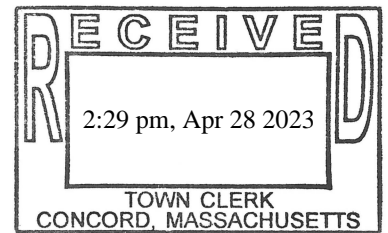


Concord Finance Committee Meeting Minutes
February 23, 2023
7:00 pm



The meeting was called to order by Chair Peggy Briggs at 7:00 pm with the following members in attendance: Ray Andrews, Suresh Bhatia, Peggy Briggs, Kathy Cuocolo, Eric Dahlberg, John Garofalo, Don Kupka, Dee Ortner, Parashar Patel, Chris Reynolds, and Lois Wasoff.

Scribe for Minutes

Mr. Patel volunteered to take minutes for this meeting.

Review Public Hearing Schedule

Ms. Briggs reviewed the public hearing schedule as follows:

- February 27 – Select Board Public Hearing
- March 1 – Finance Committee Public Hearing for the Town and CPC
- March 7 – Planning Board Public Hearing
- March 9 – Finance Committee Public Hearing for the Schools
- March 15 – Finance Committee Public Hearing for Enterprise Funds.

Ms. Briggs urged all Finance Committee members to attend as many of the public hearings as possible. Ms. Briggs also noted Mr. Patel will chair the Finance Committee hearing on March 1st because she will not be able to attend that hearing.

Overview of Annual Town Meeting Warrant

Ms. Briggs reviewed Town Meeting Warrant Articles to ask for input on whether the Finance Committee should discuss and/or include in the annual report. Committee members commenced discussing the specific articles and made decisions as noted below:

Article 3 – Meeting Procedure. Routine article on Town Meeting procedures. No need for discussion by Finance Committee.

Articles 4 - 6 concerning Personnel Board classification actions and compensation plans. Select Board Chair Matt Johnson clarified that these articles will not be discussed at the February 27, 2023 hearing because the compensation consultant's report will not be ready at that time. The hearing for these articles will be continued to March 27th by which time the Select Board expects to have the consultant's report.

Ms. Reynolds asked if these articles would change the Town budget. Gail Dowd, Concord Chief Financial Officer, confirmed that these articles will not affect the FY 24 Town Budget because it already incorporates the anticipated impact to compensation for Town employees for Fiscal Year 24. The Finance Department may update five-year cost projections for Town spending based on the consultant's final report. The Committee agreed that the Committee does not need to include these Articles at any upcoming Finance Committee FY 24 budget hearing because it does not affect the Budget and that the Annual Report should make this clear.

Article 7 – Free Cash. This article will be discussed at the March 1st Finance Committee hearing. The Finance Committee will also discuss and make a recommendation.

Article 8 –Town Budget Line-Item Adjustments. This article was not moved last year. No adjustments needed at this point according to the Finance Department so no need to address at any upcoming Public Hearings. However, the Finance Committee should discuss at a future meeting and make a recommendation if adjustments are needed, and the article is moved.

Article 9 – FY 2024 Town Budget. This article will be included in the March 1st Finance Committee hearing. The Finance Committee will also discuss and make a recommendation.

Article 10 – Citizen Petition for DEI Director. Committee discussed whether the Finance Committee should make a recommendation. Mr. Johnson clarified that while this is a citizen petition, it will be presented by the DEI Committee co-chairs and that the article will be discussed at the Select Board Public Hearing on February 27, 2023. Because the Article was only a recommendation and does not ask for additional funds for the Town budget, the Committee decided that the Finance Committee will not make any recommendation at this time. If the article seeks funding in addition to the Town budget as noted in Article 9, the Finance Committee may review and decide to make a recommendation.

Articles 11- 18 concerning capital and debt plan; OPEB appropriation; OPEN fund expense; opioid settlement; Minuteman, Concord-Carlisle Regional School District budget; and Concord Public Schools budget, capital projects, and Middle School fields & landscaping. All these articles will be discussed at the March 1, March 9, and March 15 Finance Committee public hearings and other meetings and recommendations on these articles.

Article 19 – CPS Fields & Landscaping – Mr. Johnson clarified that bids are not due until close to the end of April, therefore at this time it is not known if Article 19 will be moved. This article will be discussed at the March 9, 2023 Finance Committee public hearing.

Article 20 – Middle School Stabilization Fund. While the current version of the article seeks to appropriate \$1 million to the stabilization fund, the actual amount at Town Meeting may be either \$750,000 or \$500,000 from the Overlay Surplus according to CFO Gail Dowd. This article will be part of the March 1 hearing. The Committee will also discuss and make a recommendation on the article.

Article 21 – Light Plant Solar Expansion – Middle School. This article will be part of the March 15 hearing and the Finance Committee will make a recommendation. Ms. Reynolds provided a summary of the solar array to be sited at the new Middle School. The capital costs for the solar expansion will be borne by the Municipal Light customers. The latest cost estimate is between \$7-8 million rather than the \$13 million printed in the Warrant. The estimates have changed because of the size of the battery and includes canopies as well. Costs may be further reduced if ARPA and federal funds are available. The project will add \$14-27 per year to the average

electric bill over 20 years, depending on whether ARPA and/or federal funds are available. In response to a question, Interim Finance Director Bob LeLacheur noted that the debt for this project would be issued as “general obligation bonds”. Ms. Briggs reminded members and the public that the Feb 28th public forum will provide more information on the project and urged attendance.

Articles 22 – 23 concerning solar generation task force and stretch energy goals. These articles are not included in any Finance Committee hearing nor will the Finance Committee make recommendations.

Articles 24 – 29 concerning the municipal light plan; 250th anniversary celebration; Community Preservation Committee recommendations, reappropriate funds, and Affordable Housing Trust; and transfer of housing funds. These articles will be discussed at the March 1, March 9, and March 15 hearings. The Committee will also discuss and make a recommendation on these articles.

Article 30 – Plainfield Road easement. No Town funds will be used to obtain the easement. This article is not included in any Finance Committee hearing nor will the Finance Committee make a recommendation.

Article 31 – Beede Center. This article will be discussed at the March 15 hearing. The Committee will also discuss and make a recommendation on this article.

Articles 32 – 37 concerning demolition reviews; zoning bylaw amendments on restaurant parking, mobile food establishments, and combined business/residence; citizen petition on noise bylaw; and citizen petition on leaf blowers. These articles are not included in any Finance Committee hearing nor will the Finance Committee make recommendations.

Articles 38 – 44 concerning solid waste; sewer system; water system; PEG access; parking meters; and revolving funds. These articles will be discussed at the March 1 and March 15 hearings. The Finance Committee will discuss and make recommendations on these articles.

Articles 45 and 46 concerning unpaid bills and debt recission. These articles will not be moved this year; therefore, they are not included in any public hearings, nor will they be discussed by the Finance Committee.

Discuss Finance Committee Report to Annual Town Meeting

Ms. Wasoff provided an overview of the proposed Finance Committee annual report outline as circulated in the Finance Committee meeting packet. The format and structure will follow what was used in the 2022 Annual report. The outline includes suggestions for responsible individuals for each section.

Ms. Wasoff asked for input on the addition of a “deeper dive” on Capital Planning. The Finance Department will draft with input from the Ms. Briggs and Mr. Patel. The Finance Committee agreed that the addition will be useful.

The Town will develop a model for five-year projections of property taxes for the median tax bill. The accompanying narrative will be developed by the Finance Committee.

The chart summarizing Finance Committee recommendations, including rationales for each article, will be developed by the committee liaisons. The liaisons will also develop drafts for the “deep dives” for select articles while others will be developed by the Finance Department (e.g., free cash, Town budget).

