

BUDGET SUMMARY: ARTICLE 7

Town Government Departments & Joint Town-CPS Accounts

ARTICLE 7 consists of 47 separate appropriation accounts.

Once voted, funds cannot be transferred between these accounts except by Town Meeting action. For Guideline purposes, these accounts are grouped into two categories:

- the Town Operating Budget, Items 1-42 recommended at \$17,190,013, equal to the Finance Committee's Guideline;
- the Joint Town-CPS accounts, Items 43-47, recommended at \$13,577,193, including employee group insurance, the town's annual required payment to the employee (non-teacher) pension

fund, and the debt service account.

Item 47, Debt Service, includes \$3,247,193 for principal and interest expense excluded from the levy limit by past votes of the electorate (refer to Excluded Debt pages 34,35).

Town Government:

Items 1-42

The proposed operating budget for the departments organized under the Town Manager is \$17,190,013. This is an increase of 4.8%. As shown in the accompanying table, it is broken down into two

main components: operations, up 4.5% to \$15,724,013; and capital outlay, up 8.1% to \$1,466,000. The total is in accordance with the Budget Guideline established by the Finance Committee.

Article 7 Overview

Article 7 shows only the General Fund portion of each budget account, as this is the portion to be voted by the Town Meeting. Many budget accounts include resources from other funds, typically involving allocations from the Town's enterprise operations (Water, Sewer, Light, Solid Waste, Swim & Fit-

Article 7 - The Proposed Town Government General Fund Budget for the year beginning July 1, 2008 General Fund appropriations

	Appropriations FY 2008	Proposed FY 2009	percent change
Operations (accounts 1-42)			
General Government	\$1,671,282	\$1,719,447	2.9%
Finance & Admin	1,538,948	1,613,573	4.8%
Police & Fire	6,535,255	6,659,823	1.9%
Public Works	2,565,206	2,568,292	0.1%
Library	1,667,391	1,678,849	0.7%
Reserve Fund	225,000	225,000	0.0%
Salary Reserve	189,322 *	600,000	
Recreation & all other	649,570	659,029	1.5%
subtotal- operations	<u>\$15,041,974</u>	<u>\$15,724,013</u>	<u>4.5%</u>
Capital Outlays	1,356,000	1,466,000	8.1%
TOTAL subject to Guideline	<u>\$16,397,974</u>	<u>\$17,190,013</u>	<u>4.8%</u>
Town and School debt service (account #47):			
repayment within levy limit	2,909,750	3,100,000	6.5%
excluded from levy limit	2,550,432	3,247,193	27.3%
TOTAL	<u>\$5,460,182</u>	<u>\$6,347,193</u>	<u>16.2%</u>
Employee Benefits (Town and CPS):			
Group Insurance (acct. #43A)	3,600,000	3,845,000	6.8%
Retirement (pension funding, acct. #45)	2,380,000	2,450,000	2.9%
Medicare/social security (acct. #46)	522,000	510,000	-2.3%
TOTAL	<u>\$6,502,000</u>	<u>\$6,805,000</u>	<u>4.7%</u>
Other Expenses (Town/CPS joint accounts)			
Workers & Unempl. Comp (acct. #44)	200,000	200,000	0.0%
Property & Liability Insr. (acct. #43B)	225,000	225,000	0.0%
TOTAL, Article 7	<u>\$28,785,156</u>	<u>\$30,767,206</u>	<u>6.9%</u>

* NOTE: balance of FY08 salary reserve not yet transferred to operating accounts

ness Center) for management services provided. The table on pages 24 and 25 shows the total budget for each Town department and, in the far right column, the appropriation portion of the account appearing in Article 7.

The Town Manager's Proposed Budget document, published Jan. 29 and available on the Town website, concordma.gov, provides detailed discussion of each account. The Finance Committee has reviewed this document with the Town Manager and has conducted a Public Hearing (Feb. 25) on the submitted plan. The Finance Committee concludes that the sum involved is appropriate and necessary for the tasks and objectives planned. The Board of Selectmen concurs.

Highlights of the Proposed Budget are summarized as follows.

Staffing changes

For FY09, there are two significant proposed staffing changes:

1) A professional dispatcher position is proposed to be added to the Police Department budget (account 12). This eighth dispatcher will permit a higher proportion of shifts to be staffed with two professionally trained dispatchers. Presently, only four of the weekly day shifts are staffed in this manner, with additional staffing provided by on-duty police officers.

2) A Park and Tree Specialist position is added to the Park and Trees Division budget (account 22). This position will provide playing field maintenance services, including the new multi-purpose playing fields under construction on the grounds of the High School cam-

pus. About two-thirds of the position will be directed to the maintenance of these new fields, with gift funds covering this cost as well as related employee benefit costs, supplies and materials.

Other changes in tax-supported staffing include: 1) the addition of 500 intern hours in the Natural Resources Division (account 5C), which will be dedicated to mapping and assembling baseline documentation for town-held conservation restrictions; 2) the addition of 250 hours to the Town Clerk budget (account 9E) to assist with a growing workload in elections, voter registration and records management (birth, death, etc.).

Budget Changes

The principal actions recommended in this budget for each appropriation account are as follows:

1A Town Manager

\$13,000 is proposed for special projects related to the Adult and Community Education Program.

1B Town-wide building maintenance

This account was initially established in the FY05 budget in order to set up a central pool of funds with which to monitor building conditions, establish renovation priorities, and fund repairs and improvements on a continuous basis, with the objective of maintaining the condition of all buildings under the jurisdiction of the Town Manager. Funded at \$40,000 in FY05, the funding has gradually been increased to a recommended level of \$135,000 for FY09. The five-year Capital Outlay plan raises this funding target to \$230,000 by FY13. At some

point, this account may support a professional facilities manager staff position. An interdepartmental committee under the direction of the Assistant Town Manager manages the fund. This account has already demonstrated its utility, with use at the Town House, 141 Keyes Road and the Police and Fire headquarters building.

2 Legal services

The Legal Services account is proposed to be increased by \$20,000. The volume of litigation and advisory work is increasing. Current year costs are expected to exceed the budget level and will require that the Finance Committee allocate funds from the current year Reserve Fund (account #39) before the end of this fiscal year.

3A Elections

With a Town Caucus, the annual Town election, a State primary and the presidential election, the elections budget provides for four elections during the next fiscal year, rather than the two elections in the original FY08 budget.

4 Town Meeting and reports

The budget allows for a four-session Annual Town Meeting in April 2009 and also funds a one-day Special Town Meeting.

5A Planning Division, DPLM

The Planning Division is staffed with four employees. One staff planner provides part-time support for the Community Preservation Committee. The budget shows a charge to the Community Preservation Fund for these direct administrative services provided to the Community Preservation Committee, as permitted by statute and au-

thorized by Town Meeting action.

5C Natural Resources Division, DPLM

The recommended budget provides for continued funding of the part-time rangers who will work from May to October to assist with conservation land management and natural resources education. In addition, an amount of \$5,000 for pond management, which includes aquatic invasive plant removal, is allocated in the FY09 budget.

5D Building Inspections Division, DPLM

In calendar year 2007, the number and value of permits fell slightly but still remained at a historically high level.

5E Health Division, DPLM

Due to public health concerns related to the spread of Eastern Equine Encephalitis (EEE), the budget for mosquito control is proposed to be continued at \$20,000 in FY09. This funding will go toward providing surveillance of adult mosquitoes, treatment of catch basins with larvacide, treatment of mosquito habitats with larvacide, and monitoring of infected birds.

9A Finance Administration Division, Finance Department

\$40,000 is included as the General Fund's share of renting and equipping additional office space for the Finance Department, as the available space in the Town House is no longer adequate. The Retirement Board, which occupies part of the first floor Town House space, and Town Enterprise Funds will share in this cost.

Also, \$12,000 is allocated for the biennial citizen survey, an important

component of the Town's effort to introduce formal performance measurement and a results-oriented focus into the annual budget process.

9B Treasurer-Collector, Finance Department

This account handles the Town House postage account as well as service charges on all bank operating accounts and transactions. More than 200,000 items are billed and collected annually, many through automated services including lock-box and on-line payment processing for which the Town incurs transaction charges. The increase in this budget is primarily due to transaction charge increases (both unit charges and the growing volume of transactions) and the recent and projected postage rate increase.

9D Assessing Division, Finance Department

The triennial State certification process was completed in the current fiscal year, but the work necessary to prepare for the next recertification will involve expanding and accelerating our reinspection cycle of all properties and well as special projects related to land valuation modeling and the valuation of tax-exempt properties. \$110,000 is proposed for contracted services and related expenses (an increase of \$10,000) to assist with this multi-year effort. FY09 contractual services funding will be sufficient to carry out a required Personal Property recertification as well as about half of a planned 2,500-parcel full "measure and list" schedule, with the other half of this workload being carried out by division staff.

10 Information Systems

The Technology Fund allocation is increased to \$122,000, in accordance

with the five-year Capital Plan for FY09-13. This account has proven crucial in maintaining current technology throughout the Town departments as well as supporting the basic network infrastructure linking all town buildings and linking more than 200 desktops to the web in a secure and reliable system. The Technology Administrator and the Finance Director jointly manage this fund.

12 Police Department

The budget for the Police Department includes \$114,000 for the scheduled replacement of four police cruisers, all cruiser laptops and bullet-proof vests. \$43,830 is budgeted for an additional full-time dispatcher position. This position will improve the staffing of the Emergency Dispatch Center.

13 Fire Department

The Fire Department replacement overtime budget is proposed to be reduced by about \$50,000 from the current budget level and will be about \$125,000 below the FY07 actual spending level. This reduction in overtime cost is related directly to the hiring of four additional firefighters in May 2007 funded partially by a federal grant, a \$414,000 five-year Staffing for Adequate Fire and Emergency Response (SAFER) grant awarded by the U.S. Department of Homeland Security. For the FY09 budget (partly the second and third years of the grant), the federal cost sharing and the overtime savings will still cover the Town's costs. Thereafter, the budget requirements will rise. However, the Town will save money in terms of reaching the equivalent staffing level at lower overtime expense. Vehicle

maintenance costs are increased \$10,000 (to \$42,000) as aging equipment requires more attention.

15 Police/Fire Station

Most of the rise in this account is an increase in capital outlay expense (a net increase of \$9,500). \$50,000 is allocated for renovations to the Fire Department side of the building. To increase its usefulness to the police and fire departments, \$15,000 is proposed for insulation and exterior painting at the annex building, the former Concord Municipal Light Plant storage facility.

16 Emergency Management

This budget account is reduced by about \$21,000 as the current year includes acquisition of an emergency generator installed on skids and the provision of \$10,000 for consulting services in the development of the Town's Emergency Management Plan. The Fire Chief is the Emergency Management Director.

18 Public Works Administration

A 30-hour per week administrative assistant position is proposed to become full-time, but the Solid Waste Fund will provide half of the funding. This support level is needed to properly administer the curbside collection and recycling program. Thus the General Fund share of the division's budget is reduced. Five hours per week of the second administrative assistant's time will be allocated to website support provided to all Town staff. These hours are budgeted in the Information Systems account (#10) and appear as a reduction in this account.

In accordance with the FY09-13 Capital Outlay Plan, this bud-

get includes \$86,000 in FY09 for structural repairs to a stone wall on Main St., West Concord. The increase in capital outlay explains most of the change in this budget. \$16,000 is newly budgeted here for groundwater and soil gas monitoring expenses at the Landfill site. Through FY08, this expense is in the Solid Waste Fund budget. The remaining \$9,500 earmarked for this purpose will be allocated for FY09 costs, with the General Fund picking up the remainder in FY09 (\$6,500) and 100% of the annual expense thereafter.

20 Highway Maintenance

The proposed budget includes \$21,340 of expenses related to the composting facility at the landfill site. Allocation of remaining available funds from the Solid Waste Fund leaves a net new General Fund expense of \$14,000. After FY09, this will be fully a General Fund expense and the Solid Waste Fund will account only for the curbside collection and recycling fee-based program. Other significant items in this account include a \$15,000 reduction in the allocation for road maintenance crack-sealing supplies, made possible by the overall improvement in the status of Town roads, and a \$10,000 increase in the contracted service cost of catch-basin cleaning.

21 Snow Removal

The snow removal budget is proposed to be funded at \$452,000. This is the average annual expense (net of federal and state emergency aid) calculated over a 10-year period.

22 Parks and Trees

A new full-time position of Park

and Tree Specialist is proposed. The primary duty of this new position will be the maintenance of new playing fields. Private donations will cover the salary, employee benefits and related operating expenses of this activity. This budget includes the funding of a continuing program of public shade tree replacement at \$25,000 (a \$5,000 increase).

23 Cemetery

The Cemetery Fund supports the major portion of operating expenses. The proposed budget keeps the General Fund allocation essentially unchanged at 35% of operations. Capital improvements are financed entirely from the Cemetery Fund.

