

Section I

Financial Summary

Section I Highlights**1: Overview**

- Proposed appropriations are as follows (see page 8):
 - Town Government: \$23,064,013
 - Concord Public Schools: \$36,100,111
 - Concord-Carlisle Regional School District: \$17,935,005
- Town Credit Rating: Moody's Aaa (see page 2)
- FY16 Free Cash estimate \$12,605,955 (see page 3)

2: Property Taxes

- Property Taxes fund 86% of the FY18 proposed budget (see page 10)
- FY18 Property Tax Levy is projected to increase by 3.1% over FY17 (see page 10)
- FY18 Unused Levy Limit is projected to be \$3,910,411 (see page 11)
- The FY17 Tax Rate is \$14.07 per \$1,000 assessed valuation (see page 12)
- A tax bill for the median valued home of \$819,400 is projected to increase by \$356, from \$11,529 in FY17 to \$11,885 in FY18 (see page 14)

3: Resources

- 86% of the budgeted resources come from property taxes. State Aid 4.6%, Other Receipts 4.0%, Motor Vehicle Excise 3.0%, Interfund Transfers 1.4%, and Stabilization Funds 0.8% make up the remainder of the resources for FY18 (see page 16)

4: Other Resources

- Other Resources provides information on Stabilization Funds, CPA Funds, the Parking Meter Fund, and other funds that support the goals of the Town (see page 20)

5: Expenses

- Total proposed expenses are budgeted at \$101,866,856, a 3.68% increase from FY17 (see page 29)
- Town, CPS, & CCRSD Operating Budgets are proposed to be \$77,809,129 (see page 26)
- Joint accounts (Insurance, Retirement, Social Security, Medicare) are proposed to be \$15,159,583 (see page 28)
- Other obligations (Minuteman Tech., Debt Exclusions) are proposed to be \$7,668,991 (see page 29)
- Unappropriated accounts (State Assessments, Snow Deficits, Overlay) are proposed to be \$1,228,656 (see page 29)

6: Capital Outlay

- Capital outlay expenditures from Town departments is proposed to be \$1,870,000 (see page 42)
- Borrowing for Capital Projects is propose to be \$5,275,000 (see page 43)

7: Debt

- As of June 30, 2016, total outstanding principal is \$58,382,966 (see page 54)
- The FY18-22 Capital program details the proposed projects for the next 5 years (see pages 56 to 57)
- The Total Debt Service for FY18 is projected to be \$8,830,680 (see pages 58 to 59)

8: Major Liabilities

- As of June 30, 2016, the total major General Fund Liabilities totaled \$92,493,781. Of this amount, \$39,391,306 was for debt, \$23,967,947 for pension, and \$29,134,528 for OPEB (see page 66).
- As of the January 1, 2016 actuarial valuation, the employee pension system has been funded at 83% with an unfunded accrued liability of \$29,156,253 (see page 69)
- As of the June 30, 2016 actuarial valuation, Concord has a projected Funded Ratio of 21.4% for OPEB, net of FY16 contributions. The projected Unfunded Actuarial Accrued Liability (UAAL) is \$30,789,775 (see page 70)

9: Long Range Forecast

- The Finance Committee's five-year projection of property tax levels is presented (See pages 72 to 75)

Section Overview:

This Budget Summary contains charts, schedules, and narratives that describe the Budget and the Town’s finances in general. The level of detail used in this summary section aims to allow the reader to grasp the “big picture” relating to the Town’s recent-past, present, and near-future.

The sub-sections found in this summary are:

- Overview** **1 to 9**
- Property Taxes** **10 to 15**
- Resources** **16 to 19**
- Other Resources** **20 to 25**
- Expenses** **26 to 41**
- Capital Outlay** **42 to 53**
- Debt** **54 to 65**
- Unfunded Liabilities** **66 to 71**
- Financial Projection** **72 to 76**

The Town Manager’s Budget

The Town Manager’s Proposed FY18 Budget totals:

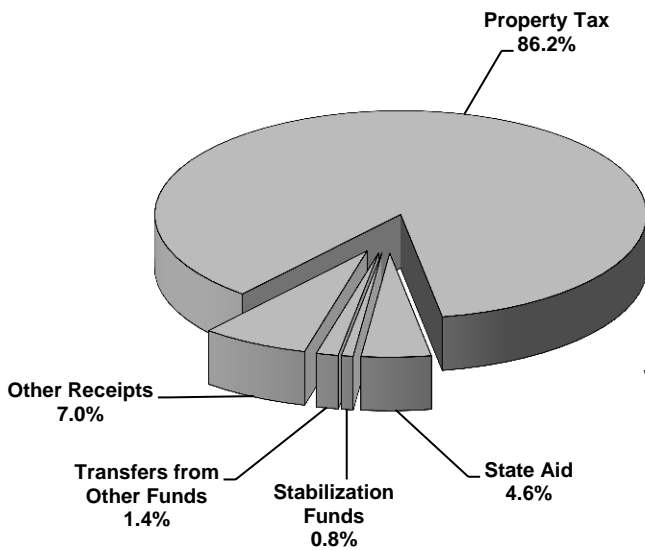
\$101,866,859

This level of appropriation is at the Finance Committee’s FY18 Budget Guidelines.

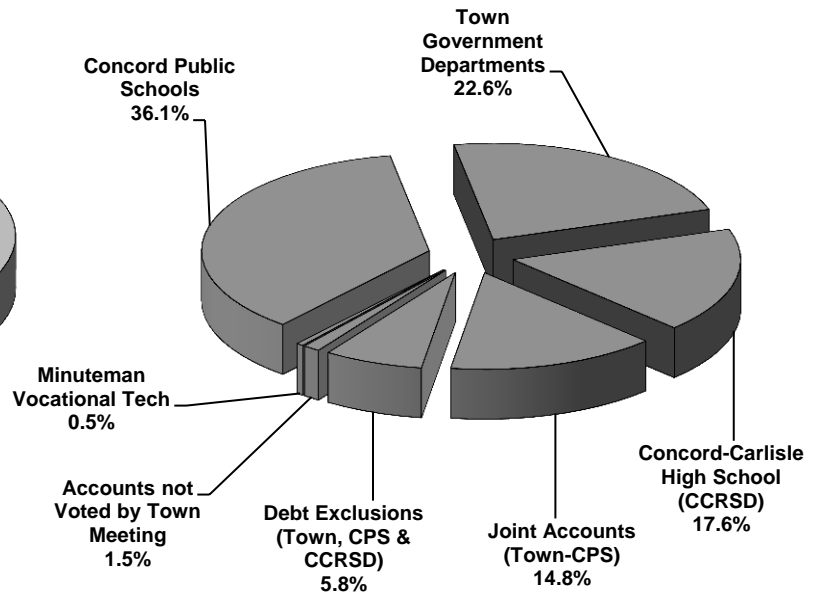
*See page 142 for more on the Finance Committee.

*See page 294 for the Finance Committee Guidelines.

FY18 General Fund Resources
Totaling \$101,866,859



FY18 General Fund Expenses
Totaling \$101,866,859



Fiscal Balance:

This FY18 Proposed Budget represents a balanced budget. Both budgeted resources and expenses equal \$101,866,859. All amounts are shown at the Finance Committee’s Budget Guidelines issued November 30, 2016.

Budget Level and Credit Rating:

The information depicted below shows the overall financial health of the Town over the last decade.

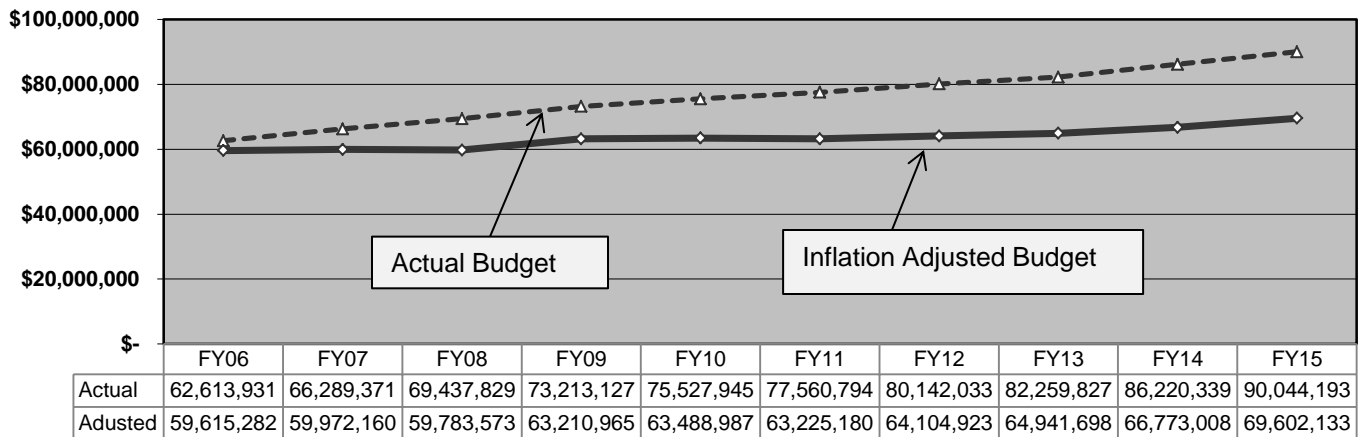
The first graph represents the total Town budget in terms of actual and adjusted dollar amounts. The line on the top is the actual amount budgeted and the line on the bottom is the amount adjusted for inflation.

The chart on the lower half of the page provides information about the credit rating earned by the Town.

Fiscal Stability

In spite of the economic turmoil during the last several years, the Town Government has maintained its fiscal stability. The budget in real terms (adjusted for inflation) is fairly level. In addition, Moody's Investors Service has continued to reaffirm the Town's Aaa credit rating, the highest possible rating category.

Financial History: Actual vs. Adjusted Town Appropriations - FY06 to FY15
(in year 2006 dollars)



Discussion: The Town's budget has remained very stable when adjusted for inflation. This means that tax dollars are largely being spent to maintain a level of service, rather than to expand the size of Town Government.

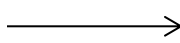
*Values (adjusted for inflation) based on the Bureau of Economic Analysis' Table 1.1.9. Implicit Price Deflator for Gross Domestic Product, 2006-2015 (Annual), State and Local governments, viewed: 1/23/2017.

Town Credit Rating History

Concord's credit rating is a measure of the Town's overall fiscal health. Since November 1987, the Town has earned a Aaa credit rating from Moody's Investors Service. This is the highest possible rating category and is a testament to the Town's strong financial management. As a result of the Aaa rating, the Town can borrow funds at more favorable interest rates.

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
The Town's Credit Rating (Moody's)	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa

The opposite page provides information about the General Fund balance. Data for FY15 and FY16 are actual amounts and for FY17 and FY18 are projections. The FY15 and FY16 column is derived from the "Schedule A" report filed with the Massachusetts Department of Revenue.



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Overview

General Fund Balance Analysis	FY15	FY16	FY17	FY18
"Schedule A" basis of reporting	Actual	Actual	Budgeted	Proposed
Revenues				
Taxes	\$81,849,440	\$85,162,839	\$88,540,689	\$92,434,859
Charges for Services	\$1,484,033	\$1,709,286	\$1,170,000	\$1,190,000
Licenses, Permits, and Fees	\$1,099,041	\$1,573,682	\$1,000,000	\$1,255,000
Revenues from Other Governments	\$4,198,576	\$4,586,038	\$4,732,015	\$4,750,000
Miscellaneous Revenues	<u>\$297,827</u>	<u>\$621,395</u>	<u>\$377,000</u>	<u>\$382,000</u>
Current Revenues	\$88,928,917	\$93,653,240	\$95,819,704	\$100,011,859
Expenditures				
Salary and Wages	-\$41,588,756	-\$43,707,527	-\$45,255,816	-\$47,757,970
Expenditures	-\$28,340,539	-\$30,604,693	-\$32,297,875	-\$32,971,299
Capital Outlay	-\$1,391,990	-\$2,081,460	-\$1,800,000	-\$1,870,000
Debt Service	-\$7,440,662	-\$6,196,965	-\$7,737,828	-\$7,467,507
Unclassified	<u>-\$8,527,436</u>	<u>-\$9,023,956</u>	<u>-\$9,677,310</u>	<u>-\$10,227,500</u>
Current Expenses	-\$87,289,383	-\$91,614,601	-\$96,768,829	-\$100,294,276
Net Revenues / Expenditures	\$1,639,534	\$2,038,639	-\$949,125	-\$282,417
Other Financing Sources (Uses)				
Transfer from Other Funds	\$2,095,171	\$2,139,454	\$2,459,878	\$1,785,000
Transfers to Other Funds	-\$2,525,087	-\$1,743,100	-\$1,400,000	-\$1,470,000
Other Financing Uses	<u>-\$3,428,068</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	-\$3,857,984	\$396,354	\$1,059,878	\$315,000
Total Excess (Deficiency)	-\$2,218,450	\$2,434,993	\$110,753	\$32,583
Fund Balance (Beginning of Year)	\$22,136,185	\$19,917,735	\$22,352,728	\$22,463,481
Fund Balance (End of Year)	\$19,917,735	\$22,352,728	\$22,463,481	\$22,496,064
Fund Balance Analysis				
Designated for Thoreau Debt Service	\$819,755	\$409,878	N/A	N/A
Reserved for Expenditures	\$1,575,000	\$1,000,000	N/A	N/A
Reserved for Encumbrances	\$4,217,430	\$5,385,454	N/A	N/A
Snow and Ice Deficit	-\$310,771	\$0	N/A	N/A
Unreserved Fund Balance	<u>\$13,616,309</u>	<u>\$15,557,385</u>	<u>N/A</u>	<u>N/A</u>
	\$19,917,723	\$22,352,717	N/A	N/A
Free Cash Analysis				
Unreserved Fund Balance	\$13,616,309	\$15,557,385	N/A	N/A
Minus: Receivables	-\$648,207	-\$692,416	N/A	N/A
Minus: Deferred Revenue	-\$1,795,789	-\$2,113,709	N/A	N/A
Minus: Miscellaneous	<u>-\$114,444</u>	<u>-\$145,306</u>	<u>N/A</u>	<u>N/A</u>
Certified Free Cash	\$11,057,869	\$12,605,955	N/A	N/A

Fund Balance:

With the implementation of Governmental Accounting Standards Board (GASB) Statement No. 54, the Town's Fund Balance as presented in the audited Financial Statements is separated based on the availability of the funds into the following categories: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Availability of Fund Balance

Fund Balance is the amount remaining after subtracting all the items that are owed (liabilities) from all the items that are owned (assets). Nevertheless, portions of the Fund Balance have various restrictions on their use. Accordingly, Fund Balance is divided into categories depending the availability of these funds.

Fund Balance

An accounting distinction is made between the portions of fund equity that are spendable and nonspendable. These are broken up into five categories:

1. **Nonspendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds (e.g., funds in which the corpus cannot be spent).
2. **Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include funds which have a restriction through debt covenants, grantors, contributors, or laws or regulation from other governments. The grant from the Massachusetts School Building Authority (MSBA) to mitigate the debt service cost of the Thoreau School is placed in this category.
3. **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the Concord Town Meeting. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally. Examples are the School Construction Stabilization Funds and Special Revenue Funds such as the Solid Waste Fund.
4. **Assigned fund balance** – comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body, the Concord Town Meeting, or by an official or body to which the governing body delegates the authority, the Concord Town Manager. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. For the general fund, this amount includes funds encumbered as authorized by the Town Manager or his designee for a specific purpose.
5. **Unassigned fund balance** – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

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Fund Balance by Category (as of June 30, 2016)

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable			
Permanent Funds	-	4,972,345	4,972,345
Total Nonspendable	-	4,972,345	4,972,345
Restricted			
School Debt Service	409,878	-	409,878
Pension Fund	9,414,448	-	9,414,448
Community Preservation	-	2,049,110	2,049,110
Parking	-	258,065	258,065
Cemetery	-	407,571	407,571
PEG Access	-	661,965	661,965
Receipts Reserved for Appropriation	-	592,655	592,655
53G Review	-	14,570	14,570
Misc. Grants & Contributions	-	58,743	58,743
School Lunch	-	127,883	127,883
Gifts	-	1,360,731	1,360,731
Recreation	-	867,596	867,596
Other Revolving	-	479,418	479,418
Federal Grants	-	19,974	19,974
State Grants	-	885,184	885,184
Solid Waste	-	317,825	317,825
Sawyer Gift Fund	-	212,625	212,625
Capital Projects Funds	-	3,746,521	3,746,521
Permanent Funds	-	806,177	806,177
Total Restricted	9,824,326	12,866,613	22,690,939
Committed			
School Capital*	42,272	-	42,272
High School Debt*	2,045,330	-	2,045,330
Emergency Response*	708,884	-	708,884
Insurance	1,647,691	-	1,647,691
Transportation Infrastructure	-	925,000	925,000
School Technology*	694	-	694
Total Committed	4,444,871	925,000	5,369,871
Assigned			
For Encumbrances:			
Human Resources	114,050	-	114,050
Town-wide Building	190,603	-	190,603
Resource Sustainability	123,274	-	123,274
Computer Equipment	260,842	-	260,842
Planning Admin.	151,055	-	151,055
Other General Government	431,941	-	431,941
Assessors	125,558	-	125,558
Other Finance & Admin.	255,322	-	255,322
Police	119,584	-	119,584
Fire	121,971	-	121,971
Other Public Safety	94,462	-	94,462
Education	1,055,755	-	1,055,755
Engineering	254,784	-	254,784
Highway Maintenance	183,566	-	183,566
Park & Trees	207,244	-	207,244
Drainage Program	543,247	-	543,247
Sidewalk Management	212,735	-	212,735
133/135 Keyes Rd	106,871	-	106,871
Other Public Works & Facilities	118,783	-	118,783
Library	243,120	-	243,120
Harvey Wheeler Community Center	111,921	-	111,921
Other Human Services	129,742	-	129,742
Sick Leave Buyback	212,465	-	212,465
Employee Benefits	16,559	-	16,559
For next year's expenditures:	1,000,000	-	1,000,000
Total Assigned	6,385,454	-	6,385,454
Unassigned			
General Fund	14,745,005	-	14,745,005
General Stabilization*	4,203	-	4,203
Deficit Balances	-	(145,306)	(145,306)
Total Unassigned	14,749,208	(145,306)	14,603,902
Total Fund Balance	35,403,859	18,618,652	54,022,511

Free Cash:

The narrative and chart below present information about Free Cash, the undesignated Fund Balance available to be appropriated by Town Meeting. The Finance Committee has set a policy to keep the used Free Cash balance at or above 5% of the total ensuing Town budget.

Strong Reserves

The Town's Free Cash exceeds the minimum amount of 5% of the next year's budget. As a result of this policy and other sound management practices, Moody's Investors Service has affirmed Concord's Aaa credit rating on the Town's outstanding debt, as of May 5, 2016.

Free Cash

All municipal governments should maintain reserves which can be used for special purposes or in case of emergencies. Credit rating agencies look at the reserves as a measure to determine whether a city or town is being managed well. As a policy, the Finance Committee has stated that the reserves should be at least 5% of the next year's total Town budget. In recent years, the Finance Committee has sought to maintain a 10% level.

These reserves are officially the Undesignated General Fund Balance, commonly referred to a "Free Cash". They represent the amount of fund balance which the Town has not currently designated for any specific purpose. Each year, the State examines the Town's balance sheet and certifies the amount that the Town has in available reserves or Free Cash. All or part of this amount can be appropriated in the next fiscal year, if the Town Meeting chooses to do so.

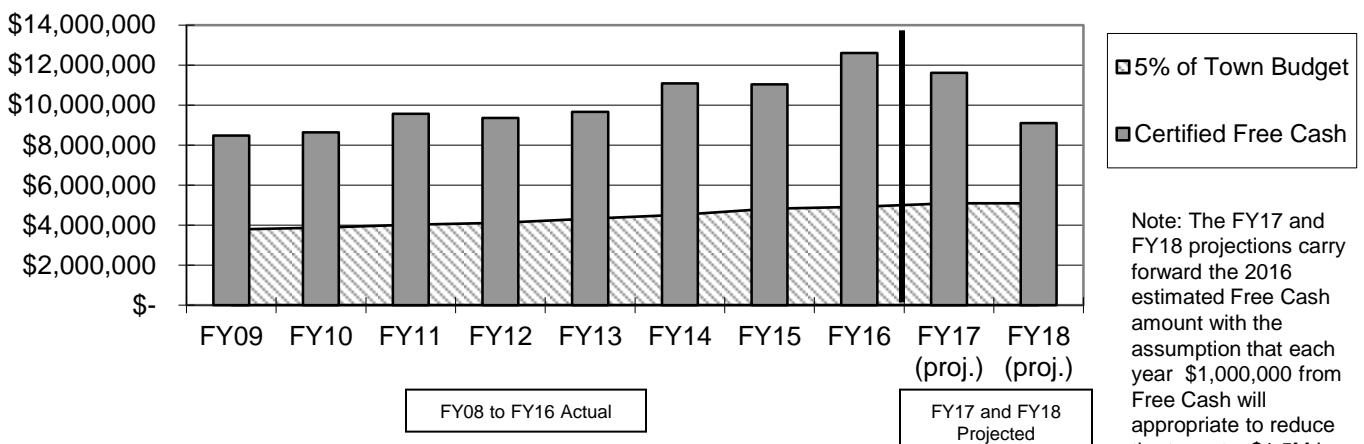
As shown on the previous page, Free Cash is calculated by taking the Town's fund balance at year-end and subtracting those items which are designated for other purposes.

Over the past decade, Free Cash has generally increased from year-to-year as a result of the Town conservatively estimating revenues (i.e., the Town usually collects more revenue than budgeted), and effectively controlling expenses (i.e., the Town spends less money than budgeted).

The chart below shows the annual amount of certified Free Cash identified by the bars and the floor representing 5% of the next year's Town budget identified by the shaded area.

Free Cash at June 30, 2016 is estimated at \$12.6 million, although it has not yet been certified.

Certified Free Cash (Actual for FY08 to FY16, Projected for FY17 to FY18)



Note: The FY17 and FY18 projections carry forward the 2016 estimated Free Cash amount with the assumption that each year \$1,000,000 from Free Cash will appropriate to reduce the tax rate. \$1.5M is proposed for a Tech. Fund.

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Uses of Free Cash:

As appropriated by Town Meeting, the Town's available reserves have been used for various purposes which include decreasing the tax levy and establishing stabilization funds.

Prudent Uses

Over the years, the Finance Committee has proposed, and the Town Meeting has adopted, modest allocations of Free Cash in an effort to retain Free Cash at levels which are fiscally prudent.

Town Meeting has appropriated Free Cash for various purposes. An appropriation is routinely approved to reduce the annual property tax levy. For FY18, \$1,000,000 is proposed for this purpose.

In addition, Town Meeting has voted to apply a portion of the Free Cash reserves to create stabilization funds to offset prospective rises in property taxes due to the increased debt service to pay for the construction of public school buildings. At the 2008 Annual Town Meeting, an amount of \$2.5 million was allocated from Free Cash to lower the tax levy impact of debt service payments for the Alcott, Thoreau, and Willard Elementary School Bonds.

At the Special Town Meeting on November 7, 2011, Concord citizens voted to establish a \$2 million stabilization fund from Free Cash to be used to offset future property tax increases resulting from additional debt service associated with the cost for construction of the new Concord-Carlisle High School. Further allocations to this fund were made in the three ensuing years.

It should be noted that the projections for FY17 and FY18 do not take into account likely increases in Free Cash due to the conservative estimation of revenues and expenditures: estimated revenues may be lower than the actual amounts received and budgeted expenditures may not be entirely used. According, the downward trend for projected Free Cash in FY17 and FY18 do not reflect the positive results anticipated from operations for those years.

Availability of Free Cash for Appropriation			Use of Free Cash for Appropriation					
Certification Year (As of June 30th)	Free Cash Available for Appropriation	Percent of Next Year's Budget (from cert. date)	Fiscal Year	Appropriated to Reduce the Tax Levy	Appropriated for Debt Stabilization	Appropriation from Free Cash	Appropriated for Willard School Borrowing	Total Free Cash Use
2005	4,880,193	7.8%	2007	500,000				500,000
2006	5,730,609	8.6%	2008	500,000				500,000
2007	8,003,063	11.5%	2009	600,000	2,500,000			3,100,000
2008	7,371,061	10.0%	2010	600,000			440,000	1,040,000
2009	8,471,337	11.2%	2011	600,000		34,430		634,430
2010	8,635,340	11.1%	2012	850,000		24,822		874,822
2011	9,567,656	11.9%	2013	850,000	2,000,000			2,850,000
2012	9,357,662	11.3%	2014	850,000	750,000			1,600,000
2013	9,664,489	11.2%	2015	850,000	750,000			1,600,000
2014	11,084,916	12.3%	2016	950,000	750,000	\$ 625,000	(1)	2,325,000
2015	11,040,933	11.5%	2017	1,000,000				1,000,000
				<i>proposed</i>				
2016	12,605,955	12.8%	2018	1,000,000		2,500,000	(2)	3,500,000

Note: Free Cash is certified by the State as of each June 30th. Once this is done, certified free cash becomes available for Town Meeting appropriation.

(1) CPS Busses (\$600,000, 2015 ATM 24) and White Pond Management (\$25,000, 2015 ATM 29)

(2) Technology Improvement (\$1,500,000, 2017 ATM 25) and Junction Village (\$1,000,000, 2017 ATM 30)

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Budget - All Accounts, FY14 - FY17 and FY18 Adopted Finance Committee Guideline

Line #		FY14 Budget	FY15 Budget	FY16 Budget	FY17 Budget	FY18 Guideline	Dollar Change	Percent Change	Percent of Total
Town Government									
1	personal services	\$ 14,494,368	\$ 15,181,707	\$ 15,721,241	16,468,178	17,285,653	817,475	4.96%	16.97%
2	O & M	3,234,645	3,332,306	3,458,772	3,470,835	3,683,360	212,525	6.12%	3.62%
3	capital outlay	1,520,000	1,625,000	1,709,000	1,800,000	1,870,000	70,000	3.89%	1.84%
4	Reserve Fund	225,000	225,000	225,000	225,000	225,000	0	0.00%	0.22%
5	Total General Fund	\$ 19,474,013	\$ 20,364,013	\$ 21,114,013	21,964,013	\$ 23,064,013	\$ 1,100,000	5.01%	
	Emergency Services Stabilization Fund		200,000	100,000	50,000	0	(50,000)		
	Total Town Government	\$ 20,564,013	\$ 20,564,013	\$ 21,214,013	22,014,013	\$ 23,064,013	1,050,000	4.95%	22.64%
6	Concord Public Schools	\$ 31,140,538	\$ 32,440,538	\$ 34,542,735	35,660,111	\$ 36,810,111	\$ 1,150,000	3.22%	36.14%
7	Concord-Carlisle RSD	\$ 15,356,221	\$ 15,856,221	\$ 16,556,221	17,035,005	\$ 17,935,005	\$ 900,000	5.28%	17.61%
9	Total Operating Budgets	\$ 65,970,772	\$ 68,860,772	\$ 72,312,969	74,709,129	\$ 77,809,129	\$ 3,100,000	4.15%	76.38%
JOINT TOWN & CPS ACCOUNTS									
9	Group Insurance	\$ 4,650,000	\$ 4,650,000	\$ 4,650,000	4,650,000	\$ 4,800,000	\$ 150,000	3.23%	4.71%
9a	OPEB Trust	650,000	900,000	1,150,000	1,400,000	1,470,000	70,000	5.00%	1.44%
10	Retirement	3,035,000	3,125,000	3,220,000	3,317,000	3,667,000	350,000	10.55%	3.60%
11	Debt Service	3,400,000	3,500,000	3,605,000	3,730,000	3,860,000	130,000	3.49%	3.79%
11a	Refunding savings, required levy		114,217		0	0	0	0.00%	0.00%
11b	Debt Service, CCRSD Non-Exempt		80,753		80,753	102,583	21,830	27.03%	0.10%
12	Social Security/Medicare	640,000	685,000	740,000	765,000	810,000	45,000	5.88%	0.80%
13	Other Fixed & Mandated	400,000	425,000	425,000	450,000	450,000	0	0.00%	0.44%
14	subtotal	\$ 12,775,000	\$ 13,285,000	\$ 13,904,217	14,392,753	\$ 15,159,583	\$ 766,830	5.33%	14.88%
15	Minuteman Voc Tech	\$ 227,033	\$ 191,689	\$ 407,041	423,444	\$ 500,000	\$ 76,556	18.08%	0.49%
16	High School Debt Exclusion	1,551,843	1,858,841	3,514,429	3,668,218	3,561,484	(106,734)	-2.91%	3.50%
17	Town Debt Exclusion	4,624,457	4,495,632	4,206,283	4,007,828	3,607,507	(400,321)	-9.99%	3.54%
	subtotal	\$ 6,403,333	\$ 6,546,162	\$ 8,127,753	8,099,490	\$ 7,668,991	\$ (430,499)	-5.32%	7.53%
	Appropriations from Free Cash			625,000	0	0	(625,000)		
18	TOWN MEETING VOTE	\$ 85,149,105	\$ 88,691,934	\$ 94,969,939	97,201,372	\$ 100,637,703	\$ 3,436,331	3.54%	98.79%
19	State assessments	\$ 429,403	\$ 511,384	\$ 497,843	495,310	\$ 500,500	\$ 5,190	1.05%	0.49%
20	Snow/ice & other deficits	101,951	285,362	310,772	0	178,656	178,656		0.18%
21	Overlay	539,880	555,513	543,663	552,900	550,000	(2,900)	-0.52%	0.54%
22	subtotal	\$ 1,071,234	\$ 1,352,259	\$ 1,352,278	1,048,210	\$ 1,229,156	\$ 180,946	17.26%	1.21%
23	TOTAL BUDGET PLAN	\$ 86,220,339	\$ 90,044,193	\$ 96,322,217	98,249,582	\$ 101,866,859	\$ 3,617,277	3.68%	100.00%

"Concord-Carlisle RSD" is Concord's share of the assessable portion of the High School budget.

"Other Fixed & Mandated" includes: Property & Liability Insurance, Unemployment and Worker's Compensation.

SECTION I: Financial Summary

Overview

**FY18 Guideline
Financing the Budget Plan**

Change from FY17 Budget

	FY14 Budget	FY15 Budget	FY16 Budget	FY17 Budget	FY18 Guideline	Dollar Change	Percent Change	Percent of Total
24	state aid	\$ 3,792,628	\$ 4,147,519	\$ 4,272,640	\$ 4,642,015	\$ 7,985	0.17%	4.56%
25	motor vehicle excise tax	2,400,000	2,600,000	2,850,000	3,042,586	167,586	5.83%	2.99%
26	investment earnings	125,000	100,000	100,000	150,000	0	0.00%	0.15%
27	other local revenue	3,094,400	3,436,400	3,723,200	3,607,000	365,000	10.12%	3.90%
28	Appropriations financed from:							
29	Elem. Debt Stabilization Fund	\$ 735,000	\$ 0	\$ 0	0	\$ 0		
30	CCHS Debt Stabilization Fund	230,000	500,000	1,500,000	1,000,000	(215,000)	-21.50%	0.77%
31	Emergency Services Stab. Fund		200,000	100,000	50,000	(50,000)	-100.00%	0.00%
32	Free Cash			625,000	0	0		
33	Transfers to General Fund:							
34	from CMLP (Light Fund)	\$ 447,800	\$ 458,650	\$ 472,400	465,500	\$ 8,500	1.83%	0.47%
35	Thoreau School MSBA grant	409,878	409,878	409,878	409,878	(409,878)	-100.00%	0.00%
36	"free cash" transfer	850,000	850,000	950,000	1,000,000	0	0.00%	0.98%
37	subtotal	\$ 12,084,706	\$ 12,702,447	\$ 15,003,118	14,199,393	\$ (125,807)	-0.89%	13.82%
Property Tax:								
38	property tax base	\$ 68,113,587	\$ 71,061,652	\$ 74,224,261	76,371,162	\$ 3,888,119	5.09%	78.79%
39	new growth	1,220,624	835,499	1,284,004	1,412,859	(262,859)	-18.60%	1.13%
40	total within the Levy Limit	\$ 69,334,211	\$ 71,897,151	\$ 75,508,265	77,784,021	\$ 3,625,260	4.66%	79.92%
41	debt service excluded from Levy Limit	4,801,422	5,444,595	5,810,834	6,266,168	117,824	1.88%	6.27%
42	total property tax	\$ 74,135,633	\$ 77,341,746	\$ 81,319,099	84,050,189	\$ 3,743,084	4.45%	86.18%
TOTAL RESOURCES					\$ 101,866,859	\$ 3,617,277	3.68%	100.00%

SECTION I: Financial Summary

Property Taxes

Property Taxes:

The total projected property tax levy for FY18 is:

\$87,793,273

This represents 86.2% of the total resources supporting the FY18 budget.

It also represents an increase of 4.45% over the FY17 tax levy of \$84,050,189.

This, however, *does not* mean that the property tax rate will increase by 4.45%, as \$1,150,000 of the increase is due to projected New Growth (see chart on page 11 for a further break-out of the components of the total levy).

The resulting impact on the property tax rate is projected at:

+ 3.09%

Property Tax Highlights

The FY18 property tax levy is projected to increase by 3.09% over the FY17 levy.

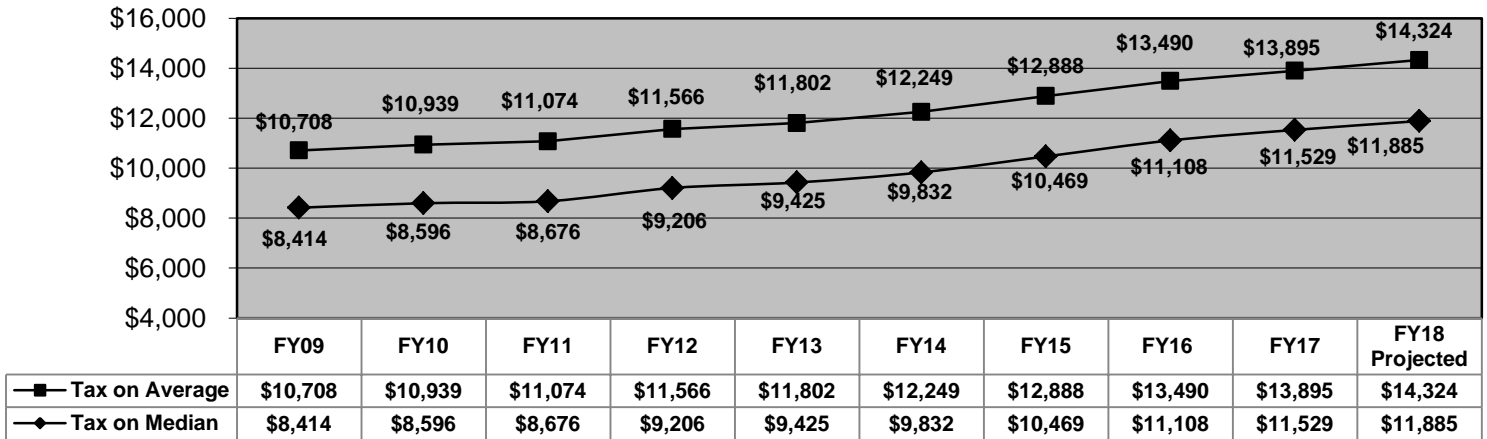
The effects of this increase can be understood in the following ways:

- The median single family residential tax bill for FY18 is projected to increase by \$356 from \$11,529 in FY17 to \$11,885 in FY18 (based on a median assessed value of \$819,400).

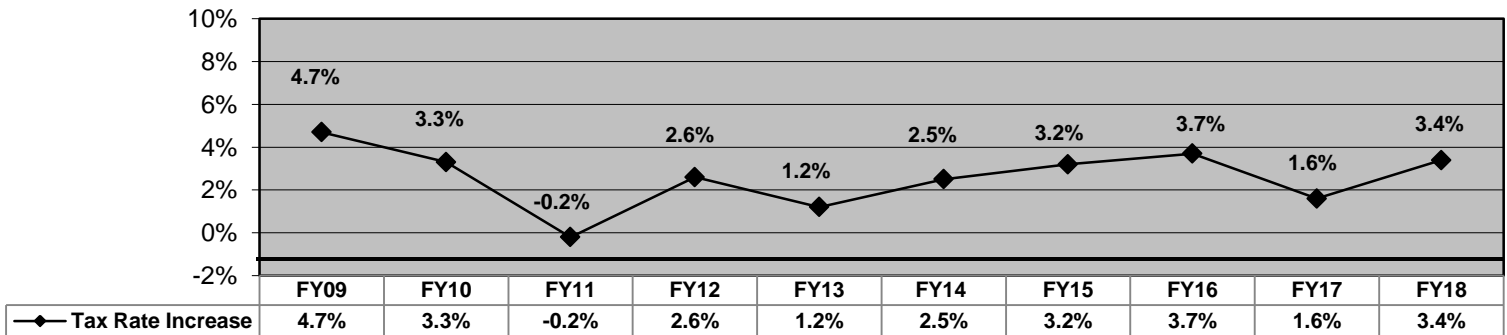
Or...

- The tax bill per \$100,000 of assessed value will increase by \$48, from \$1,409 in FY17 to an estimated \$1,457 in FY18.

Average and Median Tax Bills on Single Family Parcels



Average Tax Revenue Increases (Borne by Existing Taxpayers)



Property Tax Details:

In the area below, there is information that details how the Levy Limit has been calculated (for the proposed budget, as well as for the current and previous fiscal year budgets).

For FY18, the first number shown is the FY17 Levy Limit of \$82,116,773. As authorized by Prop 2½, the FY17 Levy Limit is multiplied by 2.5% to get \$2,052,919. The levy projected from new building construction (New Growth) is estimated to be \$1,150,000, the sum of these numbers is the new FY18 Levy Limit of \$84,169,692. After adding the levy for payment due on excluded debt of \$6,383,992, the maximum allowable levy equals \$91,703,684.

With the proposed FY18 level of spending requiring a tax levy of \$87,793,273, the result is a levy under the limit and an unused tax levy capacity projected at \$3,910,411.

Proposition 2½

Since 1982, Massachusetts Law has limited property tax increases by municipalities. The law restricts municipalities from increasing their property tax levy limit by more than 2½% each year, and is thus known as Proposition 2½.

It should be noted that property tax revenues resulting from “new growth” do not count towards the limit. This is because Proposition 2½ is intended to limit tax increases on existing taxpayers, while allowing the municipality to expand its services to meet additional needs posed by new growth.

Property Tax Levy Limit Calculation

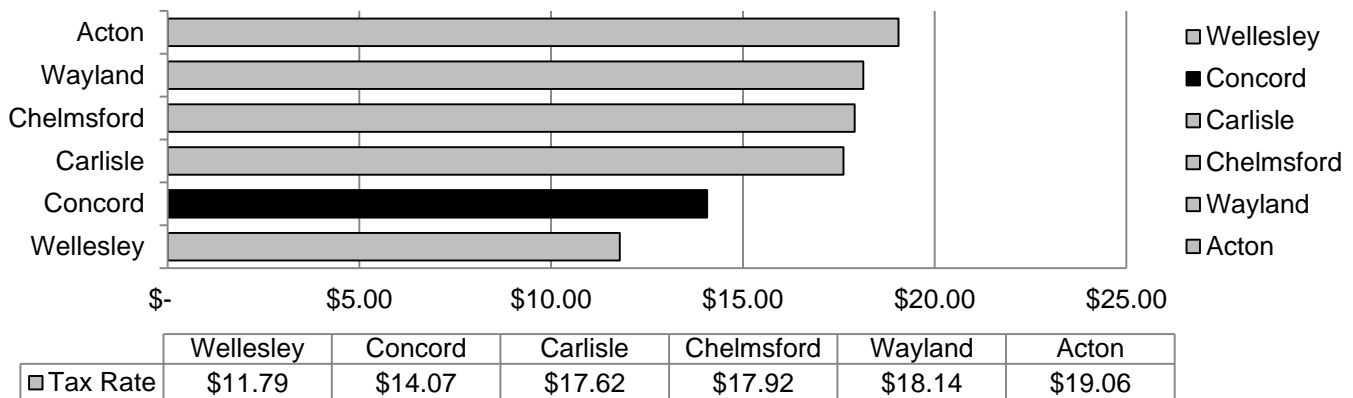
	FY16 Actual	FY17 Actual	FY18 Projected
Previous Levy Limit	\$ 75,539,516	\$ 78,712,008	\$ 82,116,773
New Growth Adjustment	-	23,518	-
Plus 2.5%	<u>1,888,488</u>	<u>1,968,388</u>	<u>2,052,919</u>
Subtotal	77,428,004	80,703,914	84,169,692
New Growth	1,284,004	1,412,859	1,150,000
Levy Limit	78,712,008	82,116,773	85,319,692
Excluded Debt Levy	<u>5,810,834</u>	<u>6,266,168</u>	<u>6,383,992</u>
Maximum Allowable Levy	\$ 84,522,842	\$ 88,382,941	\$ 91,703,684
Tax Levy	\$ 81,319,099	\$ 84,050,189	\$ 87,793,273
Unused Levy Limit	\$ 3,203,743	\$ 4,332,752	\$ 3,910,411

	FY17 Tax Rates		FY17 Unused Levy Capacity	
	Residential	Commercial	Amount	% of Limit
Acton	\$ 19.06	\$ 19.06	\$ 989,954	1.21%
Wayland	18.14	18.14	8,032,462	11.35%
Chelmsford	17.92	17.92	465,898	0.49%
Sudbury	17.74	25.01	135,210	0.17%
Carlisle	17.62	17.62	2,089,898	7.53%
Westford	16.41	16.61	36,065	0.05%
Andover	15.18	26.46	1,323,435	0.99%
Bedford	14.81	32.04	3,468,953	5.24%
Lexington	14.49	28.13	94,519	0.06%
Danvers	14.19	21.83	129,506	0.18%
Concord	14.07	14.07	4,332,751	4.90%
Lincoln	13.70	18.05	11,826	0.04%
Winchester	12.28	11.59	58,153	0.07%
Needham	11.89	23.63	79,154	0.06%
Wellesley	11.79	11.79	67,288	0.05%
Newton	11.12	21.27	3,809	0.00%
Brookline	9.88	16.20	20,709	0.01%

The table presented above provides data on the FY17 tax rates and unused levy capacity for neighboring municipalities. A lower tax rate makes the relative property tax burden less and a higher unused levy capacity shows that the municipality is not taxing at the maximum amount as determined by Proposition 2 ½.

Source: Massachusetts Department of Revenue, Division of Local Services, 12/27/2016

Comparable Municipalities with Uniform Tax Rate



The chart presented above shows the FY17 tax rates of neighboring communities that have a uniform tax rate (e.g., a tax rate that is the same for residential, commercial and industrial property).

Property Tax Rate

Assessment Date	Fiscal Year	Median single family parcel value	Tax rate	Tax Bill	Average single family value	Tax Bill	impact on existing taxpayers			
							Total Tax Levy	New Growth Levy	% over prior total levy	
Jan. 1, 2006	2007	\$718,550	\$10.56	\$7,588	\$922,372	\$9,740	\$56,065,720	\$894,270	\$55,171,450	+3.6%
Jan. 1, 2007	2008 (a)	735,650	10.72	7,886	944,487	10,125	58,946,453	1,368,514	57,577,939	+2.7%
Jan. 1, 2008	2009	707,100	11.90	8,414	899,866	10,708	62,648,641	947,751	61,700,890	+4.7%
Jan. 1, 2009	2010	656,700	13.09	8,596	835,697	10,939	65,797,569	1,068,881	64,728,688	+3.3%
Jan. 1, 2010	2011	657,750	13.19	8,676	839,569	11,074	66,545,397	817,300	65,728,097	(0.1)%
Jan. 1, 2011 (a)	2012	677,900	13.58	9,206	851,674	11,566	69,122,997	863,585	68,259,412	+2.6%
Jan. 1, 2012	2013	669,850	14.07	9,425	838,804	11,802	71,123,429	1,183,336	69,940,093	+1.2%
Jan. 1, 2013	2014	680,400	14.45	9,832	847,681	12,249	74,135,633	1,220,624	72,915,009	+2.5%
Jan. 1, 2014 (a)	2015	732,600	14.29	10,469	901,857	12,888	77,341,746	835,499	76,506,247	+3.2%
Jan. 1, 2015	2016	798,000	\$13.92	\$11,108	\$969,130	\$13,490	\$81,319,099	\$1,284,004	\$80,035,095	+3.5%
current year	Jan. 1, 2016	\$819,400	\$14.07	\$11,529	\$987,566	\$13,895	\$84,050,189	\$1,412,859	\$82,637,330	1.59%
projected	Jan. 1, 2017			\$11,920	\$14,366		\$87,793,273	\$1,150,000	\$86,643,273	+3.39%

notes: (a) valuation certification year, Mass. Dept. of Revenue on-site review

Operating overrides and debt exclusion levy impact

Fiscal Year	Voted Operating Override levy	% incr. in levy	Debt Exclusion Levy	Change from prior year	Total change in tax levy
2007	\$657,538	1.23%	\$2,702,361	\$215,818	\$2,792,633
2008	none		3,026,989	324,628	2,880,733
2009	none		3,982,522	955,533	3,702,188
2010	none		4,512,636	530,114	3,148,928
2011	none		4,015,430	(497,206) *	747,828
2012	none		4,069,862	54,432 *	2,577,600
2013	none		4,088,721	18,859 *	2,000,432
2014	none		4,801,422	712,701 *	3,012,204
2015	none		5,444,595	643,173 *	3,206,113
2016	none		\$5,810,834	\$366,239 *	\$3,977,353
Budget	2017	none	\$6,266,168	\$455,334 *	\$2,731,090
Adopted Guideline	2018	none	\$6,383,992	\$117,824	\$3,743,084

* FY11 is net of \$1,000,000 appropriated from the Debt Stabilization Fund and \$431,796 Thoreau MSBA grant allocation.
 FY12 is net of \$700,000 appropriated from the Debt Stabilization Fund and \$427,413 Thoreau MSBA grant allocation.
 FY13 is net of \$475,000 appropriated from the Debt Stabilization Fund and \$409,878 Thoreau MSBA grant allocation.
 FY14 is net of \$965,000 appropriated from Debt Stabilization Funds (Elementary and High School) and \$409,878 Thoreau MSBA grant allocation.
 FY15 Adopted budget is net of \$500,000 appropriated from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation.
 FY16 Adopted budget is net of \$1,500,000 appropriated from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation.
 FY17 Adopted is net of \$1,000,000 proposed from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation (final).
 FY18 Projected is net of \$785,000 proposed from HS Debt Stabilization Fund

Proposed FY18 Budgets at Finance Committee Guidelines Property Tax impact

incremental and total tax levy and budget changes

	FY17	FY18 at Guidelines		
		plus	at proposed level	%Δ
Town Government operations	\$22,014,013	+\$ 1,050,000 =	\$ 23,064,013	4.77%
Concord Public Schools (K-8)	\$35,660,111	+\$ 1,150,000 =	\$ 36,810,111	3.22%
CCHS assessment:				
without debt exclusion	\$ 17,035,005	+\$ 900,000 =	\$ 17,935,005	5.28%
debt, non-exempt	102,583			
debt, exempt	<u>3,561,603</u>		<u>3,684,708</u>	
total assessment	\$ 20,699,191	↓	\$ 21,619,713	
<i>Concord's assessment share:</i>				
FY16: 73.71%				
FY17: 73.61%				
Sum for all operating budgets:			<u>\$ 3,100,000</u>	
<u>Projected Tax rate Impact</u>			3.09%	
Tax Bill at median \$819,400 value	\$ 11,529	+ 356 =	\$ 11,885	
Tax Bill per \$100,000 a.v.	\$ 1,409	+ 48 =	\$ 1,457	

SECTION I: Financial Summary

Property Taxes

Assessed Valuation, Levy Limit, Tax Levy and Rates: FY1980-2017

Fiscal Year	Total Assessed Value	Levy Ceiling	Levy Limit	Actual Levy		Uniform Tax Rate	Actual Tax Rates			Unused Levy Limit		
				Within Limit	Debt Exclusion		Residential	Open Space	Commercial	"CIP" ratio	\$	as % of Limit
1980	\$371,034,400			\$13,060,411		\$35.20						
1981	\$383,133,677			\$15,248,720		\$39.80					\$536,405	3.43%
1982	\$644,119,237	\$16,102,981	\$15,629,937	\$15,093,532		\$23.43	23.60	20.06	23.43	100.0	\$871,027	5.37%
1983	\$651,122,529	\$16,278,063	\$16,214,000	\$15,342,973		\$23.56	23.66	19.99	23.78	100.9		
1984	\$784,563,443	\$19,614,086	\$17,006,633	\$15,465,780		\$19.71	19.25	16.36	22.63	114.8	\$1,540,853	9.06%
1985	\$801,293,191	\$20,032,330	\$17,780,870	\$15,648,020		\$19.53	19.13	16.26	22.00	112.6	\$2,132,850	12.00%
1986	\$822,949,238	\$20,573,731	\$18,605,674	\$16,125,650		\$19.59	19.25	16.36	21.71	110.8	\$2,480,024	13.33%
1987	\$1,464,903,743	\$36,622,594	\$19,600,366	\$17,296,129		\$11.81	11.47	9.75	13.95	118.1	\$2,304,237	11.76%
1988	\$1,510,487,280	\$37,762,182	\$20,651,135	\$18,392,726		\$12.18	11.89	10.11	14.04	115.3	\$2,258,409	10.94%
1989	\$1,547,164,362	\$38,679,109	\$21,574,623	\$19,908,672		\$12.87	12.61	10.72	14.60	113.4	\$1,665,951	7.72%
1990	\$2,188,108,438	\$54,702,711	\$22,609,017	\$21,603,000		\$9.87	9.72	8.27	10.82	109.6	\$1,006,017	4.45%
1991	\$2,185,289,176	\$54,632,229	\$23,486,987	\$23,083,329		\$10.56	10.21	8.68	12.87	121.9	\$403,658	1.72%
1992	\$1,863,767,794	\$46,594,195	\$24,325,878	\$24,324,345		\$13.05	12.62	10.73	15.91	121.9	\$1,533	0.01%
1993	\$1,831,121,461	\$45,778,037	\$25,229,582	\$24,770,829		\$13.53	13.27	11.28	15.57	115.1	\$458,753	1.82%
1994	\$1,842,884,146	\$46,072,104	\$26,148,398	\$25,639,506	\$435,498	\$14.15	13.98	11.89	15.57	110.0	\$508,892	1.95%
1995	\$1,853,888,132	\$46,347,203	\$27,110,678	\$26,562,285	\$504,753	\$14.60	14.49	12.32	15.62	107.0	\$548,393	2.02%
1996	\$2,246,615,332	\$56,165,383	\$28,513,798	\$27,531,054	\$279,059	\$12.40	12.42	10.56	12.40	100.0	\$982,744	3.45%
1997	\$2,273,535,628	\$56,838,391	\$29,574,375	\$28,652,539	\$544,685	\$12.84	12.86	10.93	12.84	100.0	\$921,836	3.12%
1998	\$2,288,809,124	\$57,220,228	\$30,582,585	\$29,804,080	\$545,529	\$13.26					\$778,505	2.55%
1999	\$2,704,003,171	\$67,600,079	\$32,061,277	\$31,406,074	\$772,688	\$11.90					\$655,203	2.04%
2000	\$2,742,122,055	\$68,553,051	\$33,421,403	\$32,453,928	\$725,749	\$12.10					\$967,475	2.89%
2001	\$2,783,643,972	\$69,591,099	\$34,827,754	\$34,225,525	\$681,370	\$12.54					\$602,229	1.73%
2002	\$3,974,434,046	\$99,360,851	\$38,958,156	\$38,226,458	\$842,228	\$9.83					\$731,698	1.88%
2003	\$4,408,301,807	\$110,207,545	\$42,171,555	\$41,782,825	\$713,204	\$9.64					\$388,730	0.92%
2004	\$4,411,852,520	\$110,296,313	\$45,336,664	\$45,161,214	\$1,560,304	\$10.59					\$175,450	0.39%
2005	\$5,117,100,515	\$127,927,513	\$48,886,984	\$48,293,261	\$1,854,324	\$9.80					\$593,723	1.21%
2006	\$5,207,535,371	\$130,188,384	\$51,679,906	\$50,786,544	\$2,486,543	\$10.23					\$893,362	1.73%
2007	\$5,309,253,831	\$132,731,346	\$54,523,353	\$53,363,359	\$2,702,361	\$10.56					\$1,159,994	2.13%
2008	\$5,498,736,316	\$137,468,408	\$57,254,951	\$55,919,464	\$3,026,989	\$10.72					\$1,335,487	2.33%
2009	\$5,264,591,702	\$131,614,793	\$59,634,076	\$58,717,305	\$3,931,336	\$11.90					\$916,771	1.54%
2010	\$5,026,552,229	\$125,663,806	\$62,197,127	\$61,284,932	\$4,512,636	\$13.09					\$912,195	1.47%
2011	\$5,045,140,030	\$126,128,501	\$64,569,355	\$62,529,967	\$4,015,430	\$13.19					\$2,039,388	3.16%
2012	\$5,090,058,629	\$127,251,466	\$67,047,174	\$65,053,133	\$4,069,863	\$13.58					\$1,994,041	2.97%
2013	\$5,054,970,094	\$126,374,252	\$69,911,104	\$67,034,708	\$4,088,721	\$14.07					\$2,876,396	4.11%
2014	\$5,130,493,662	\$128,262,342	\$72,879,506	\$69,334,221	\$4,801,422	\$14.45					\$3,545,285	4.86%
2015	\$5,412,298,562	\$135,307,464	\$75,539,516	\$71,897,151	\$5,444,595	\$14.29					\$3,642,365	4.82%
2016	\$5,841,889,295	\$146,047,232	\$78,712,008	\$75,508,265	\$5,810,834	\$13.92					\$3,203,743	4.07%
2017	\$5,973,716,402	\$149,342,910	\$82,116,773	\$77,784,021	\$6,266,168	\$14.07					\$4,332,752	5.28%

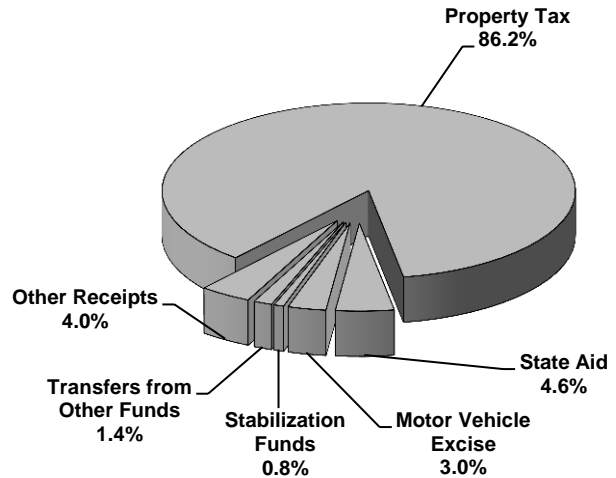
Financial Resources:

The General Fund budget is financed with funds generated from property taxes, local motor vehicle excise taxes, state aid, transfers from other local sources, investment earnings on temporarily available cash balances, and other local fees and charges.

The Resources section contains the following:

- Resource Category Descriptions 16
- Resource Detail (Revenue Detail) 17 to 19

FY18 General Fund Resources
Totaling \$101,866,858



Property Tax – Property taxes constitute about 86% of the total annual resources of the Town budget and may be levied only up to a calculated levy limit (which is certified by the state Department of Revenue). This limit can only increase by 2.5% from the previous year’s levy limit. However, taxes generated from “new growth”, the increased property values resulting from new construction and change of property use, is added to the annual limit. In addition, any override or debt exclusion amount approved by a majority vote of the electorate is added to the annual levy limit (Page 18, Section I).

State Aid – The types of funds provided to Concord by the state government are listed in the Resource Detail – General Fund schedule (Page 17 Section A).

Motor Vehicle Excise Tax – These resources are raised from a tax on each individual vehicle garaged in the Town, according to a schedule of depreciated value set by statute and administered by the State Registry of Motor Vehicles (page 17, Section B, Line 11).

Stabilization Funds – With a two-thirds affirmative vote, the Town Meeting can place funds into a Stabilization Fund and use resources from a Stabilization Fund. Stabilization Funds are often used to smooth over a sharp temporary rise in annual expenditures that could result, for example, from the increase in debt service from constructing a new school (Page 18, section H, Lines 62-64).

Transfers from Other Funds -- The Annual Town Meeting authorizes the Concord Municipal Light Plant to pay a PILOT (Payment in Lieu of Taxes) each year, as well as appropriating the use of Free Cash to reduce the property tax levy. Additional funds are available from the Thoreau School MSBA grant (Page 18, Section H, Lines 58-59).

Other– A detail of these resources can be found in the Resource Detail – General Fund Schedule (Pages 17 through 18, Sections B, C, D, E, F, and G).

SECTION I: Financial Summary

Resources

RESOURCE DETAIL - GENERAL FUND with FY18 FORECAST

	ACTUAL FY2012	ACTUAL FY2013	ACTUAL FY2014	ACTUAL FY2015	ACTUAL FY2016	Budget Est FY2017 (Oct. 20, 2016)	Projected FY2018 (Dec. 27, 2016)
A. State Aid:							
1. Abatements:							
Veterans, blind & surviving spouses	31,273	30,775	36,970	36,113	4,141	39,627	39,627
Police Career Incentive ("Quinn")	0	0	0	0	0	0	0
Elderly Persons Abatements	8,534	6,024	6,024	4,518	0	0	0
School Aid (Ch.70)	1,998,997	2,075,197	2,125,993	2,573,232	2,705,857	3,030,314	3,039,192
Charter School tuition reimbursement	26,492	13,915	17,703	15,370	5,407	893	0
State-Owned Land	589,606	589,796	601,459	424,522	424,522	419,471	419,471
Unrestricted General Government Aid	910,291	981,239	1,004,433	1,032,288	1,069,450	1,115,436	1,115,436
Supplemental unrestricted aid	70,948	0	0	0	0	0	0
Veterans Benefits	5,687	1,591	14,141	28,086	32,509	36,274	36,274
Total State Aid	\$3,641,828	\$3,698,537	\$3,806,723	\$4,114,129	\$4,241,886	\$4,642,015	4,650,000
B. Local Excise Taxes:							
11. Motor Vehicle Excise	2,338,458	2,529,694	2,730,604	2,866,492	2,937,836	2,875,000	3,042,586
12. Hotel/Motel Room Excise	277,593	262,590	277,694	297,886	334,372	350,000	350,000
13. Meals Excise	290,004	296,839	311,555	333,073	360,185	325,000	350,000
14. Jet Fuel Excise	445,559	392,272	370,248	328,986	203,889	150,000	150,000
15. Farm Animal & Machinery	603	1,420	1,433	0	1,489	0	0
16. Total Local Excise	\$3,352,217	\$3,482,815	\$3,691,534	\$3,826,437	\$3,837,771	\$3,700,000	3,892,586
C. Fines and Forfeitures:							
17. Tax Penalties & Interest	121,819	108,530	127,975	107,274	104,483	100,000	100,000
18. Tax Title Interest	55,592	75,271	114,379	210,912	33,817	25,000	25,000
19. Tax Deferral Interest			21,820	37,930	1,566	0	0
20. Court Fines	113,915	93,419	101,728	85,447	118,112	90,000	100,000
21. Total Fines & Forfeitures	\$291,326	\$277,220	\$344,082	\$441,563	\$257,978	\$215,000	\$225,000
D. Uses of Money & Property:							
22. Rental - Nextel tower	20,000	20,000	20,000	20,000	22,500	22,500	22,500
23. Rental - other wireless towers	180,157	193,148	239,697	178,955	197,530	200,000	200,000
24. Rental - Ripley Building	19,744	20,258	21,588	19,262	21,686	22,750	22,750
25. Rental - Harvey Wheeler	13,548	15,698	23,547	29,763	32,272	25,000	30,000
26. Rental - Marshall farm	9,675	10,747	11,715	12,897	13,332	14,000	14,000
27. Rental - McGrath Farm	402	405	4,652	16,800	16,800	17,000	17,000
28. Rental - miscellaneous	196,510	151,078	1,402	8,510	1,847	750	750
29. Investment Earnings	\$440,036	\$411,334	\$408,897	82,554	158,037	150,000	150,000
30. Total Uses of Money & Prop.				\$368,741	\$464,004	\$452,000	457,000
E. Licenses & Permits:							
31. Building Permits	577,624	526,205	847,659	620,248	1,007,159	600,000	800,000
32. Concord Mews building permits	297,173	0	0	0	0	0	0
33. Other Health & Inspections	252,318	277,085	321,441	296,513	374,693	300,000	325,000
34. Alcoholic Beverage	74,850	71,725	81,225	82,600	92,225	80,000	90,000
35. Miscellaneous	10,469	10,095	45,035	41,487	49,093	20,000	40,000
36. Total Licenses & Permits	\$1,212,434	\$885,110	\$1,295,360	\$1,040,848	\$1,523,170	\$1,000,000	\$1,255,000

SECTION I: Financial Summary

Resources

RESOURCE DETAIL - GENERAL FUND with FY18 FORECAST

	ACTUAL FY2012	ACTUAL FY2013	ACTUAL FY2014	ACTUAL FY2015	ACTUAL FY2016	Budget Est FY2017 (Oct. 20, 2016)	Projected FY2018 (Dec. 27, 2016)
F. Departmental Fees:							
37. Town Clerk	108,702	113,734	116,589	109,791	107,298	100,000	100,000
38. Planning	22,614	20,098	14,616	24,299	16,346	5,000	10,000
39. Collector-Treasurer	44,329	51,875	70,653	108,497	68,738	50,000	60,000
40. Fire - Ambulance	557,097	500,510	591,633	668,222	699,575	700,000	700,000
41. Public Safety	79,505	93,996	89,892	78,192	85,488	80,000	90,000
42. Library - Late Fines	45,707	50,327	46,746	43,482	34,940	45,000	35,000
43. School Department -misc	13,501	8,966	42,976	69,777	26,285	40,000	25,000
44. Kindergarten tuition	84,332	87,365	96,242	109,082	120,885	100,000	115,000
45. Medicaid reimbursements	52,628	13,212	34,769	28,306	42,829	30,000	30,000
46. Miscellaneous	35,080	46,723	29,408	24,305	27,097	20,000	25,000
47. Total Departmental Fees	\$1,043,495	\$986,806	\$1,133,524	\$1,263,953	\$1,229,481	\$1,170,000	\$1,190,000
G. All Other Revenue:							
48. Payments in Lieu of Taxes (PILOT)	9,759	23,140	21,988	25,077	23,751	20,000	20,000
(Fed.Govt., Housing Authority)			0	0	0	0	0
49. PILOT on sale of town land	1,082	0	0	0	0	0	0
50. Premium on Sale of Bonds & Notes	138,634	87,504	339,823	114,455	362,178	0	0
51. (41A) Redemptions	57,522	40,768	133,351	78,285	19,336	0	0
52. (61A) Rollback Tax	0	27,671	40,253	0	66,113	0	0
53. Supplemental tax on new construction	102,369	77,521	68,306	116,075	53,926	75,000	75,000
54. SREC - Willard School solar	22,496	8,890	10,845	15,021	20,724	0	0
55. Miscellaneous non-recurring	71,594	115,808	207,181	79,375	321,256	0	50,000
56. Total Other Revenue	\$403,456	\$381,302	\$821,747	\$428,288	\$867,284	\$95,000	\$145,000
57. TOTAL LOCAL (B-G)	\$6,742,964	\$6,424,587	\$7,695,144	\$7,369,830	\$8,179,688	6,632,000	7,164,586
H. Available Funds							
58. Municipal Light Plant (Electric Fund)	380,000	385,000	447,800	458,650	472,400	465,500	474,000
59. Thoreau School MSBA grant	427,412	409,878	409,878	409,878	409,878	409,878	0
60. Free Cash appropriated to reduce tax rate	850,000	850,000	850,000	850,000	950,000	1,000,000	1,000,000
61. Free Cash appropriated for expenditures	46,822	0	0	0	625,000	0	0
62. Elementary School Debt Stabilization Fund	700,000	475,000	735,000	0	0	0	0
63. High School Debt Stabilization Fund			230,000	500,000	1,500,000	1,000,000	785,000
64. Emergency Services Stabilization Fund				200,000	100,000	50,000	0
65. TOTAL AVAILABLE FUNDS	\$2,404,234	\$2,119,878	\$2,672,678	\$2,418,528	\$4,057,278	\$2,925,378	\$2,259,000
I. Property Tax:							
66. Base	64,206,150	65,862,787	68,113,587	71,061,652	74,224,261	76,347,645	80,259,281
67. New Growth	863,585	1,183,336	1,220,624	835,499	1,284,004	1,436,376	1,150,000
68. Within levy limit	\$65,069,735	\$67,046,123	\$69,334,211	\$71,897,151	\$75,508,265	\$77,784,021	\$81,409,281

SECTION I: Financial Summary

Resources

RESOURCE DETAIL - GENERAL FUND with FY18 FORECAST

	ACTUAL FY2012	ACTUAL FY2013	ACTUAL FY2014	ACTUAL FY2015	ACTUAL FY2016	Budget Est FY2017 (Oct. 20, 2016)	Projected FY2018 (Dec. 27, 2016)
Debt Exclusion:							
69. Concord-Carlisle High School	322,941	184,870	(4,213)	(10,456)	196,161	189,624	0
70. New CCHS building		69,258	1,556,056	1,869,297	3,318,268	3,508,314	3,561,484
Harvey Wheeler CC renovations	116,994	114,039	110,837	107,389	103,694	0	0
71. CPS Bus Depot							156,672
72. Alcott School - Bond, Sept. '04 (\$7m), refunde	533,925	522,769	509,863	496,519	439,838	432,645	418,265
73. Alcott School - Ph 2 bond, Mar. '07 (\$2.35m)	228,633	217,283	211,132	204,980	198,829	191,724	176,240
74. Thoreau School - Bond, Sept. '06 (\$10m)	849,156	828,392	807,628	786,172	588,300	670,755	387,600
75. Thoreau School - Bond, Sept. '07 (\$6.8m)	602,705	588,000	573,769	558,589	541,037	525,570	333,330
76. Thoreau school - Bond, Mar. '09 (\$140k)	40,800	0	0	0	0	0	0
77. Willard School Design - Bond Spr. '08 (\$1.84n	226,631	221,183	215,734	210,285	204,383	198,269	181,563
78. Willard School - Bond, Mar. '09 (\$11.9m)	1,008,191	995,601	979,864	955,980	937,245	918,750	898,438
79. Willard School - Bond, Jan. '10(\$12.9m)	1,044,016	1,027,089	1,013,547	1,000,005	986,463	972,475	955,475
80. Phase 1, WPAT State Loan	101,678	101,565	101,450	101,332	101,212	101,089	99,925
81. Willard constr. - Bond, June '11 (\$400k est)	109,438	103,550	100,633	74,381	0	0	0
82. Thoreau advance refunding, May '15					105,282	0	0
83. CCHS new issue - spring 2016							
84. subtotal, debt exclusion	\$5,185,108	\$4,973,599	\$6,176,300	\$6,354,473	\$7,720,712	\$7,709,215	\$7,168,991
less:							
85. <i>Elementary School Debt Stabilization</i>							
85A. <i>Bond Premium</i>	(\$700,000)	(\$475,000)	(\$735,000)			(3,449)	0
85B. <i>CCRS D PY Debt Reserve</i>						(29,719)	0
86. <i>Thoreau School MSBA grant</i>	(\$427,412)	(\$409,878)	(\$409,878)	(\$409,878)	(409,878)	(409,878)	0
87. <i>High School Debt Stabilization</i>			(\$230,000)	(\$500,000)	(1,500,000)	(1,000,000)	(785,000)
88. <i>Net debt exclusion</i>	\$4,057,696	\$4,088,721	\$4,801,422	\$5,444,595	\$5,810,834	\$6,266,168	\$6,383,991
89. TOTAL PROPERTY TAX	\$69,127,431	\$71,134,844	\$74,135,633	\$77,341,746	\$81,319,099	\$84,050,189	\$87,793,272
GRAND TOTAL							
90. GENERAL FUND RESOURCES	\$81,916,457	\$83,377,846	\$88,310,178	\$91,244,233	\$97,797,951	\$98,249,582	\$101,866,858
<i>Increase over prior year</i>	4.20%	1.78%	5.92%	3.32%	7.18%	0.46%	3.68%

FY12-17 increase over prior year actual; FY18 increase over FY17 revised estimate

FY2018 PROJECTED TAX LEVY INCREASE

	percent	amount
Base	2.94%	\$2,475,260
Debt Exclusion	0.14%	\$117,823
New Growth	3.09%	\$2,593,083
	1.37%	1,150,000
	4.46%	\$3,743,083

"FY2018 Base" minus "FY2017 Within levy limit" change in excluded debt tax levy
Change in Levy from current taxpayers
 Projected "New Growth" for FY2018
Change in Total Levy

SECTION I: Financial Summary

Other Resources

Overview:

To augment current General Fund revenues and earmark funds for future expenditures, the Town has established several stabilization funds, the Sawyer Trust Fund, and an escrow account with funds from the Thoreau School MSBA Grant.

With the adoption of the Community Preservation Act in 2004, the Town places a 1.5% surcharge on all real estate tax bills with an exemption for qualified low and moderate income owner-occupied residents, and an exemption for the first \$100,000 of taxable value of residential real property. When funds are available, the State matches the amount raised by the Town's 1.5% surcharge.

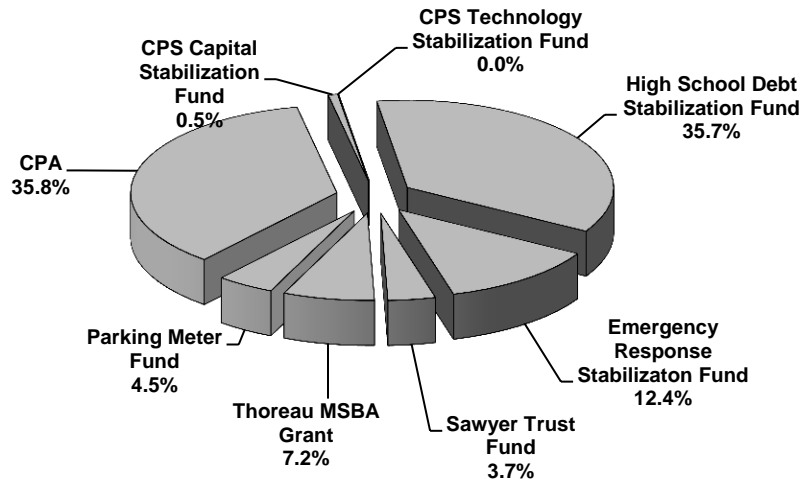
The Parking Meter Fund was established in 1975 to use revenues from parking meters and parking violation fines for the purchase and maintain parking meters and regulate and enforce parking activities.

Available Resources (as of June 30, 2016)

\$2.8 million from Stabilization Funds

\$2.0 million for CPA Projects

\$880,000 for Other Activities



Other Resources

Stabilization Funds (which can be used with a two-thirds affirmative vote of Town Meeting)

- Concord Public Schools Capital Needs Stabilization Fund – As of June 30, 2016, the fund has an unencumbered total of \$42,274.
- Concord Public Schools Technology Stabilization Fund – As of June 30, 2016, the fund has a remaining balance of \$694.
- High School Debt Stabilization Fund – As of June 30, 2016, the fund has a total of \$2,045,329 to off-set the debt service cost associated with the construction of the new Concord-Carlisle Regional High School.
- Emergency Response Stabilization Fund – As of June 30, 2016, the fund has \$708,884 to be used to mitigate the impact of the Concord Mews development in West Concord on public safety services.

Sawyer Trust Fund -- For use at the discretion of the Town Manager, the \$1.7 million Sawyer Trust gift has a balance of \$211,625 as of June 30, 2016 for energy conservation initiatives in Town-owned buildings.

Thoreau School Massachusetts School Building Authority (MSBA) Grant Escrow – As of June 30, 2016, the fund has a balance of \$409,878 which is to be used to off-set debt service costs in FY17 of bonds issued to fund the construction of the Thoreau Elementary School.

Community Preservation Act Funds – As of June 30, 2016, the amount available to fund Community Preservation Act (CPA) is \$2,049,110. These funds can be appropriated by Town Meeting for the purposes of funding community housing, historic preservation, open space, and recreation projects, as well as covering associated administration costs. By statute, the Town must designate at least 10% of annual revenues of the Community Preservation Fund either to be appropriated to or reserved for future spending for each of three categories: community housing, historic preservation, and open space purposes.

Parking Meter Revolving Fund – With revenues derived from the collection of parking meter deposits and the payment of parking violation fines, the Parking Meter Fund has a balance of \$258,065 as of June 30, 2016. This fund is replenished continually with revenue from meter collections and violation payments and in FY16 revenues totaled \$404,204. With the authorization of the Police Chief, FY16 expenditures equaled \$320,276.

Stabilization, Trust, and Escrow Funds as of June 30, 2016*Concord Public Schools Capital Needs Stabilization Fund*

This fund was established at the 2006 Annual Town Meeting with the net proceeds (\$487,956) from the sale of town land at Strawberry Hill Road to fund the Burke land purchase (Old Bedford Road, at Ripley). Subsequent additions totaling \$360,000 were made by the 2010 Town Meeting (\$260,000) and the 2011 Town Meeting (\$100,000) from unexpended CPS appropriations encumbered by the School Committee at June 30, 2009 and June 30, 2010 respectively. To date, \$119,316 of interest, dividends and recorded gains has been added to the fund. \$925,000 was appropriated from this Fund by Article 24 of the 2015 Annual Town Meeting.

Concord Public Schools Technology Stabilization Fund

This fund was established by vote at the 2010 Annual Town Meeting and added to at the 2011 Annual Town Meeting, from unexpended CPS appropriations encumbered by the School Committee at June 30, 2009 (\$25,000) and June 30, 2010 (\$50,000) respectively. To date, \$694 of interest has been added to the fund. \$75,000 was appropriated from this Fund by vote of Article 11 of the 2014 Annual Town Meeting.

High School Debt Stabilization Fund

This fund was established by vote at the April 24, 2012 Special Town Meeting, funded by a \$2.0 million appropriation from Free Cash effective immediately upon the vote. Subsequent transfers from Free Cash have been voted at the 2013, 2014 and 2015 annual town meetings (\$750,000 each year). Interest recorded to date and added to the fund totals \$25,329 and \$2,230,000 has been drawn from the fund through June 30, 2016.

Emergency Response Stabilization Fund

This fund was established by vote at the 2012 Annual Town Meeting, funded by a \$1.0 million appropriation from Free Cash effective immediately upon the vote. The Free Cash appropriation was offset by the receipt of the same amount from the developer of Concord Mews as a required Mitigation Payment. In accordance with state law, the Mitigation Payment was recorded as General Fund revenue during FY12; the payment was not legally permitted to be applied and expended directly.

Interest recorded to date and added to the fund totals \$8,884. An amount of \$100,000 was drawn from the fund in FY16 to be applied to FY16 Fire Department costs for ambulance services. Additionally, \$50,00 had been appropriated by Article 29 of the 2012 Town Meeting for application to emergency access to the Concord Mews site. This appropriation has not yet been acted upon or rescinded. The fund balance as of June 30, 2016 is \$708,884.

Sawyer Trust Fund

Special Town Meeting vote of Nov. 5, 1997 accepted this \$1.7 million gift and assigned the custody and investment of the fund to the Trustees of Town Donations. Interest, dividends and gains recorded to date and added to the fund total of \$70,002. To date, the Trustees have transferred \$1,787,815 to the town treasury at the request of the Town Manager. 64 separate projects have been undertaken for the improvement of energy and resource conservation in town government buildings and facilities. \$211,625 remains in the fund.

Thoreau School MSBA Grant Escrow

On June 7, 2010 the Town received a lump sum grant of \$6,336,666 from the MSBA for the state's share of the eligible cost of the new Thoreau School, following an audit of final project expenses. The previous September, three years after the new school had opened, the MSBA had agreed to accept the Thoreau School as a "moratorium project", one of three school buildings statewide that had been initiated and constructed while the prior school building assistance program had been suspended and the new one had not yet been put in place. The audit went back to FY2000 which included original design costs for what was subsequently constructed in FY04-06.

Requirements of the lump sum grant provide that scheduled draws be made to partially offset the property tax levy otherwise needed for debt service on \$16.9 million of bonds issued September 2006 and maturing serially to 2024. At the first bond call date of September 16, 2016, a condition of the MSBA grant required that the remainder of the grant at that time (approximately \$3.4 million) be used to call outstanding bonds in an equal principal amount. While the grant fund would then be extinguished, future debt service would correspondingly be reduced.

Taking advantage of current bond market rates, the Town decided not to wait for the September 2016 call date but rather to execute an advance refunding of \$4,440,000 of the bonds issued September 2006 on bonds originally issued September 2004. This issuance was sold in May 2015. Part of the escrow funding was the allocation of \$3,428,068.36 from the MSBA grant balance. The remaining balance of the grant will be applied to FY17 debt service on Thoreau School construction bonds remaining outstanding from the 2006 and 2007 bond issuances.

SECTION I: Financial Summary

Other Resources

Status of Stabilization and other special funds at June 30, 2016

Fund#	FUND TITLE	Legal Basis	Initial Funding		Cumulative			FY16 transactions & activity (12 months)				Balance at June 30, 2016	
			Amount	Date	Additions (after original deposit)	Interest and Dividends	realized and unrealized gains	Funds used	Additions	Interest and Dividends	realized and unrealized gains		Funds used
86	Elementary School Debt Stabilization	Article 20 of 2008	\$2,500,000.00	7/1/08	\$0.00	\$257,410.66	\$154,501.24	\$2,910,000.00	\$0.00	\$5.92	\$0.00	\$1,917.82	\$0.00
85	Concord Public Schools Capital Needs	Article 32 of 2006	\$487,955.59	3/31/08	\$360,000.00	\$91,688.05	\$23,608.18		\$0.00	\$4,020.09	\$0.00	\$925,000.00	\$42,271.91
80	Concord Public Schools Technology	Article 25 of 2010	\$25,000.00	12/7/10	\$50,000.00	\$69.11	\$75,000.00		\$0.00	\$3.05	\$0.00	\$0.00	\$694.15
83	General Stabilization Fund								\$1,917.82	\$4.77	\$0.00	\$0.00	\$4,202.79
78	High School Debt	Art. 7, Apr. 24, 2012 Special Town Mtg.	\$2,000,000.00	6/29/12	\$2,250,000.00	\$15,765.63	\$730,000.00		\$0.00	\$9,564.11	\$0.00	\$1,500,000.00	\$2,045,329.74
79	Emergency Response	Article 29 of 2012	\$1,000,000.00	6/29/12	\$5,790.11	\$5,790.11	\$2,000,000.00		\$0.00	\$3,094.32	\$0.00	\$100,000.00	\$708,884.43
	SUBTOTAL- STABILIZATION FUNDS		\$6,012,955.59		\$2,660,000.00	\$371,345.55	\$178,109.42	\$9,915,000.00	\$1,917.82	\$16,692.26	\$0.00	\$2,526,917.82	\$2,801,383.02
Trustees	Sawyer Trust	Art. 4, Nov. 5, 2007 Special Town Mtg.	\$1,730,437.58	1/3/08	\$15,197.12	\$199,692.01	\$59,093.30	\$1,787,914.94	\$0.00	\$1,204.02	\$0.00	\$0.00	\$212,625.09
General Fund reserved	Thoreau School MSBA grant escrow (General Fund restricted fund balance)	*	\$633,666.00	6/7/10		\$341,258.68	\$122,586.67	\$5,516,910.53	\$0.00	\$0.00	\$0.00	\$409,877.74	\$409,877.73

* Grant reserved (initial funding less funds used)

Shaded cells: General Fund revenue

NOTES

GRAND TOTAL:
Stabilization Trust and Escrow

\$6,340,867.30

\$3,423,885.84

(a) \$925,000 appropriated for the development of transportation infrastructure, Article 12 of the 2014 Annual Town Meeting

(b) \$1,500,000 appropriated to be applied to FY16 debt service costs, Article 29 of the 2015 Annual Town Meeting

(c) \$100,000 appropriated to be applied to FY16 Fire Department costs, Article 38 of the 2015 Annual Town Meeting

\$50,000 appropriated to be applied to Concord News emergency access from Forest Ridge Road, Article 29 of the 2012 Annual Town Meeting

(d) \$3,423,068.36 applied in FY15 to the call of bonds outstanding for Thoreau School construction (issuances of 2006 and 2007); balance to be applied to FY16 and FY17 debt service.

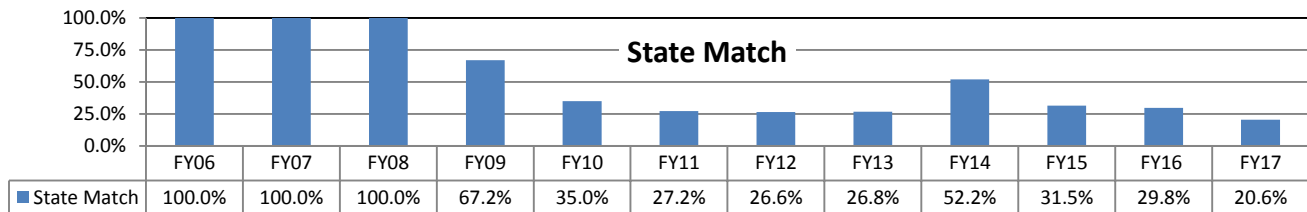
(e) transfer remaining balance to Fund 83, General Stabilization Fund, as authorized under Article 9 of the 2016 Annual Town Meeting.

Community Preservation Act Fund

The Community Preservation Act, M.G.L. c. 44B, allows Massachusetts cities and towns to raise monies through a surcharge of up to 3% of the real estate tax levy on real property. Concord adopted the Community Preservation Act at the 2004 Annual Town Meeting and ratified it at the polls in November 2004. Concord voters agreed to fund the CPA account through a 1.5% surcharge of all real estate property tax bills with two exemptions:

1. Residential property owned and occupied by any person who qualifies for moderate or low-income housing (earning less than 80% of Area Median Income), or low or moderate-income senior housing (earning less than 100% of the Area Median Income and are 60 years of age or older), and
2. The first \$100,000 of taxable value of residential real property.

Funds from the 1.5% surcharge are “matched” from revenues derived from a surcharge placed on all real estate transactions at the State's Registries of Deeds and placed in the CPA Trust Fund. From FY06 to FY08, there were enough funds in the CPA Trust Fund to provide Concord with a 100% match. However, as the number of participating municipalities increased (82 in FY06 to 157 in FY17), the State match percentage has decreased.



The chart below shows the annual revenues, expenditures, and fund balance for Concord’s CPA account.

	FY12	FY13	Actual FY14	FY15	FY16	Budgeted FY17	Projected FY18
Beginning Fund Balance (@July 1st)	\$1,863,110	\$1,977,882	\$1,243,941	\$1,236,225	\$1,827,740	\$2,049,110	\$1,905,060
Surcharge Collection (Current Year)	\$891,970	\$921,209	\$964,992	\$1,016,159	\$1,078,059	\$1,121,182	\$1,166,029
Surcharge Collection (Prior Years)	\$333	\$7,056	\$4,794	\$3,051	\$3,937	\$0	\$0
State Match (of Prior Year net committed)	\$230,656	\$241,434	\$485,112	\$306,163	\$302,422	\$215,612	\$224,236
Earnings on Investment	\$6,470	\$3,664	\$2,340	\$3,514	\$8,423	\$0	\$0
Tax and Tax Title Penalty Interest	<u>\$5,050</u>	<u>\$4,927</u>	<u>\$5,834</u>	<u>\$8,810</u>	<u>\$3,230</u>	<u>\$0</u>	<u>\$0</u>
Total Fund Revenues	\$1,134,479	\$1,178,290	\$1,463,072	\$1,337,697	\$1,396,072	\$1,336,794	\$1,390,265
Expenditures	\$1,019,707	\$1,912,231	\$1,470,788	\$746,182	\$1,174,702	\$1,480,844	
Ending Fund Balance (@ June 30th)	\$1,977,882	\$1,243,941	\$1,236,225	\$1,827,740	\$2,049,110	\$1,905,060	

Parking Meter Fund

With the adoption of Article 65 of the 1975 Annual Town Meeting, the Town established in the Town Treasury a Parking Meter Fund to segregate revenues raised from the collection of parking meter deposits and the payment of parking violation fines. With the authorization of the Police Chief, these funds can be used to pay for costs incurred for the acquisition, installation, replacement, maintenance, and repair of parking meters and for the regulations and enforcement of parking and other traffic activities.

On page 25, there is a Statement of Revenues, Expenditures, and Fund Balance for the fiscal years 2009 to 2016. In FY16, total revenues equaled \$404,204 and expenditures \$320,276. As a result, fund balance increased by \$83,927 to \$258,065.

SECTION I: Financial Summary

Other Resources

Proposed FY18 CPA Projects (to be voted on at the 2017 Annual Town Meeting)

Item	Name of Project	Suggested Category	Suggested Amount to Award	Notes
A	Regional Housing Services Program	Community Housing	18,000	
B	Emerson Umbrella - Window Restoration II	Historic Preservation	101,000	
C	Sleepy Hollow Cemetery Roadway and Stone Wall Improvements	Historic Preservation	300,000	\$143,071 from prior year fund balance
D	Concord Museum - Systems Replacement Project	Historic Preservation	170,000	
E	Alcott's Orchard House - Climate Control Project	Historic Preservation	100,000	
F	Timothy Wheeler House - Historic Structure Report	Historic Preservation	15,000	
G	Concord Children's Center - Ripley Tree Replacement	Open Space	6,000	
H	Open Space Reserve Fund	Open Space	120,000	
I	Chamberlain Park Bridge Replacement	Open Space	9,670	Project Divided 50% Open Space, 50% Recreation
		Recreation	9,670	
J	CIPS Playground Initiative	Recreation	105,000	
K	Rideout Improvement Project	Recreation	46,000	
L	Land Acquisition Reserve Fund	TBD	180,000	
M	Staff and Technical Support	Administration	30,000	
N	Community Housing Reserve Fund	Community Housing	116,000	
Total Requested:			1,326,340	
10% Minimum Amount = 139,026				

		Percentage of Recommended Funds (including Reserves)	Percentage of FY18 CPA Fund Revenues
Community Housing Recommendations	134,000	10%	11.3%
Historic Preservation Recommendations	686,000	52%	45.9%
Open Space Recommendations	135,670	10%	11.5%
Recreation Recommendations	160,670	12%	13.6%
Administration Recommendations	30,000	2%	2.5%
To Be Decided	<u>180,000</u>	<u>14%</u>	15.2%
Current Recommendation Total:	\$1,326,340	100.0%	100.0%
Amount Available in all available CPA Accounts:	<u>\$1,326,340</u>		
Unallocated Existing Funds	\$0		
FY18 Estimated CPA Funds Revenue Available:	\$1,183,269		
Existing Funds from Prior Undesignated Fund Balance:	\$143,071		
Total Funds Available for the 2017 Town Meeting:	\$1,326,340		

SECTION I: Financial Summary

Other Resources

Concord Parking Meter Fund Statement for Revenues, Expenditures and Changes in Fund Balance

Fiscal Years 2009 to 2016

	Code	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
REVENUES:									
Meter collections		138,634	138,067	141,581	144,358	139,460	133,436	128,558	172,442
Meter violations		154,069	136,284	133,383	135,705	139,787	119,302	118,454	155,724
MBTA lot fees		30,532	30,666	32,293	34,367	35,999	38,483	42,631	50,036
Parking permits		7,747	8,090	9,071	9,825	14,639	16,668	22,815	26,002
Total revenues		<u>330,982</u>	<u>313,107</u>	<u>316,328</u>	<u>324,255</u>	<u>329,884</u>	<u>307,889</u>	<u>312,459</u>	<u>404,204</u>
EXPENDITURES:									
Personal services:									
Parking officer	5111	54,157	56,083	59,890	60,407	60,747	70,523	62,744	63,551
Hearing officer	5120	359	314	1,688	240	240	260	320	493
Overtime	5130	54,673	61,131	55,638	60,131	56,493	67,437	56,330	51,780
Benefits	various	2,403	2,451	2,482	2,551	2,551	3,380	2,815	3,649
Total personal services		<u>111,593</u>	<u>119,979</u>	<u>119,698</u>	<u>123,329</u>	<u>120,031</u>	<u>141,599</u>	<u>122,209</u>	<u>119,473</u>
Supplies & services:									
Electricity - traffic lights	5211, 5215	9,236	7,693	8,543	9,512	7,807	7,115	7,284	7,012
Equipment maintenance	5243	0	479	874	4,105	1,575	629		203
Computer Equipment	5245	9,190	8,807	9,781	12,195	11,241	12,039	12,345	12,152
Traffic signal maintenance	5246	19,166	5,791	4,142	4,097	6,739	51,617	3,834	1,013
Vehicular Maintenance	5251	700	507	0	1,672	90	461	205	763
Street Painting Marking	5292	18,799	22,854	32,635	36,517	38,996	22,147	36,724	33,611
Other Property Related	5299	0	0	0	0	-	330		
Data processing - tickets	5303	14,300	12,936	12,349	12,819	10,577	10,359	10,882	13,271
Eng./Architect. Svs	5304	27,674	0	0	1,355	-	-		
Banking Services	5310	0	0	0	0	-	-		3,069
Other Prof./Tech. Svs	5319	0	0	0	26,669	64,865	-	10,678	22,857
Telephone	5341	0	0	0	0	-	-		200
Postage	5342	1,459	1,376	1,200	1,443	2,297	1,015	957	1,269
Printing	5381	4,490	433	0	0	2,464	2,400	4,598	4,777
Advertising	5383	0	839	0	0	-	-		587
Radar Service	5384	0	1,205	1,831	538	1,632	1,198	723	1,555
Misc. Purchased Services	5399	0	0	0	0	-	-		3,961
Gasoline	5411	2,079	1,997	2,027	2,542	3,039	2,681	2,226	611
Printed Forms	5423	724	834	4,664	860	1,626	1,490	1,104	1,669
Office Supplies	5429	47	0	0	0	-	-	30	-
Painting supplies	5434	1,382	2,075	1,550	1,248	797	1,119	1,469	562
Other equipment supplies	5484	653	1,221	962	1,732	961	2,091	2,053	724
Sign materials	5541	128	56	262	50	56	141	38	97
Traffic safety devices & signs	5551	5,488	0	4,830	2,320	2,147	4,459	3,245	1,425
Miscellaneous Signs	5553	0	8	109	0	-	-	628	290
Other Miscellaneous Supplies	5599	152	1,923	125	0	-	-	505	901
Intergovernmental assessmnt	5646	14,563	8,792	9,405	9,734	9,465	8,907	10,776	10,776
Total supplies & services		<u>130,228</u>	<u>79,825</u>	<u>95,290</u>	<u>129,409</u>	<u>166,372</u>	<u>130,196</u>	<u>110,301</u>	<u>123,356</u>
Capital outlay:									
Meters (additional & replace.)		0	0	0	0	-	-		
Coin counter/sorter		0	0	0	0	-	-		
Striping/Marking equipment		0	0	0	0	-	-		
Computer software		0	0	0	0	-	-		
Bicycle		0	0	0	0	-	-		
Radar units		0	0	0	0	-	-		
Speed Alert Trailer		0	0	0	0	-	-		
Handheld Tkt. Comp./Printer		0	0	0	0	-	-		
Traffic counters	5709	0	0	0	0	-	-		
Other Equipment Expense	5709	0	0	0	0	-	-		1,390
Highway Improvements	5841	0	71,725	0	4,269	81,988	-		9,277
Public Safety Equipment	5857	8,385	10,796	1,850	7,463	1,875	-		
Meter Replacement	5866	0	9,667	0	0	-	-	3,099	2,588
Vehicle	5871	0	0	0	0	37,725	-		
Public Safety Equip Replace	5877	0	0	0	0	-	1,495		
Computer Equipment Replace	5879					4,187	-		
MBTA Lot Drainage Improve.		0	0	0	0	-	-		
Replace. MBTA Lot Boxes		0	0	0	0	-	-		
Total capital outlay		<u>8,385</u>	<u>92,188</u>	<u>1,850</u>	<u>11,732</u>	<u>125,775</u>	<u>1,495</u>	<u>3,099</u>	<u>13,255</u>
Interfund transfers:									
Police - admin. & staffing		15,000	15,000	15,000	15,000	15,000	15,000	62,943	64,192
Treasurer - ticket collections		24,410	25,218	26,162	27,088	28,311	29,126		
Finance Administration		15,631	15,321	15,601	16,659	16,876	17,732		
Total interfund transfers		<u>55,041</u>	<u>55,539</u>	<u>56,763</u>	<u>58,747</u>	<u>60,187</u>	<u>61,858</u>	<u>62,943</u>	<u>64,192</u>
Total expenditures		<u>305,247</u>	<u>347,531</u>	<u>273,601</u>	<u>323,216</u>	<u>472,366</u>	<u>335,148</u>	<u>298,552</u>	<u>320,276</u>
Net of Revenues & Expenditures		25,735	(34,424)	42,727	1,038	(142,482)	(27,260)	13,907	83,927
FUND BALANCE, JULY 1									
		290,377	316,113	286,206	328,933	329,971	187,489	160,230	174,137
FUND BALANCE, JUNE 30									
		<u>316,113</u>	<u>281,688</u>	<u>328,933</u>	<u>329,971</u>	<u>187,489</u>	<u>160,230</u>	<u>174,137</u>	<u>258,065</u>

SECTION I: Financial Summary

Expenses

Expenses – General Fund Budget:

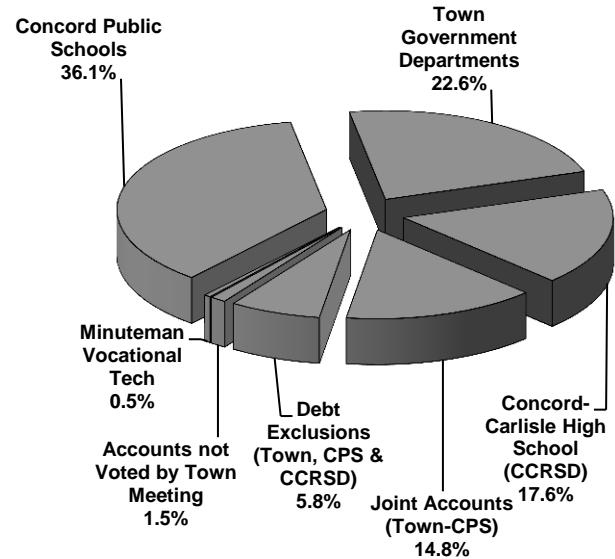
The General Fund budget is organized into 3 major organizational categories:

- Town Government;
- Concord Public Schools; and
- Concord-Carlisle Regional School District.

This section contains the following:

- Major Organizational Categories 26 to 27
- Joint Accounts 28
- Other Obligations 29
- Appropriations (Warrant) 30 to 32
- Town Gov. Budget Summary 33 to 41

FY18 General Fund Expenses **Totaling \$101,866,859**



Town Government (Page 8, line 5 – \$23,064,013 proposed for FY18)

This budget category relates to all sections of Town Government services that are under the direction and control of the Town Manager in accordance with the Town Charter, including general government, finance, public safety, public works, and human services. It should be noted that this number refers only to the amount appropriated by Town Meeting; it does not include resources transferred from other funds. For example, the Concord Municipal Light Plant (CMLP) uses various services of the Finance Department. The cost for these services is charged to the Light (CMLP) Fund. The budget presentation shows these other funding sources but they are not part of the General Fund appropriation.

Concord Public Schools (CPS - Page 8, line 6 - \$36,810,111 Finance Committee Guideline for FY18)

Summary information is found on pages 282-283. Separate School Department documents provide a more detailed analysis of the CPS budget, which is under the control and direction of the elected School Committee and the administrative direction of the School Superintendent.

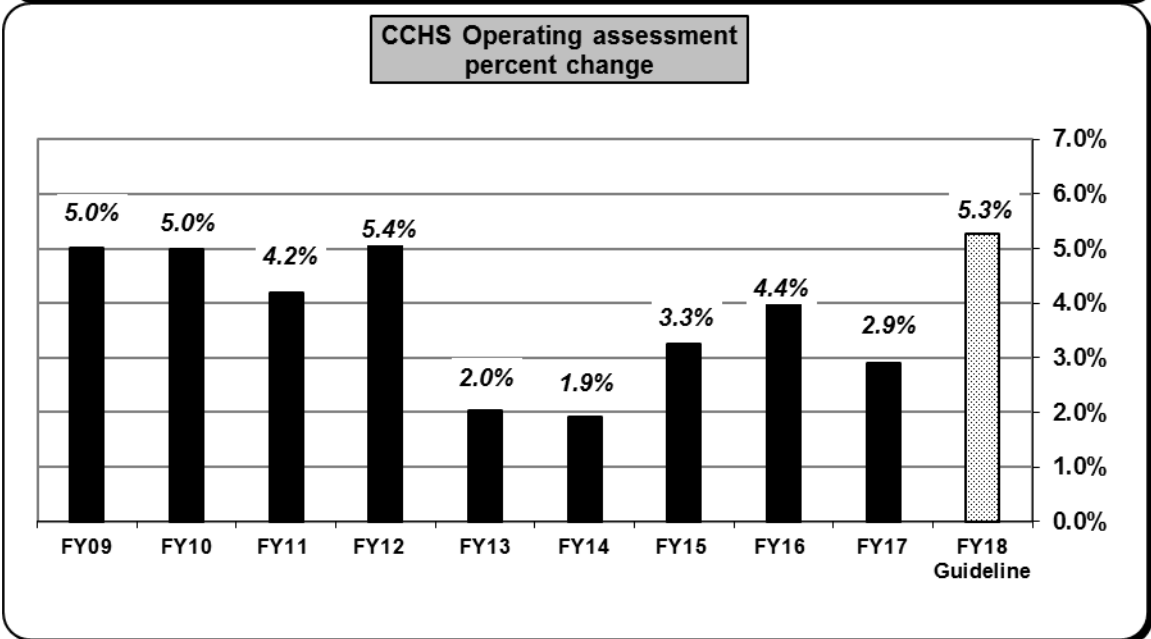
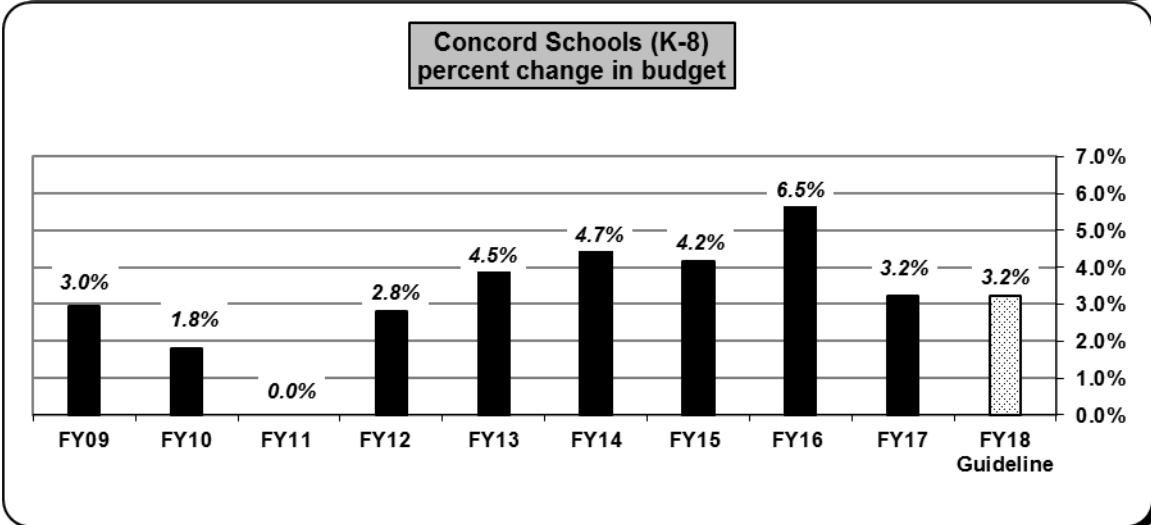
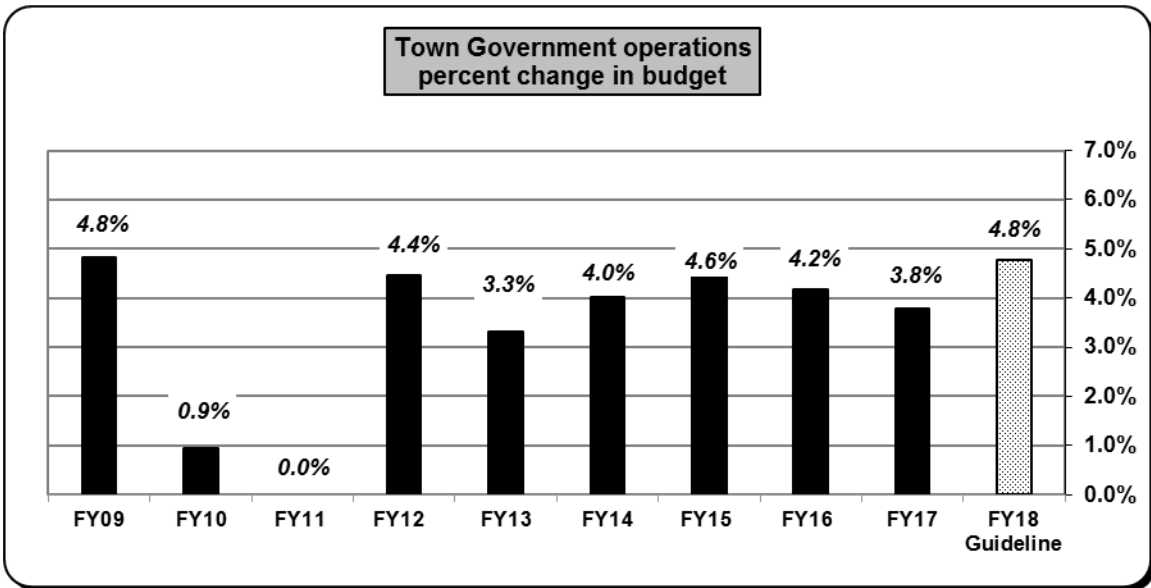
Concord-Carlisle Regional School District (CCRSD - page 8, line 7 - \$17,935,005 Finance Committee Guideline for FY18 as Concord's share of the Districts operating budget)

Since the Concord-Carlisle Regional School District (CCRSD) is a separate political subdivision but not a taxing authority, the Town budget includes an assessment payable to CCRSD based on Concord's share of the previous year's enrollment figures. That assessment amount is shown in this category. Summary information is found on pages 284-285. Separate budget documents of the CCRSD provide a more detailed analysis of the Regional School District's budget, which is under the control and direction of the elected School Committee and the administrative direction of the School Superintendent. The Joint Superintendency operates a consolidated administration managing both the CPS (grades K-8) and the CCRSD (grades 9-12).

Total of Above Operating Budgets:

\$77,809,129 (page 8, line 8)

+ 4.15% increase from FY17



Joint Accounts

To take advantage of efficiencies and economies of scale, certain accounts of the Town Government and the Concord Public Schools are combined into joint accounts and administered by the Town Manager. The Concord-Carlisle Regional School District is not part of these joint accounts because it is a separate political subdivision.

The joint accounts are as follows:

Group Insurance (Page 8, line 9 - \$4,800,000, and line 9a - \$1,470,000)

Group Insurance refers to employee health, dental, and basic life insurance. This account covers the Town's contribution for Town Government and Concord Public School employees and retirees who are enrolled in these programs. The proposed budget also includes \$1,470,000 toward the Annual Net Other Post Employment Benefit (OPEB) obligation which has been estimated at approximately \$1.80 million in FY18.

Retirement (Page 8, line 10 - \$3,667,000)

This account contains the Town's portion of the annual funds transferred to the control of the contributory retirement system. With the exception of teachers, who are part of the State Teachers Retirement System, substantially all municipal employees who work at least 25 hours per week are covered by the Town's contributory retirement system operated in accordance with Chapter 32 of the Massachusetts General Laws.

Debt Service (Page 8, line 11 - \$3,860,000; financed within the levy limit)

The issuance of debt to finance capital expenditures for both the Town Government and the Concord Public Schools is authorized by the Concord Town Meeting (by two-thirds majority vote) and is issued through the Concord Town Treasurer's office. This account covers the portion of annual principal and interest owed on the borrowing that is financed within the property tax levy limit.

Social Security / Medicare (Page 8, line 12 - \$810,000)

All town and school employees hired after April 1, 1986 are subject to the 1.45% Medicare payroll tax. Employees who are not required to be members of the Town's retirement system (part-time employees working fewer than 25 hours per week and other non-permanent employees) are covered by Social Security and are subject to the 6.2% payroll tax. By federal law, the Town must match all employees' contributions and this account provides the matching funds.

Other Fixed & Mandated Items (Page 8, line 13 - \$450,000)

These items are made up of the following: Property & Liability Insurance for the Town Government (not including the School Department); and Unemployment & Workers Compensation for the Town Government and the Concord Public Schools (grades K-8).

Joint Account Subtotal:

\$15,159,583 (page 8, line 14)

+5.33% increase from FY17

Other Obligations

There are also several accounts which are either assessments to other political jurisdictions or payments of debt service authorized by the electorate to be funded outside the constraints of the levy limit ("excluded debt").

- Minuteman Voc Tech (Page 8, line 15 - \$500,000)

In a similar manner in which funds are transferred to the Concord-Carlisle Regional School District, the Town pays an assessment to the 16-town Minuteman Regional Vocational Technical School District calculated in part based on the number of Concord students enrolled in the prior year.

- High School Debt Exclusion (Page 8, line 16 - \$3,561,484)

As approved by a Proposition 2½ debt exclusion ballot vote of the Concord electorate, the amount to cover the principal and interest on debt issued by the Concord-Carlisle Regional School District and assessed to the Town of Concord is included in this account.

- Town Debt Exclusion (Page 8, line 17 - \$3,607,507)

This budget covers the debt service on bonds issued by the Town of Concord for major capital investments of the Town Government and the Concord Public Schools that have been voted by the electorate to be exempt from the property tax levy limit. Major components of this cost are principal and interest amounts due on borrowings made to finance the new Alcott (2004 and 2007 bonds), Thoreau (2006 and 2007 bonds), and Willard (2009 and 2010 bonds) elementary school buildings.

Other Obligations Subtotal **\$7,668,991**

Budget Subject to Town Meeting Vote: **\$100,637,703**

+3.54% increase from FY17

The total Town budget plan includes some items that are not subject to appropriation by Town Meeting:

- State Assessments (Page 8, line 19 - \$500,000)

By state law, these state charges are not subject to Town Meeting appropriation but must be financed within the property tax levy limit. The largest item is the assessment for the Massachusetts Bay Transit Authority which accounts for 87% of the FY18 budgeted amount.

- Snow/Ice & Other Deficits (Page 8, line 20 – \$178,656)

Because snow removal expense is unpredictable, state law permits deficit spending for this purpose as long as the current amount appropriated in the CPW Snow & Ice Removal account (account #18, page 201) is at least as much as the previous year's appropriation. This account provides for added room for a current year deficit which would be required to be added to the next year's tax levy, within the limit. The budget estimate is based upon an average of historical experience. It is subject to wide variation. Only the actual deficit of the current year ending June 30, 2017, if any, will be raised in the FY18 tax levy.

- Overlay (Page 8, line 21 – \$550,000)

The Overlay account is the amount added to the property tax levy in excess of the sum required to meet appropriations, state assessments, and permitted deficits. The Overlay is used to cover property tax abatements and exemptions granted in each tax year by the local Board of Assessors. The proposed amount is based upon historical experience and is added to the tax levy within the levy limit.

Total Budget Plan: **\$101,866,859**

+3.68% increase from FY17

SECTION I: Financial Summary

Expenses

General Fund Operating Budget				
Item No.	Department	Fiscal 2016 Expenses	Fiscal 2017 Appropriation	Fiscal 2018 Proposal
General Government				
\$2,885,019 is 7.0% of Total				
1	Town Manager's Office			
	A. Town Manager	\$ 376,107	\$ 385,112	\$ 384,873
	B. Human Resources	226,464	236,342	250,054
	C. Facilities Management	224,962	238,348	290,000
	D. Resource Sustainability Fund	75,000	118,433	126,000
	E. Visitor's Center and Restroom	26,974	32,635	44,028
	F. 37 Knox Trail	-	8,334	17,762
	Subtotal	929,507	1,019,204	1,112,717
2	Legal Services	178,151	225,000	225,000
3	Elections and Registrars			
	A. Elections	52,164	34,815	13,627
	B. Registrars	8,103	7,967	8,476
	Subtotal	60,267	42,782	22,103
4	Town Meeting and Reports	64,266	44,900	44,900
5	Planning			
	A. Planning Administration	444,821	478,856	386,153
	B. Natural Resources	209,978	235,177	221,810
	C. Inspections	465,384	472,221	486,187
	D. Health	293,820	306,900	315,122
	Subtotal	1,414,003	1,493,154	1,409,272
6	141 Keyes Road	70,470	70,654	71,027
	Total General Government	\$ 2,716,664	\$ 2,895,694	\$ 2,885,019
Finance and Administration				
\$2,453,175 is 6.0% of Total				
7	Finance Committee	2,151	3,410	3,410
8	Finance			
	A. Finance Administration	296,630	304,171	291,073
	B. Treasurer-Collector	279,429	291,656	294,275
	C. Town Accountant	154,562	164,927	163,319
	D. Assessors	408,237	423,561	422,176
	E. Town Clerk	238,590	246,744	247,958
	Subtotal	1,377,449	1,431,059	1,418,801
9	Information Systems	681,610	790,818	921,919
10	Town House	104,232	108,512	109,045
	Total Finance and Administration	\$ 2,165,441	\$ 2,333,799	\$ 2,453,175

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2016 Expenses	Fiscal 2017 Appropriation	Fiscal 2018 Proposal
Public Safety				
\$9,307,692 is 22.7% of Total				
11	Police Department	4,356,428	4,453,109	4,468,879
12	Fire Department	4,237,885	4,443,659	4,471,397
13	West Concord Fire Station	57,630	40,289	39,664
14	Police-Fire Station	234,792	275,011	284,816
15	Emergency Management	22,647	15,077	16,937
16	Animal Control Officer	23,464	26,000	26,000
	Total Public Safety	\$ 8,932,846	\$ 9,253,145	\$ 9,307,692
Public Works and Facilities				
\$4,265,349 is 10.4% of Total				
17	Public Works			
	A. CPW Administration	179,683	195,289	195,728
	B. Engineering	384,645	395,323	393,000
	C. Highway Maintenance	1,284,438	1,406,326	1,404,032
	D. Parks and Trees	639,130	668,270	698,573
	E. Cemetery	57,269	69,916	66,679
	Subtotal	2,545,165	2,735,125	2,758,011
18	Snow and Ice Removal	473,604	597,500	610,000
19	Street Lighting	65,249	73,463	73,463
20	CPW Equipment	250,000	300,000	325,000
21	Drainage Program	205,000	205,000	205,000
22	Sidewalk Management	100,000	100,000	110,000
23	Road Improvements	90,000	90,000	100,000
24	133/135 Keyes Road	101,134	102,263	83,875
	Total Public Works and Facilities	\$ 3,830,152	\$ 4,203,351	\$ 4,265,349
Human Services				
\$3,018,855 is 7.4% of Total				
25	Library	1,953,234	2,136,945	2,142,218
26	A. Human Services	6,845	27,394	38,353
	B. Senior Services	334,848	351,197	383,149
	C. Recreation Services	49,391	74,032	75,245
27	Harvey Wheeler Community Ctr.	115,300	120,452	125,521
28	Hunt Recreation Ctr.	96,644	105,574	109,831
29	Veterans	86,763	69,990	125,310
30	Ceremonies and Celebrations	20,391	24,376	19,228
	Total Human Services	\$ 2,663,415	\$ 2,909,960	\$ 3,018,855

SECTION I: Financial Summary

Expenses

Item No.	Department	Fiscal 2016 Expenses	Fiscal 2017 Appropriation	Fiscal 2018 Proposal
Unclassified \$1,133,923 is 2.8% of Total				
31	Town Employee Benefits			
	A. Unused Sick Leave	90,000	90,000	90,000
	B. Public Safety Disability	157	2,500	2,500
	C. Employee Assistance Program	7,177	7,500	7,500
	Total	97,334	100,000	100,000
32	Reserve Fund*	-	225,000	225,000
*Transfers totaling \$36,500 were made to other accounts in Fiscal Year 2016.				
33	Salary Reserve**		28,065	793,923
**Transfers totaling \$553,957 in Fiscal Year 2016 and \$536,594 (to date) in Fiscal Year 2017 were made to other accounts.				
34	Land Fund	10,000	15,000	15,000
	Total Unclassified	\$ 107,334	\$ 368,065	\$ 1,133,923

TOWN GOVERNMENT SUBTOTAL Account 1-34		\$ 20,415,852	\$ 21,964,013	\$ 23,064,013
Joint (Town - CPS) \$17,879,507 is 44.1% of Total				
35	Insurance			
	A. Group Insurance	4,650,000	4,650,000	4,800,000
	B. OPEB	1,150,000	1,400,000	1,470,000
	C. Property/Liability	225,000	250,000	250,000
	Subtotal	6,025,000	6,300,000	6,520,000
36	Unemployment/Workers' Comp.			
	A. Unemployment Comp.	131,536	100,000	100,000
	B. Workers' Comp.	53,495	100,000	100,000
	Subtotal	185,031	200,000	200,000
37	Retirement	3,220,000	3,317,000	3,667,000
38	Social Security and Medicare	708,552	765,000	810,000
39	Debt Service			
	A. Long-Term Debt			
	Town Principal and Interest	2,551,988	2,751,725	3,015,800
	CPS Principal and Interest	940,113	883,375	700,350
	Subtotal	3,492,100	3,635,100	3,716,150
	Interest on Notes	-	54,900	135,000
	Other Debt Expense	2,917	40,000	8,850
	Subtotal Within Levy Limit	3,495,017	3,730,000	3,860,000
	B. Excluded Debt			
	Town Principal and Interest	203,488	101,089	99,794
	CPS Principal and Interest	2,501,376	3,906,739	3,507,713
	Less: Use of Stabilization Funds	(1,500,000)	(1,000,000)	(785,000)
	Subtotal Excluded Debt	1,204,865	3,007,828	2,822,507
	Total Debt Service	4,699,882	6,737,828	6,682,507
	Total Joint (Town - CPS)	\$ 14,838,465	\$ 17,319,828	\$ 17,879,507
	Total Appropriation	\$ 35,254,317	\$ 39,283,841	\$ 40,943,520

SECTION I: Financial Summary

Expenses

Town Government Operations (accounts 1-34)

Proposed Budget Changes

The Town Manager, in accordance with Finance Committee guidelines, is recommending a Town government General Fund appropriation at \$23,064,013 (the budgets of accounts 1-34 are collectively known as “the Town Government Budget”). The budget consists of several basic expense categories: personnel services; operations and maintenance (O&M); capital; and reserve (the reserve fund is overseen by the Finance Committee). The table below provides a summary of the Town government budget by these expense categories. It also presents the budget in further detail by functional area.

Town Government Operations - General Fund Appropriations

Accounts 1 - 34

By Expense Category

	FY17 Adopted	FY18 Proposed	FY17 to FY18	
			\$Δ	%Δ
Personnel Services	\$ 16,468,178	\$ 17,285,653	\$ 817,475	5.0%
O&M	3,470,835	3,683,360	212,525	6.1%
Capital	1,800,000	1,870,000	70,000	3.9%
Reserve	225,000	225,000	-	0.0%
Stabilization	50,000	-	(50,000)	
Total (Accts. 1-34)	\$ 22,014,013	\$ 23,064,013	\$ 1,050,000	4.8%

By Functional Area

	FY17 Adopted	FY18 Proposed	FY17 to FY18	
			\$Δ	%Δ
General Government				
Personnel	\$ 1,838,282	\$ 1,910,497	\$ 72,215	3.9%
O&M	525,129	562,022	36,893	7.0%
Capital	462,500	412,500	(50,000)	-10.8%
Subtotal	\$ 2,825,911	\$ 2,885,019	\$ 59,108	2.1%
Finance & Administration				
Personnel	\$ 1,364,314	\$ 1,436,946	\$ 72,632	5.3%
O&M	670,100	771,229	101,129	15.1%
Capital	215,000	245,000	30,000	14.0%
Subtotal	\$ 2,249,414	\$ 2,453,175	\$ 203,761	9.1%
Public Safety				
Personnel	\$ 8,014,184	\$ 8,363,998	\$ 349,814	4.4%
O&M	681,518	693,695	12,177	1.8%
Capital	255,000	250,000	(5,000)	-2.0%
Subtotal	\$ 8,950,702	\$ 9,307,693	\$ 356,991	4.0%
Public Works				
Personnel	\$ 2,190,203	\$ 2,265,546	\$ 75,343	3.4%
O&M	1,016,497	1,062,303	45,806	4.5%
Capital	847,500	937,500	90,000	10.6%
Subtotal	\$ 4,054,200	\$ 4,265,349	\$ 211,149	5.2%
Human Services				
Personnel	\$ 2,255,487	\$ 2,414,743	\$ 159,256	7.1%
O&M	562,591	579,112	16,521	2.9%
Capital	20,000	25,000	5,000	25.0%
Subtotal	\$ 2,838,078	\$ 3,018,855	\$ 180,777	6.4%
Unclassified				
Personnel	855,708	893,923	\$ 38,215	4.5%
O&M	15,000	15,000	\$ -	N/A
Reserve	225,000	225,000	-	0.0%
Subtotal	\$ 1,095,708	\$ 1,133,923	\$ 38,215	3.5%
Total	\$ 22,014,013	\$ 23,064,013	\$ 1,050,000	4.8%

Town Government Operations**Proposed Budget Changes****Staffing changes in the Town Manager's Proposed Budget:**

For FY18, the main **tax-supported** proposed staffing changes are as follows. Total FTE is 228.17

- The Human Resources Division is proposing a reclassification of a Sr. Dept. Clerk position to a HRIS Analyst for the implementation of a new Human Resources Information System. There is also a proposed increase of 125 hours for OT (0.06 FTE).
- The Visitors' Center proposes a slight increase of limited status services (0.11 FTE) in order to cover the annual expense of additional contracted cleaning services.
- In the Elections account, it is proposed that the FY18 staffing level be decreased by 1,211 hours for Election Officers and Technicians, due to the expectation that there will be 1 election scheduled during FY18.
- The Health Division proposes an additional 292 hours for the Public Health Nurse position, which is shared with the Senior Services Division (0.14 FTE).
- The IT Department is proposing an additional 209 hours of OT (0.10 FTE).
- The Fire Department proposes a new Fire Lieutenant (1.00 FTE), that will focus on fire preventions and inspections.
- The Parks & Trees Division and Highway and Grounds Division are proposing a joint position of an Assistant Highway and Grounds Superintendent which is a reclassification from the Assistant Public Works Supervisor position.
- The 133 & 135 Keyes Rd. budget proposes a decrease of (-1.00 FTE), due to contracting out for cleaning services.
- The Library is proposing an increase of (0.30 FTE) to fund a full time Administrative Assistant and provide additional weekend coverage. These additions are partially offset by restructuring within the department.
- Senior Services is proposing additional hours for Van Drivers, the Public Health Nurse, Outreach Coordinators, and Social Services Coordinators (1.16 FTE).
- The Veterans Services Division is proposing a slight increase of 84 hours for the Veteran's Agent due to an increase in veterans (0.04 FTE).

Budget Changes

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

Acct # - Account Title (Refer to Article 7 on the 2017 Town Meeting Warrant)**1A Town Manager**

The Town Manager's operating appropriation represents a 1.9% decrease from FY17. The Town Manager's Office is staffed by the Town Manager, Assistant Town Manager, Public Information Officer, Executive Assistant to the Town Manager and an Administrative Assistant. There is a proposed addition of funding for Sister Cities (\$1,000), Concord Cultural Council (\$2,000) and the management of White Pond (\$20,000).

1B Human Resources

The Human Resources operating appropriation is proposed to increase by 5.3% in FY18 due to a staffing restructuring of an HRIS Analyst and additional OT needed to complete the Human Resources Information Systems project.

1C Facilities Management

This account was established with the FY05 budget in an effort to set up a central pool of funds from which to monitor building conditions, establish renovation priorities, and fund repairs and improvements. Since FY05 when the account was first budgeted at \$40,000, the funding level has gradually been increased to the recommended level in FY18 of \$290,000. The five-year Capital Outlay plan raises this funding target to \$360,000 by FY22. The account funds a Facilities Manager and Facilities Maintenance Supervisor to oversee the maintenance of municipal buildings.

1D Resource Sustainability Fund

With this new account initiated in FY13 with funding of \$25,000, an amount of \$126,000 is proposed to be allocated in FY18 for resource sustainability and energy conservation projects. The additional funds will cover part of the salary for the Energy Conservation Coordinator.

1E Visitors Center

The FY18 operating appropriation for the Visitors Center is proposed to increase by 35% primarily because the Town has taken over responsibilities of operating the center.

1F 37 Knox Trail

The FY18 appropriation for the 37 Knox Trail office building is \$17,762 and is proposed to cover the utility and capital costs associated with the building. This building is currently shared between the RHSO and School Transportation Department.

2 Legal Services

The Legal Services account is proposed to be level funded at \$225,000. It is expected that this amount is sufficient to cover the FY18 legal costs for the Town.

3A Elections

The amount required to fund the Elections account is dependent on the number of federal, state, and local elections that are held in a given year. In FY18, it is expected that there will be one election. Each election costs the Town approximately \$14,000.

3B Registrars

There is a slight increase proposed in this account for additional staff hours. This account provides resources to register voters, conduct the Annual Town Census, and certify nomination papers and petitions.

4 Town Meeting and Reports

The current budget allows for a four-session Annual Town Meeting in April 2018. It has been common in the past several years for a Special Town Meeting to take place, but funds are not budgeted for this purpose.

5A Planning Division, DPLM

Since the FY14 budget presentation, the Zoning Board of Appeals budget has been incorporated into the Planning Division budget. In addition, the Planning budget contains funding for the Historic Districts Commission and the Historical Commission. The FY18 operating appropriation for the Planning Division is proposed to increase by 3.2%. Funding for Cross-Town Connect (\$7,500) and the RHSO (\$18,000) are included in this budget.

5B Natural Resources Division, DPLM

The proposed Natural Resources budget represents approximately a 3.2% increase in the appropriation from that of the FY16 budget. In addition to \$5,000 proposed for pond & stream management, \$10,000 is proposed for updating and printing trail map guides.

5C Building Inspections Division, DPLM

Most of the allocation in this account goes toward funding the Building Inspections staff, which includes the full-time positions of Building Commissioner, Local Inspectors (2.60 FTEs), and Administrative Assistant. Due to demand for services and associated staffing needs, the operating appropriation is proposed to increase 3.0%.

5D Health Division, DPLM

This appropriation represents a 2.7% increase in the operating appropriation from that of FY17. As was the case last year, an amount of \$20,000 is recommended to fund the East Middlesex Mosquito Control Project for efforts to protect Concord residents and visitors from Eastern Equine Encephalitis and West Nile Virus. In addition, \$15,600 is proposed for the funding of the Public Health Nurse which is a shared position with the COA.

6 141 Keyes Road, DPLM

The FY18 proposed operating appropriation represents a 0.6% decrease from FY17 to provide funding for utility, maintenance, and custodial costs for the Victorian-era brick building at 141 Keyes Road.

7 Finance Committee

Funding for support of the Finance Committee is included in this budget, which represents no change to the costs from that of the FY17 budget.

8A Finance Administration Division, Finance Department

The Finance Administration Division operating appropriation is proposed to decrease by 4.3% from that of FY17, due to personnel savings. The budget will provide funding for the Finance Director, Budget and Purchasing Administrator, Assistant Treasurer, Sr. Budget & Operations Analyst, and Finance Assistant.

8B Treasurer-Collector, Finance Department

The Treasurer-Collector operating appropriation is proposed to increase by 0.8% in FY18. This account includes funding for much of the Town's postage expenses (\$56,650) and banking service charges (\$86,000). The increase in this budget is primarily a result of printing and legal services.

8C Town Accountant, Finance Department

The FY18 operating appropriation is proposed to increase by 1.1% with increases in staff training and development. The proposed budget also includes \$66,000 to cover the cost of the Town's annual external audit.

8D Assessing Division, Finance Department

The Assessing proposed operating appropriation represents a 0.3% decrease from FY17. The Assessing Division is located at the Town-owned 24 Court Lane building, adjacent to the Sleepy Hollow Cemetery.

8E Town Clerk, Finance Department

The Town Clerk operating appropriation is proposed to increase by 0.5% from FY17. This budget provides funding for the Town Clerk, Assistant Town Clerk and Senior Department Clerk positions.

9 Information Systems

The Information Systems operating appropriation is proposed to increase by 17.1% in FY18. This increase is mainly due to additional system maintenance and upgrade costs.

10 Town House

The FY18 proposed appropriation is increased by 1.5% from that of FY17. This budget include costs for maintaining and cleaning the Town House and the Assessing Division office space at 24 Court Lane.

11 Police Department

The FY18 operating appropriation proposes a 0.5% increase. This budget provides for about \$25,000 in additional overtime.

12 Fire Department

There is a proposed 2.6% increase in the Fire Department's FY18 operating appropriation. This budget provides for an additional Fire Lieutenant who will focus on inspections and fire prevention. This budget also allows for additional overtime for EMS training.

13 West Concord Fire Station

This budget funds the operations of the West Concord Fire Station located at 1201 Main Street. This account has a proposed 2.1% decrease in the operating appropriation for FY18.

14 Police/Fire Station

This budget funds the operations of the Police and Fire Department headquarters at 209 Walden Street. The FY18 budget proposes a 3.8% increase in the operating appropriation. A majority of the additional funding will go toward the annual maintenance contract for the Dispatch communication system.

15 Emergency Management

There is a proposed 12.3% increase in the operating appropriation for FY18 mainly due to the need for consulting services in emergency planning.

16 Animal Control Officer

With the enactment of State legislation in 2012, each municipality was required as of October 31, 2012 to appoint an animal control officer. Concord contracted with a private vendor to provide all animal control services in compliance with the new requirements. The proposed FY18 budget is level funded at \$26,000.

17A Public Works Administration, CPW

The FY18 operating appropriation reflects a 0.3% decrease from that of FY17. Public Works Administration includes the CPW Director, Management Analyst, Administrative and Special Projects Coordinator, and an Administrative Assistant.

17B Engineering, CPW

The Engineering Division's operating appropriation is proposed to have a 0.4% decrease from FY17 to FY18. The Engineering Division has a Town Engineer, Assistant Town Engineer, 3 Assistant Public Works Engineers, GIS/IT Program Analyst, and an Administrative Assistant.

17C Highway Maintenance, CPW

The operating appropriation is proposed to increase by 2.0% from FY17. This account includes catch-basin cleaning (\$18,000), infrared patching of street openings (\$18,000), and crack sealing (\$2,000).

17D Parks & Trees, CPW

The FY18 Parks & Trees operating appropriation is proposed to have a 1.9% increase from FY17. Funding of \$12,800 is proposed for tree removal services.

17E Cemetery, CPW

The Cemetery Fund supports the Cemetery Division by providing resources for 65% of all operating expenditures and 100% of all capital improvements. The FY18 operating appropriation has no significant changes from FY17.

18 Snow Removal, CPW

The snow removal budget is proposed to be funded at \$610,000, an increase of \$12,500 from that of FY17. The amount budgeted for road salt is funded at \$225,396. If the actual FY17 expenditure exceeds the budgeted amount, the Town is allowed by State statute to add the difference to the following year's tax levy. The FY18 budget plan provides room for a \$180,321 overrun of the \$597,500 FY17 appropriation.

19 Street Lights, CPW

The FY18 proposed Street Light appropriation is \$73,463, the same as FY17.

20 Public Works Equipment, CPW

The Public Works Equipment budget of \$325,000 funds the Town's well-planned schedule of equipment replacement. This represents an increase of \$25,000 from FY17.

21 Drainage, CPW

The FY18 funding plan includes \$105,000 for drainage improvements, \$100,000 for culvert improvements.

22 Sidewalk Management, CPW

The proposed FY18 budget calls for an increase of \$10,000 for maintenance of the Town's existing sidewalks program to \$110,000.

23 Road Improvements, CPW

The General Fund proposed funding for road improvements is \$100,000. With additional amounts of \$671,400 expected from the State (Chapter 90 Funds) and \$1,415,000 in borrowing, the total FY18 amount for road improvements is recommended to be \$2,186,400.

24 133 and 135 Keyes Road, CPW

For FY18, there is a proposed decrease of 11.5% in the operating appropriation due to contracting out for custodial services.

25 Library

As set forth in a long-standing agreement, the Trustees of the Concord Free Public Library Corporation, which owns the Main library and the Fowler Branch, are responsible for maintenance and capital improvements of the buildings and grounds; the Town covers the operating costs. For FY18 operations, the Library operating appropriation is proposed to have an increase of 0.3% from FY17 to FY18. The proposed budget allows for funding of the Sr. Administrative Assistant, and \$6,500 for weekend staffing.

26A Human Services

Human Services covers the staffing costs for the Community Services Coordinator, and the Youth Services Coordinator. The FY18 budget of \$88,706 covers those salaries as well as office supplies. The General Fund contribution to the salary of the Community Services is proposed to increase from \$15,464 to \$34,887 in FY18.

26B Senior Services

The FY18 operating appropriation for Senior Services is proposed to increase by 8.2%. The increase is due to increases in hours for the Wellness Coordinator (Nurse), Van Drivers, and Social Service Coordinator.

26C Recreation Services

The FY18 operating appropriation for Recreation Services is proposed to increase by 1.6% due and provides General Fund support for the Recreation Director's salary.

27 Harvey Wheeler Community Center

The Harvey Wheeler Community Center continues to be a great resource for the Town in providing space for the Council on Aging office and Recreation Department programs, as well as a meeting area for Town departments, not-for-profit groups, and private individuals. For FY18 there is a proposed 0.1% increase in the operating appropriation.

28 Hunt Recreation Center

It is proposed that the FY18 operating appropriation for the Hunt Recreation Center decrease by 4% from the FY17 budgeted level due to an increase in funding for the Rideout Fieldhouse and 105 Everett.

29 Veterans Services

The FY18 proposed operating appropriation represents a 79% increase from that of FY17. This increase is a result of the predicted rise in veterans' benefits costs from \$45,000 to \$95,000 to accommodate additional beneficiaries as well as additional hours for the Veterans' Services Agent.

30 Ceremonies and Celebrations

The FY18 proposed operating appropriation represents a 21.1% decrease from FY17 due to reduced hours for Police overtime.

31 Town Employee Benefits

The proposed budget provides a total of \$100,000, with \$90,000 to cover unused sick leave buyback for some employees at retirement. This payment is restricted to non-union employees hired prior to July 1, 1992 and to uniformed Police and Fire personnel subject to the collective bargaining agreements. In all eligible cases, the benefit is capped at 62 days (65 for firefighters). This account also funds the Employee Assistance Program and certain medical costs for police and fire retirees for accidental disability expenses.

32 Reserve Fund

As budgets remain tight due to the economic situation and there are fewer resources available to cover unexpected events, the Reserve Fund appropriation becomes a crucial part of the budgeting process. By statute, this fund is to be used to meet "extraordinary or unforeseen expenditures" as approved by the Finance Committee. A funding level of \$225,000 is proposed for this purpose, unchanged from FY17.

33 Salary Reserve

The allocation in this account makes resources available for the funding of collective bargaining agreements. In addition, the account provides for a market adjustment to the pay scales and a step and merit adjustment to the salary schedules applicable to non-union employees effective July 1, 2017. Transfers from this account to the individual departmental operating accounts are reported to the Finance Committee and Select Board in accordance with the vote of Town Meeting adopting the budget article. This account is proposed to be funded at \$793,923 in order also to provide resources for such compensation adjustments for union and non-union staff.

34 Land Fund

The budget is level funded at \$15,000 for FY18 which is used for the acquisition of land.

35A Group Insurance

The budget anticipates a \$150,000 increase in the appropriation required for FY18 group insurance costs supported by the General Fund. As part of the 17-member Minuteman Nashoba Health Group, the Town is self-insured for employee health coverage and the cost directly reflects actual claims experience.

35B Other Post-Employment Benefits (OPEB)

With the FY13 budget, Other Post-Employment Benefits (OPEB) has been separated into its own line item due to the increasing importance of recognizing and funding this liability. The OPEB liability primarily consists of the present value of the Town's portion of future retiree health care cost. That is, in addition to the amount allocated to pay for the current health care cost of retirees, there is also a liability for the future health care cost for Town Government and Concord Public School retirees. This liability is referred to as the Town Government's Annual Net OPEB Obligation (NOO).

In FY18, the General Fund share of the NOO is projected to be about \$1.65 million. In an effort to fund this liability and continue the effort to catch up on past unfunded liability, it is proposed that the Town budget \$1,470,000 for this purpose, an increase of \$70,000.

35C Property & Liability Insurance

This account funds property insurance coverage for all Town-owned buildings and contents, vehicles, boilers and machinery; liability coverage for Town officials; and special risk coverage for police and fire personnel. Insurance policies cover the Concord Public Schools, the Concord-Carlisle Regional High School, 51 Walden Street (Friends of the Performing Arts in Concord - "FOPAC"), the Emerson Building ("Emerson Umbrella"), and all properties of Town departments including assets of the Town enterprises (Light, Water, Sewer, Beede Pool). For FY18, General Fund support is level funded at \$250,000.

36 Unemployment & Workers Compensation

An amount of \$100,000 is proposed 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 in excess of our actual historical costs). In addition, an amount of \$100,000 is proposed for Worker's Compensation costs; this amount funds a stop-loss reinsurance policy covering wage and other claims and the payment of miscellaneous medical expenses resulting from employee injury on the job. Coverage of unemployment and workers compensation applies to both Town and Concord Public School employees.

37 Retirement

Following the sharp economic downturn in the financial markets during the fall of 2008, assets of the Concord Retirement System have recovered from their previous peak reached in October 2007. At the most recent biennial actuarial valuation as of January 1, 2016, the revised Funding Schedule had been maintained to reach full funding status by the year 2030.

In FY18, the General Fund appropriation is projected at \$3,667,000, an increase of 10.6% from FY17 and consistent with the funding schedule. The retirement system is a "Defined Benefit" plan that provides a pension benefit based upon the highest three-year average annual covered pay and years of service (highest five years for members on and after April 2, 2012).

38 Social Security & Medicare

The General Fund cost for the Town's share of Medicare coverage is increased 1.5%, to \$776,200, reflecting both a higher payroll tax base and a higher proportion of covered payroll as employees of the Town and CPS hired prior to April 1986 retire or leave Town service. Social Security coverage applies to those Town and School employees not members of the Town's retirement system. The projected cost is \$192,250.

39 Debt Service

This item includes the appropriation for Town and CPS debt service within the levy limit and outside the levy limit (excluded debt). Most of the excluded debt is to cover the cost of construction of the three new elementary schools. For debt service, the FY18 budget proposes allocating \$6,682,507, which includes \$3,860,000 for debt service within the levy limit and \$2,822,507 for excluded debt. The excluded debt is net of the amount proposed to be contributed by the Stabilization Funds. The excluded debt to pay for the construction of the new high school is budgeted as part of the assessment from the Concord-Carlisle Regional School District.

SECTION I: Financial Summary

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Definition

Capital Expenditure: The use of funds to acquire or enhance productive assets, such as structures, land, and equipment (including related plans, designs, and studies), which have a life expectancy of at least 2 years and a cost of at least \$5,000, and procured with the intention of increasing service capacity or efficiency.

The Capital Section includes the following:

- Capital Overview 42
- FY18 Capital Plan 43
- FY18–22 Capital Outlay Plan 44 to 46
- FY18 Capital by Account 47 to 49
- FY18 Capital Summary 50 to 53

Capital Improvement Plan

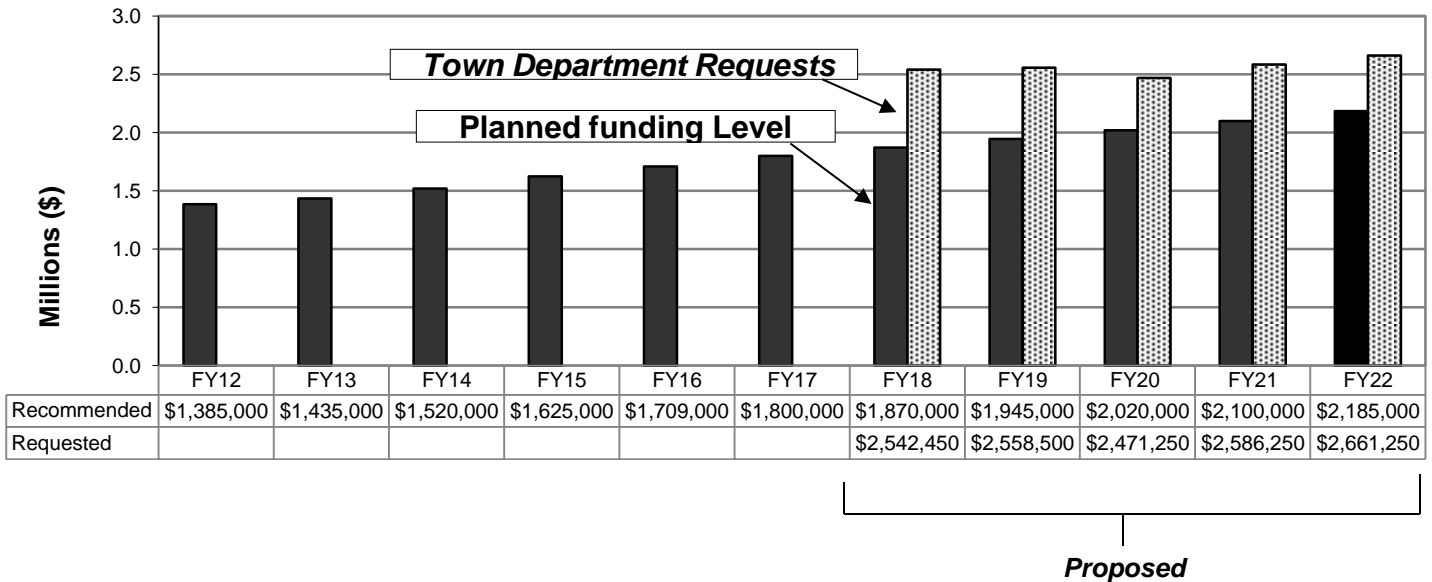
Capital Outlay Expenditures Supported Within the Levy Limit (Town Government accounts):

\$1,870,000

Capital Expenditures Within the Levy Limit Supported via FY18 Debt Authorizations:

\$5,275,000

**Town Government Departments
Capital Outlay Expenditures within the Levy Limit**



Capital Improvement Program FY18 – FY22

FY18 General Fund Budget Component

1. Borrowing authorizations submitted to the 2017 Annual Town Meeting

- *General Fund only*
- *Future tax-supported debt service to be funded within the Levy Limit*

Warrant Article	Description	Recommended New Borrowing Authorization
ART 8	Municipal Building Renovations	\$350,000
ART 9	Public Safety Communication Equipment	\$225,000
ART 10	Fire Engine 8 (Pumper '98)	\$575,000
ART 11	Ambulance Replacement	\$260,000
ART 15	Concord Public Schools Renovations	\$850,000
ART 23	Land Acquisition (55 Church St.)	\$1,200,000
ART 27	Municipal Facility Needs Study	\$250,000
ART 46	Cemetery Roads Improvements	\$150,000
ART 47	Road and Parking Lot Reconstruction	<u>\$1,415,000</u>
Total		\$5,275,000

The debt service for these borrowings will be supported by the allocation of funds in future years to the Debt Service account. These authorizations are not proposed to be subject to a Proposition 2½ Debt Exclusion vote.

2. Capital Outlay - expenditures for capital purposes funded from current resources

Town Government Departments (accounts #1-34):	\$ 1,870,000
Concord Public Schools:	\$ 1,000,000

Capital Financing Policy

General Fund – within the Levy Limit

Target: 7% to 8% of the total budget net of excluded debt levy

- