need to address deferred town capital and operating needs.

The session was well attended and there were many public comments which focused on two primary issues. Commenters expressed concern about any cuts in elementary musical instrument education and provided examples of how it benefited them or their children. Others expressed concern about reducing the budget which some felt was a town responsibility, noting the budget had already been cut to the bone, the need to support teachers' salaries, and that the guidelines should be increased to meet the CPS budget.

School committee members commented that the possible reductions were not good for the community and that the community expects the level of service assumed in the proposed budget. Parashar Patel reiterated that the structural budget issues need to be examined and requested that updated five year CPS financial projections be provided so the public is informed as to expected cost growth.

Next Steps. The FinCom will hold a public hearing on the School Committee articles on March 9 at 7pm in the Town House Hearing Room.

The meeting was adjourned at approximately 7:00 pm.

Improvement Ideas FinCom

DRAFT

February 27, 2023

What's the challenge?

- Concentrated workload
- Succession planning
- Attract, retain strong members

What are the deliverables?

- Annual report to citizens on Town finances and Article recommendations,
- Annual metrics regarding future “sustainable” growth trends
- Annual operating budget guidelines for Town, Concord Public Schools, and the Concord-Carlisle Regional School District
- Warrant Article recommendations to Annual Town Meeting
- Finance Committee objectives and metrics and year-end review

What's the work?

- ✓ Annual report prepared in conjunction with Town Chief Financial Officer; 50-100 hours by Finance Committee members; process led by Finance Committee Chair and Clerk
- ✓ Hold ~ 20-25 public meetings; material developed by staff, Committee members' research/analysis and preparation; and review materials
- ✓ Four-five Guidelines Committee meetings; preparation time; meetings/calls with Town and School personnel to prepare and resolve issues; develop meeting materials,
- ✓ Review ~ 30 Warrant Articles with financial impact; hold three public hearings
- ✓ Identify objectives and metrics
- ✓ Prepare and post agendas and meeting minutes
- ✓ Observe other committee meetings to identify potential financial issues across town
- ✓ Meet with Select Board and CPS and CCRSD Committees to review Long-term Capital Plan
- ✓ Attend Annual Town Meeting; prepare and deliver presentations if required or desired

Resources and Structure

- 15 volunteer Committee members appointed for up to 2, 3-year terms by Town Moderator in consultation with Committee chair.
- Membership a mix of skills and experience as well as capacity.
- Training is primarily “on the job”.
- 4 officers:
 - Chair
 - Vice Chair/Guidelines Chair
 - Clerk and
 - Guidelines Clerk
 - Officers usually change annually, progressing to Chair
- Individual Members serve as liaisons to other Town committees and boards
- Town Chief Financial Officer is Committee liaison and provides support on information requests and supports development of the Annual Report.
- Previously Town supplied a minute taker and ran a training session for Members

Current scope of responsibilities, 1 of 3

	Chair	Vice-Chair & Guidelines Chair	Clerk	Guidelines Clerk	Liaisons	All Members	Chief Financial Officer
Annual Report	<ul style="list-style-type: none"> Write applicable sections (Chair Letter) Participate directly in report preparation 	Write applicable sections	Lead the Finance Committee Special Town / Annual Meeting report process		Prepare applicable sections as requested	<ul style="list-style-type: none"> Prepare applicable sections as requested Provide input 	<ul style="list-style-type: none"> Prepare applicable sections Provide data Provide input and support
Sustainable rate metrics		<ul style="list-style-type: none"> Review methodology Calculate sustainable rate metrics 				<ul style="list-style-type: none"> Actively participate in decisions and vote 	Provide support
Guidelines		<ul style="list-style-type: none"> Lead and manage Guidelines agendas and process Meet with Town and Schools as necessary Issue Guideline letters 				<ul style="list-style-type: none"> Actively participate in decisions and vote 	Provide support

Current scope of responsibilities, 2 of 3

	Chair	Vice-Chair & Guidelines Chair	Clerk	Guidelines Clerk	Liaisons	All Members	Chief Financial Officer
Warrant article recommendations	<ul style="list-style-type: none"> Review articles with Select Board Identify and schedule hearings as needed 	<ul style="list-style-type: none"> Support chair Act as backup as needed 	Support chair		Prepare recommendations as requested	Actively participate in decisions and vote	Provide support
Finance Committee objectives and metrics	Set objectives and assess performance					<ul style="list-style-type: none"> Actively participate in decisions and vote Volunteer to lead on key topics 	Provide support
Meeting management	Set and lead agenda	<ul style="list-style-type: none"> Support chair Act as backup as needed Set and lead agenda for Guidelines meetings 	<ul style="list-style-type: none"> Oversee minutes process, review and approval 	<ul style="list-style-type: none"> Oversee Guidelines minutes process, review and approval 		<ul style="list-style-type: none"> Provide input to schedule and agendas Prepare minutes as assigned 	<ul style="list-style-type: none"> Post meeting agendas and approved minutes Distribute meeting materials to Members

Make recommendations to Town Moderator

Recruit members

Current scope of responsibilities, 3 of 3

	Chair	Vice-Chair & Guidelines Chair	Clerk	Guidelines Clerk	Liaisons	All members	Chief Financial Officer
On-board new members	Set training agenda				Update liaison successors as necessary	Incumbent members support new members	<ul style="list-style-type: none"> • Train on MA municipal finance policy/process • Train on Concord Finance Committee policy/process
Town and committee liaisons	<ul style="list-style-type: none"> • Assign liaisons • Serve as point of contact with Select Board, Town Chief, Financial Officer, Town Manager, School Committees, Superintendent and Town Moderator • Attend and present updates at Monthly chair Meetings 	<ul style="list-style-type: none"> • Support Chair as requested 			<ul style="list-style-type: none"> • Attend assigned committee meetings as necessary • Update Finance Committee as needed 		

Increasing opportunities to participate and fostering succession planning

Increasing Opportunities to Participate

- Appoint additional leadership roles:
 - ✓ Separate Vice Chair and Guidelines Chair duties;
 - ✓ Add second resource to Guidelines Chair duties;
 - ✓ Add second resource to Clerk duties.

Town and Committee Liaisons

- Shift responsibility for identification and communication of expected financial issues to town committee chairs, working through Finance Committee liaisons
- Finance committee liaisons not expected to attend all meetings for their assigned committee

Additional Resources

- Align with Town Chief Financial Officer about support for:
 - ✓ meeting management;
 - ✓ Guidelines preparation;
 - ✓ Annual Report.
- Explore use of a public policy graduate student intern for minutes/analysis

Increasing opportunities to participate and fostering succession planning

Strengthening Long-term Perspective and Continuity

- Continue development and update of Finance Committee longer-term goals
- Following Annual Town Meeting, assess Finance Committee's progress vs. deliverables and goals set forth at start of fiscal year
- Implement ongoing training program
- Compile one-stop shopping for support resources (e.g., by-laws, policies, etc.)

Succession Planning

- Work with Moderator to seek high-capacity candidates and set clear expectations about duties and time required.
- Solicit new members' interests, skillsets and capacity re FinCom role;
- Reinstitute member training during the Summer months

Potential scope of responsibilities

	Chair	Vice-Chair	Guidelines Chair	Vice-Chair, Guidelines	Clerk	Guidelines Clerk	Liaisons	All Members	Chief Financial Officer
Annual Report	<ul style="list-style-type: none"> Write applicable sections (Chair Letter) Participate directly in report preparation 	Prepare applicable sections if needed	Write applicable sections	Prepare applicable sections if needed	Lead the Finance Committee Special Town / Annual Town Meeting report process	Support development of Annual Report processes	Prepare applicable sections if needed	<ul style="list-style-type: none"> Prepare applicable sections if needed Provide input 	Provide support
Sustainable rate metrics			<ul style="list-style-type: none"> Review methodology Calculate sustainable rate metrics 	<ul style="list-style-type: none"> Support methodology review Support calculation of sustainable rate metrics 				<ul style="list-style-type: none"> Actively participate in decisions and vote 	Provide support

New role

More clearly defined role

Potential scope of responsibilities, continued

	Chair	Vice-Chair	Guidelines Chair	Vice-Chair, Guidelines	Clerk	Guidelines Clerk	Liaisons	All Members	Chief Financial Officer
Guidelines			<ul style="list-style-type: none"> Lead and manage Guidelines agendas and process Meet with Town and Schools as necessary Issue Guideline letters 	Support development of Guidelines				Actively participate in decisions and vote	Provide support
Warrant article recommendations	<ul style="list-style-type: none"> Review articles with Select Board Identify and schedule hearings as needed 	<ul style="list-style-type: none"> Support chair Act as backup as needed 						Actively participate in decisions and vote	Provide support
New role							<ul style="list-style-type: none"> Provide background re relevant matters for Finance Committee consideration Prepare recommendations as requested 	Actively participate in decisions and vote	Provide support

More clearly defined role

Potential scope of responsibilities, continued

	Chair	Vice-Chair	Guidelines Chair	Vice-Chair, Guidelines	Clerk	Guidelines Clerk	Liaisons	All Members	Chief Financial Officer
Objectives and metrics	Set objectives and develop metrics							<ul style="list-style-type: none"> Actively participate in decisions and vote Volunteer to lead on key topics 	Provide support
Meeting management	Set and lead agenda	<ul style="list-style-type: none"> Support chair Act as backup as needed 	Set and lead agenda for Guidelines meetings	<ul style="list-style-type: none"> Support Guidelines Chair Act as backup as needed 	Oversee minutes process, review and approval	Oversee Guidelines minutes process, review and approval		<ul style="list-style-type: none"> Provide input to schedule and agendas Prepare minutes as assigned 	<ul style="list-style-type: none"> Post meeting agendas and approved minutes Distribute meeting materials to Members
Recruit members	Make recommendations to Town Moderator								

New role More clearly defined role

Potential scope of responsibilities, continued

Chair	Vice-Chair	Guidelines Chair	Vice-Chair, Guidelines	Clerk	Guidelines Clerk	Liaisons	All Members	Chief Financial Officer
On-board new members	Set training agenda					Update liaison successors as necessary	Incumbent members support new members	<ul style="list-style-type: none"> Train on MA municipal finance policy / process Train on Concord Finance Committee policy / process

New role

More clearly defined role

Potential scope of responsibilities, continued

	Chair	Vice-Chair	Guidelines Chair	Vice-Chair, Guidelines	Clerk	Guidelines Clerk	Liaisons	9 Non-officer Members	Chief Financial Officer
Town and committee liaisons	<ul style="list-style-type: none"> Assign liaisons Serve as point of contact with Select Board, Town Chief Financial Officer, Town Manager, School Committees, Superintendent and Town Moderator Attend and present updates at Monthly chair Meetings 	Support Chair as requested					<ul style="list-style-type: none"> Attend assigned committee meetings as necessary Update Finance Committee as needed 		
New role									

More clearly defined role

Appendix

- Town has 66 committees, subset typically observed by FinCom members
 - Select board
 - School committees (3)
 - Planning board
 - Affordable housing groups (3)
 - Community preservation
 - Municipal light plant/broadband
 - Board of Assessors
 - Recreation
 - Public Works
- Other committees may have a liaison assignment, based on financial impact
 - Middle School building
 - 250th celebration
 - Natural resources
 - Personnel board
 - Economic vitality
 - Council on Aging
 - Tax fairness
 - Library

Finance Committee Members

as of 6/10/22

Andrews, Ray	2024		rayandrews@comcast.net
Bhatia, Suresh	2025 Term 1		sbhatia@aconstructioninc.com
Briggs, Margaret	2024 Term 1	Chair	peg.briggs@gmail.com
Cuocolo, Kathy	2023 Term 1		kcc.fincom@gmail.com
Dahlberg, Eric	2024 Term 1		ericdahlberg@gmail.com
Garofalo, Jon	2025 Term 1		johnagarofalo@yahoo.com
Guarriello, Greg	2025 Term 2		gregguar@gmail.com
Kumar, Amrith	2023 Term 1	Guidelines Clerk	concord.amrith@gmail.com
Kupka, Don	2023 filling 2yr		concordmarin@gmail.com
Lis, Lyndsey	2025 Term 1		lyndseylis@gmail.com
Ortner, Dee	2025 Term 2		daortner@gmail.com
Patel, Parashar	2024	Vice Chair & Guidelines Chair	ponfincom@gmail.com
Reynolds, Christine	2024 Term 2		FinComCR@gmail.com
Taylor, Brian	2023 Term 2		btaylor@cambridgeassociates.com
Wasoff, Lois	2023 Term 1	Clerk	lwasoff.fincom@icloud.com

Matt Johnson	Select Board Observer		
Cynthia Rainey	School Committee Observer		
Kerry Lafleur	Interim Town Manager		klafleur@concordma.gov
Dr. Laurie Hunter	School Superintendent		lhunter@concordps.org
Bob LeLacheur	Interim Finance Director		blelacheur@concordma.gov
Gail Dowd	Interim Finance Director		gdown@concordma.gov
Bob Conry	Ass't Superintendent Finance & Operations		bconry@concordps.org

Committee Assignments July 2022

Position	Name
Select Board	Peggy Briggs
Schools	Kathy Cuocolo
Schools	Eric Dahlberg
Middle School Building Committee	Suresh Bhatia
Middle School Building Committee	Chris Reynolds (backup)
Minuteman Vocational Tech	Brian Taylor
Board of Assessors	Dee Ortner
Retirement Board	Jon Garofalo
Municipal Light Plant	Chris Reynolds
Library	Brian Taylor
Recreation Commission	Amrith Kumar
Senior Services/Council on Aging	<i>to be determined</i>
Affordable Housing Trust	Ray Andrews
Concord Housing Authority	Ray Andrews
Concord Housing Development Corporation	Ray Andrews
Board of Health	<i>to be determined</i>
Economic Vitality Committee	Don Kupka
Planning Board	Don Kupka
Community Preservation Committee	Dee Ortner
Public Works Commission	Eric Dahlberg
Regional Dispatch Center Committee	Greg Guarriello