- The school-related sections will be written by Ms. Cuocolo, Mr. Dahlberg, and Ms. Reynolds as noted in the outline.
- The CPC sections will be written by Ms. Ortner and Mr. Andrews.
- Because the Finance Committee does not have a liaison to the 250th Anniversary Celebration committee, Ms. Wasoff asked for a volunteer. If no member volunteers, Ms. Briggs will assign a member to draft this section of the annual report.
- After a brief discussion, the Committee agreed that the FY 2024 annual report will follow the same format as last year for Town Enterprise funds.

All drafts are due to Ms. Wasoff by March 15th at the latest so that the annual report can be printed and ready for distribution at the April 30th annual Town meeting.

Review 5-year tax bill Projections

Mr. LeLacheur agreed to have five-year projections ready for inclusion in the FY 2024 annual report. The projections will be based on the five-year cost and non-property tax revenue projections.

Discuss CPS FY24 Budget

Finance Committee members shared their perspectives of the joint School and Finance Committees meeting on February 15th as shown below:

- Mr. Patel indicated that he was disappointed at what we heard. While we received historical and comparative data, he does not understand what CPS plans to do to reduce future cost growth, estimated now to be about 4% per year over the next five years.
- Ms Briggs said that various members of the Finance Committee brought up good points. She noted that the CPS budget has always been a tough discussion and hopes that we make some progress on the structural issues.
- Mr. Kupka shared his observation that there was a very detailed discussion of potential budget items to be eliminated or cut at a very early point in the process. Mr. Kupka further noted that his heart broke when a school employee said that their position

would be eliminated. Mr. Kupka proposed that when the Finance Committee asks for information about cost reductions, we aren't seeking that level of detail. We should be able to have a conversation about overall spending without creating stress for individual employees or students.

- Ms. Cuocolo reinforced Mr. Kupka's comments. She agreed that we need not ask for those details and noted that we don't even see such details when the budget is completed.
- Ms. Briggs indicated that from her perspective, the current school administration provides more detail than previous administrations. While we do not vote on those line items, the information is much more transparent than 10 or 15 years ago.
- Mr. Patel indicated that he had one additional observation. Upon reviewing the metrics in the CPS strategic plan, one may agree or disagree with the metrics; however, performance relative to the metrics are not updated in one place. Mr. Patel recommended that the Finance Committee Annual Report should urge the Town, CCRSD, and CPS should adopt and consistently update strategic plans. He also urged the Finance Committee to develop annual plans at the start of the fiscal year and review and self-evaluate after each Town Meeting.
- Ms. Reynolds noted that if CPS spending grows at 4% per year in the future, we'll be exceeding our revenue. She further noted that if the Town and Schools cannot reduce costs, it cannot all drop to property taxes. Ms. Reynolds noted that the Town and Schools must look at ways to increase non-property tax revenues. She reiterated that this is not only the Finance Committee's responsibility but everyone's.
- Ms. Briggs agreed with Ms. Reynolds however noted that "it's a tough sell".

Minutes from Prior Meetings

There were no minutes to approve for this meeting. Ms. Briggs said that the minutes from February 15, 2023 are still outstanding because she has not completed them. Ms. Wasoff noted that except for the February 15th minutes, she has drafts of all other outstanding minutes and expects that we will be able to approve those at the next Finance Committee meeting.

Public Comments

No public comments received.

Warner's Pond

Ms. Ortner asked members if they have received notices for a March 2, 2023 community meeting at the Town House on Warner's Pond because residents that she has spoken with have not received it. Many members have received the notice in the mail. Ms. Ortner urged members to attend.

Remote Meetings

At this time, the authorization to conduct remote and hybrid meetings ends March 31st unless extended. There has been no update on whether it will be expended.

Upcoming Public Hearings

Ms. Briggs indicated that Mr. Patel will chair the March 1st hearing because she will not be available. Ms. Briggs reviewed the hearing schedule again.

The meeting was adjourned at 8:52 pm.