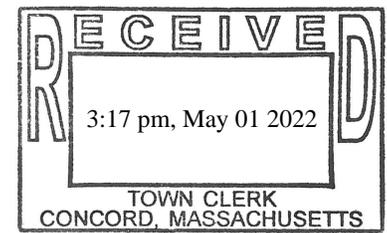


Town of Concord
Finance Committee Guideline Meeting
Meeting Minutes-October 14, 2021



Present: Parashar Patel (Chair), Christine Reynolds, Mary Hartman, Dee Ortner, Dean Banfield, Peggy Briggs, John Hickling, Eric Dahlberg, Amrith Kumar, Lois Wasoff, Ray Andrews, Brian Taylor, Kathy Cuocolo

Others Present: Kerry LaFleur, Town Finance Director, Chris Carmody, Town Manager's Office, Stephen Crane, Town Manager, Terri Ackerman, Select Board

Open Meeting

Chair Patel established that there was a quorum with a roll call, and called the meeting to order. The meeting was held over Zoom and broadcast via MMC. Chair Patel shared with the Committee the 5-year CAGR projections by important metrics (benefits, debt service, etc.) related to the Town Budget resulting in a total spending increase of 4.5%.

Finance Director Kerry LaFleur provided her response to the Guideline by discussing the top 4 priorities over the next 5 years and the budget implications.

1) Compensation and benefits. These are felt to have fallen behind from a peer Town standpoint. The Town aspires to be an "employer of choice." The Light Plant was an area of particular concern due to the skill sets required. Attrition is expected to moderate. A competitive compensation analysis has not been performed in many years.

2) Infrastructure. There has been underfunding in road, water plant and broadband areas. The question arose as to whether the Enterprise funds can support the needed improvements.

3) Governance. The Town continues to create committees that require additional staff support. An assessment of the number and duplicity of committees might be required.

4) Make Concord a welcoming community. This is to be accomplished through access to public housing, social services, and transportation. These requests are expected to challenge the Free Cash balance.

Finance Director LaFleur next discussed the 5-year Budget Forecast. Compensation is expected to increase somewhat more in the early years, an average of 3.5% through FY27. Currently there are no estimates for the impact of a New Middle School on the budget. Provider change has led to higher health insurance costs, with an estimated 6.5% increase. The OPEB projection is for a 2% increase due to previous measures taken. Overall insurance costs are expected to increase due to the number of claims. Areas of opportunity for revenue growth over the next few years from other sources were discussed. Free Cash is expected to be certified at a higher than expected \$8.5 m. due to \$1.5-\$2 m in greater revenues. This would move Free Cash from 5.5% of budget to approximately 8.2% of the budget.

There being no further business, the meeting was adjourned by a roll call vote.

Respectfully submitted, John R. Hickling (scribe)