24 Street Lights

Due to the elimination of several hundred street lights, the FY09 proposed budget of \$63,000 is about \$22,000 below the amount spent in FY03.

25 Public Works Equipment

The proposed budget of \$278,000 funds the Town's well-planned schedule of equipment replacement. The overall strategy is to replace public works equipment at the end of its useful life.

26 Drainage

Culvert failures at Heywood St. and Westford Rd. in recent years have focused attention on the importance of maintaining infrastructure that is otherwise out of public sight. A major initiative to address this issue of properly maintaining drainage systems began in the FY06 budget. The annual funding level has been increased from \$75,000 in FY05 to \$160,000 in the current year. The

FY09 budget reduces this level to \$105,000 in order to meet other urgent needs. The FY09-13 CIP plans to fund this budget account thereafter at \$205,000 annually.

27 Sidewalk Management

The recommendation for FY09 is to maintain the amount for sidewalk maintenance at \$90,000 annually.

29 Library

In the spring 2005, renovations to the Concord Free Public Library were completed. Energy use in the renovated and expanded building increased significantly. This budget forecasts a further \$4,500 increase in utility costs (electricity, natural gas, water and sewer and telephone). These expenses are almost 8% of the budget total. The book budget allocation from the General Fund is also increased by \$10,000, to \$150,000 (9% of the budget total). Other resources for library books and materials are made available from the Library Corporation and the Friends of the Library organization. The total funding from all sources for books and materials acquisition is expected to be slightly more than \$220,000. This level of funding enables the Library to maintain the value of its collection for the community.

31 Hunt Recreation Center

An amount of \$48,000 is proposed for resurfacing the Emerson Field track, after 10 years of service.

32 Beede Swim and Fitness Center

The Beede Swim & Fitness Center opened its doors April 2006. To establish a mechanism to better manage the Center's finances, the 2006 Annual Town Meeting created an Enterprise Fund, similar to the Wa-

ter, Sewer and Light funds in which fees cover operating and capital expenditures. Accordingly, operational details for the Beede Center are now found in the Town Manager's Enterprise Budget Book, published March 24 and available on the Town website at concordma.gov.

The General Fund provided \$100,000 for initial pre-opening start-up costs in FY06. This amount is being repaid over several years of operations, and it is expected to be fully repaid to the General Fund by June 30, 2009. As with other Town enterprises, the Swim and Fitness Center enterprise will be charged for administrative and financial services overhead provided from various town accounts.

38 Town Employee Benefits

The proposed budget does not change the line item to cover unused sick leave payoff at retirement. This payment is restricted to non-union employees hired prior to July 1, 1992 and to uniformed police and fire employees subject to the collective bargaining agreements. In all eligible cases, the benefit is capped at 62 days (65 for firefighters). Based upon the accumulated liability and the age and service term of eligible employees, this account likely will need to be increased over the next several years to about \$100,000 annually.

40 Salary Reserve

The allocation in this account provides for the funding of collective bargaining agreements as well as the provision for an adjustment to the salary schedules applicable to non-union employees effective July 1, 2008. Also, the recommendation will support a step increase

adjustment for those non-union staff eligible. Transfers from this account to the individual departmental operating accounts are reported to the Finance Committee and Board of Selectmen in accordance with the vote of Town Meeting adopting the budget article.

42 Road Improvements

Over the past two years, the State's Chapter 90 funding for local road work has been increased significantly, back to the levels of the late 90s. The Town has been able to maintain a sound and effective annual funding level for the past 20 years. The FY09-13 CIP proposes a debt authorization of \$700,000 to support the FY09 road program. Together with State funds and other appropriated funds, the FY09 road improvement funding will be \$1,316,400. The Public Works Department employs a "pavement management index" system to measure the condition of the Town's roads. The proportion of total road mileage with either no maintenance requirements or just routine maintenance requirements has been moving steadily up.

43A Group Insurance

Group insurance costs continue to increase. The budget provides for a 7% increase in FY09 group insurance costs supported from the General Fund, an increase that is sharply lower than recent years. The Town is totally self-insured for active employee health coverage, as part of the 17-member Minuteman Nashoba Health Group. Thus, the cost increase directly reflects actual claims experience.

The Town pays about 55% of active employee costs (62% of in-

dividual plan cost and 53% of family plan cost, on average), and 50% of retiree cost. State law sets a 50% floor for the municipal share of active employee cost. Retiree coverage (also at 50% Town share) was voted by the Town electorate in 1960 and there is no provision in the State law to reverse such a vote. Retiree coverage cost represents about 28% of the group health insurance budget.

44 Unemployment and Workers Compensation

An amount of \$100,000 is allocated for the Unemployment Compensation account. The Town pays only for actual claimants, not as a percent of payroll (since the minimum available "experience rating" percentage would be far in excess of the Town's historical costs). Worker's compensation includes a stop-loss reinsurance policy covering wage and other claims, and payment of miscellaneous medical expenses resulting from employee injury on the job. This account handles both Town and Concord Public School claims.

45 Retirement

The Concord Retirement System is approaching fully-funded status. The annual budget increase to the General Fund is about 3%, and pension cost as a percentage of the overall town budget has actually been declining for some time. The retirement system is a Defined Benefit plan that provides a pension benefit based upon the highest three-year average annual pay and years of service. The structure of employee required payroll deductions is set up so that employees and the employer are each paying about one-third of the actuarial cost, with investment earnings intended to make up the remaining third.

47 Debt Service

This budget is up \$887,000 from the current year, of which about \$700,000 is for debt service on Excluded Debt. This is debt that had been authorized both by Town Meeting vote and by a town-wide ballot vote providing that the principal and interest repayment is paid from property taxation without be-

ing subject to the Proposition 2 ½ levy limit. The major portion of this cost is for the three elementary school projects as well as the Town's share of various projects at the Concord-Carlisle Regional High School.

The Alcott School project began in 2002 and the new \$17 million school opened September, 2004. A \$7.2 million state grant was received in September 2006. The Thoreau School project began construction in 2004 and the new \$17.5 million school opened in September 2006. The Massachusetts School Building Authority (MSBA) has accepted the Thoreau Project for a Scope and Budget conference, which was conducted in January. It is possible that the State will make a grant payment for the Thoreau project. As the long-term bonds have been issued, any grant would, by law, be escrowed and apportioned over the remaining 18 years of the Thoreau debt repayment schedule.

Capital Outlay by Account - Town Government Budget, Article 7

Capital outlay - the investment in vehicles, equipment, buildings and various public infrastructure items financed from current revenue, not by the issuance of new debt - is a significant annual component of the Town Government budget. Differences in allocations from one year to the next account for much of the difference in the appropriation by account. This table highlights the differences between the FY08 adopted budget and the FY09 proposed budget, and identifies the main spending purposes for FY09.

Acct #	Title	Budget FY08	Proposed FY09	Change	FY09 Items
1A	Town Manager	\$ 5,000	\$ 5,000	\$ 0	ADA improvements
1B	Town-wide Building Maintenance	120,000	135,000	15,000	Maintenance of town buildings
3A	Elections	0	7,000	7,000	Voting machine for disabled voters
5C	Natural Resources	7,500	5,000	(2,500)	Pond management
6	141 Keyes Road	5,000	5,000	0	Routine building repairs
9A	Finance Administration	0	10,000	10,000	Furnishings for rented office space
10	Information Systems	110,000	122,000	12,000	Technology fund, town departments
11	Town House	10,000	10,000	0	Routine building repairs
12	Police Department	101,000	168,000	67,000	Vehicle & equipment replacements
13	Fire Department	107,200	102,000	(5,200)	Engine 4 rehab, equipment replacements
14	West Concord Fire Station	12,800	8,000	(4,800)	Routine building repairs
15	Police/Fire Station	65,500	75,000	9,500	Renovations at Walden St. & Annex
16	Emergency Management	15,000	0	(15,000)	Emergency generator installed on skids
19	Engineering	82,500	143,000	60,500	Rt. 62 retaining wall, traffic controls, GIS
20	Highway Maintenance	17,000	15,000	(2,000)	Guardrail replacement, routine equipment
22	Parks & Trees	55,000	30,000	(25,000)	Tree replacement, routine equipment
25	CPW Equipment	265,000	278,000	13,000	Public Works major equipment replacement
26	Drainage Program	160,000	105,000	(55,000)	Drainage & culvert repairs
27	Sidewalk Management	90,000	90,000	0	Sidewalk repairs
28	133/135 Keyes Road	5,000	5,000	0	Routine building repairs
29	Library	10,000	10,000	0	Computer equipment replacement
31	Recreation	25,000	48,000	23,000	Emerson track resurfacing
33	Harvey Wheeler Community Ctr.	5,000	5,000	0	Routine building repairs
37	Visitors Center Restroom	2,500	0	(2,500)	
43	Road Improvements	80,000	85,000	5,000	Road project engineering
	TOTAL	\$ 1,356,000	\$ 1,466,000	\$ 110,000	

Article 7 - Town Budget

(Budget = all funds; Appropriation = General Fund only)

Item No.	Department	FY08 Budget	FY09 proposed Budget	% Change	FY09 proposed Appropriation
General Government					
1A	Town Manager	\$ 429,636	\$ 449,651	4.7%	\$ 290,277
1C	Town-wide building maintenance	120,000	135,000	12.5%	135,000
2	Legal Services	250,000	270,000	8.0%	270,000
3A	Elections	36,205	52,498	45.0%	49,003
3B	Registrars	12,203	13,109	7.4%	10,519
4	Town Meeting/Reports	79,850	77,800	-2.6%	77,800
5A	Planning	279,678	280,278	0.2%	220,577
5B	Board of Appeals	42,070	42,714	1.5%	42,714
5C	Natural Resources	219,053	222,192	1.4%	180,338
5E	Inspections	325,543	330,318	1.5%	330,318
5F	Health	273,140	269,527	-1.3%	206,845
6	141 Keyes Road Building	63,051	63,056	0.0%	63,056
		\$ 2,130,429	\$ 2,206,143	3.6%	\$ 1,876,447
Finance and Administration					
7	Finance Committee	\$ 1,275	\$ 1,275	0.0%	\$ 1,275
8	Personnel Admin.	204,787	210,292	2.7%	146,742
9A	Finance Administration	342,908	398,555	16.2%	262,304
9B	Treasurer-Collector	376,657	393,885	4.6%	226,193
9C	Town Accountant	302,711	301,308	-0.5%	117,471
9D	Assessors	356,900	363,099	1.7%	363,099
9E	Town Clerk	183,659	192,849	5.0%	192,849
10	Information Systems	332,281	351,743	5.9%	351,743
11	Town House	112,003	108,702	-2.9%	93,897
		\$ 2,213,181	\$ 2,321,708	4.9%	\$ 1,755,573
Public Safety					
12	Police Department	\$ 3,461,008	\$ 3,617,082	4.5%	\$ 3,548,055
13	Fire Department	3,270,938	3,240,057	-0.9%	3,123,339
14	West Concord Station	45,433	42,071	-7.4%	42,071
15	Police/Fire Station	250,362	265,922	6.2%	265,922
16	Emergency Prep.	37,160	15,810	-57.5%	15,810
17	Dog Officer	17,626	17,626	0.0%	17,626
		\$ 7,082,527	\$ 7,198,568	1.6%	\$ 7,012,823
Public Works & Facilities					
18	Administration	\$ 281,778	\$ 282,436	0.2%	\$ 137,487
19	Engineering	586,971	667,675	13.7%	402,464
20	Highway Maintenance	1,058,704	1,076,242	1.7%	1,049,711
21	Snow Removal	444,750	452,000	1.6%	452,000
22	Parks and Trees	572,447	583,004	1.8%	499,662
23	Cemetery	284,296	219,853	-22.7%	62,948

Item No.	Department	FY08 Budget	FY09 proposed Budget	% Change	FY09 proposed Appropriation
24	Street Lighting	70,000	63,000	-10.0%	62,660
25	DPW Equipment	265,000	278,000	4.9%	278,000
26	Drainage Program	160,000	105,000	-34.4%	105,000
27	Sidewalk Management	90,000	90,000	0.0%	90,000
28	133/135 Keyes Road Bldg.	170,534	165,951	-2.7%	94,360
		\$ 3,984,480	\$ 3,983,161	0.0%	\$ 3,234,292
Human Services					
29	Library	\$ 1,691,391	\$ 1,702,849	0.7%	\$ 1,688,849
30	Recreation	415,987	417,923	0.5%	89,886
31	Hunt Recreation Ctr.	139,896	161,734	15.6%	129,034
32	Swim & Health Center	0	0		0
33	Harvey Wheeler Ctr.	119,946	124,592	3.9%	124,592
34	Council on Aging	248,929	252,200	1.3%	213,993
35	Veterans Services	29,440	30,245	2.7%	30,245
36	Ceremonies & Celeb.	23,850	23,865	0.1%	23,865
37	Visitors Center restroom	28,074	28,414	1.2%	28,414
		\$ 2,697,513	\$ 2,741,822	1.6%	\$ 2,328,878
Unclassified					
38	Employee Benefits	\$ 72,000	\$ 72,000	0.0%	\$ 72,000
39	Reserve Fund	225,000	225,000	0.0%	225,000
40	Salary Reserve	189,322 *	600,000		600,000
41	Land Fund	0	0		0
42	Road Improvements	906,362	1,311,362	44.7%	85,000
		\$ 1,392,684	\$ 2,208,362	58.6%	\$ 982,000
* balance of original approp. of \$550,000 not yet transferred as of 3/31/07 to other accounts					
subtotal, accts 1-42		\$ 19,500,814	\$ 20,659,764	5.9%	\$ 17,190,013
Joint (Town-CPS)					
43A	Group Insurance	\$ 3,912,000	\$ 4,225,000	8.0%	\$ 3,845,000
43B	Property & Liability	375,000	410,000	9.3%	225,000
44	Unempl/ Workers Comp	200,000	200,000	0.0%	200,000
45	Retirement	2,689,391	2,765,428	2.8%	2,450,000
46	Social Security & Medicare	658,500	681,000	3.4%	510,000
47	Debt Service - within limit	2,909,750	3,100,000	6.5%	3,100,000
	Debt Service - debt exclusion	2,550,432	3,247,193	27.3%	3,247,193
		\$ 13,295,073	\$ 14,628,621	10.0%	\$ 13,577,193
Total		\$32,795,887	\$35,288,385	7.6%	\$30,767,206

FY09 BUDGET SUMMARY: EDUCATION

Budget Highlights, Articles 8 and 9

THE school committees of the Concord Public Schools (CPS) and the Concord-Carlisle Regional School District (CCRSD) have approved FY09 budget requests shown in the accompanying table. The CPS operating budget request for FY09 is \$27,206,200 for an increase of 2.96% over FY08. The assessment for the CCRSD operating budget request for FY09 is \$12,803,885 for an increase of 5.0% over FY08. Concord's share of the assessment for the CCRSD, based upon Concord and Carlisle enrollment as of Oct. 1, 2007 will decrease to 71.82% (from this year's share of 71.99%).

Both of these budgets are within the Finance Committee Levy Limit Guideline issued Nov. 30, 2007. The Finance Committee made several assumptions last fall in developing these guidelines. First was that State Aid would not increase from 2008 to 2009. Second was that school enrollments would remain relatively static, with a slight trend to lower enrollments. Third was that income to the Town would rise to the projected levy limit with modest new construction growth and a decrease in interest earnings as a revenue source, a consequence of expected cuts in short-term rates. Events of the past several months reinforce these assumptions. State Aid might possibly increase slightly, but interest rate cuts have been swifter and deeper than anyone could have anticipated last fall, and on balance the overall revenue assumption on which the FY09 Guidelines were based

remains intact as of this writing.

The Concord Public Schools proposed budget reflects a slightly lower enrollment at Oct. 2008, resulting in modest staffing adjustments.

CPS Enrollment projections for October 1, 2008

Grades K-5	1,178
<i>reduction of 50 students</i>	
Grades 6-8	593
<i>increase of 12 students</i>	
Total	1,771
<i>reduction of 38 students</i>	

Additionally, the CPS proposed budget lowers special education costs by 3.2%. That combined with a reduction in transportation costs allows for a proposal to establish an all-day kindergarten program three days per week, funded within the Levy Limit Guideline budget.

The proposed CPS budget allows for the continuation of a strong educational program. The classrooms are well supplied to meet the needs of students in a technological age. The five-year technology plan ensures the maintenance and replacement of technology of on a planned basis. The major educational spending categories for the FY08 budgets are summarized for each school system on the following page.

At the Concord-Carlisle Regional High School, the administration was confronted at the beginning of this school year with \$874,000 in unanticipated out-of-district special education costs. While that estimate has decreased slightly in the course of the school year, the mag-

nitude of the unexpected cost had an impact on the school program and has implications for the FY09 budget as well. The administration has reduced the supply budget by 50% for both FY08 and FY09. Half of the balance of funds received from the State last year through the special education circuit breaker program will be applied to the current year cost, and the remainder will be applied to FY09 costs. The district has also applied to the State for emergency assistance funding, and, finally, Article 26 asks the Concord Town Meeting for supplemental funding to close the remaining gap.

What is the circuit breaker program?

In addition to effective local management strategies for special education costs, the Massachusetts Legislature reformed a circuit breaker program, effective FY04, to increase the share of out-of-district costs of day and residential placements paid from State monies. The goal was to reimburse districts for 75% of the costs, above a certain level, deemed to be extraordinary costs of these programs. The State certifies the expenditures in a given year and reimburses the district for these costs in the following year. The circuit breaker program was designed to allow funds to carry across fiscal years, as well. The first year saw an uneven start to the program and it took another year to get levels of reimbursement close to the target goal of 75% of allowable costs. The capacity to roll funds across fiscal years was also not implemented until FY06 legislation

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**Concord Finance Committee
FY09 Guideline
Proposed Education Budgets**

Concord Public Schools	Adopted FY08 Budget	Proposed FY09 Budget	\$ Change	% Change
Program Area				
Regular Education	\$ 13,444,970	\$ 14,235,016		
Special Education	6,999,941	6,788,240		
Administrative Support	1,826,179	1,875,704		
Operations	4,065,450	4,201,225		
Fixed Costs	87,300	106,015		
Total	\$ 26,423,840	\$ 27,206,200	782,360	2.96%
Concord-Carlisle High School	Adopted FY08 Budget	Proposed FY09 Budget	\$ Change	% Change
Program Area				
Regular Education	\$ 9,513,090	\$ 9,423,814		
Special Education	4,008,677	4,824,536		
Administrative Support	1,207,190	1,198,646		
Operations	2,751,876	2,614,316		
Fixed Costs	1,933,367	2,078,490		
Operations	\$ 19,414,200	\$ 20,139,802	\$ 725,602	3.74%
Debt Service:				
debt reimbursed by state aid	\$ 288,950	\$ 288,950		
debt exclusion assessed	661,977	952,580		
	\$ 950,927	\$ 1,241,530	\$ 290,603	30.6%
Total	\$ 20,365,127	\$ 21,381,332	\$ 1,016,205	4.99%
Financing Sources				
State aid	\$ 2,318,274	\$ 2,398,082		
District funds	450,000	202,927	\$ (247,073)	
Assessments	\$ 17,596,853	\$ 18,780,323	\$ 1,183,470	6.73%
Concord assessment ratio				
without debt exclusion	71.99%	71.82%		
debt exclusion	\$ 12,191,417	\$ 12,803,885	\$ 612,468	5.02%
	476,557	684,143	207,586	
TOTAL	\$ 12,667,974	\$ 13,488,028	\$ 820,054	6.47%
Carlisle assessment ratio				
without debt exclusion	28.01%	28.18%		
debt exclusion	\$ 4,743,459	\$ 5,023,858	\$ 280,399	5.91%
	185,420	268,437	83,017	
TOTAL	\$ 4,928,879	\$ 5,292,295	\$ 363,417	7.37%

repaired a conflict between this and other statutes. This means that the full cost of special education services is not presented in the budget as the State is picking up a more predictable share. There are some reserves the school administration has been able to set aside to guard against extraordinary unanticipated costs that may come up. In previous years these costs were covered by almost routine annual requests at Town Meeting for new funds to pay for current year deficiencies.

Enrollment at the high school

Enrollment at CCHS increased by two students to 1,259 at Oct. 1, 2007 and is projected to decrease slightly in FY09. Enrollment percentages set on Oct. 1 of each year determine the assessment percentage of the next fiscal year. The Concord percentage for

the past several years has been:

FY07 ratio	72.92%
FY08 ratio	71.99%
FY09 ratio	71.82%

Over the next few years, this enrollment share is projected to drop to 67.5% and then rebound to almost 70%.

Minuteman Regional High School

Concord is one of 16 members of the Minuteman Regional School District. The School provides a broad range of career and college preparation options to Concord students. The School is recognized as one of the most successful technical high schools in the nation, achieving both a reputation for solid academic prepara-

tion for college and a superior placement record for its graduates.

Concord's enrollment at Minuteman Regional High School as of Oct. 1, 2007 is 20 Full Time Equivalent (FTE) students this year, a significant drop from 27.84 the previous year. Concord's assessment decreases from \$604,702 in FY08 to \$486,660 in FY09. This assessment estimate may change slightly by the time of Town Meeting. The overall Minuteman budget proposal for FY09 shows a modest 1.5% increase.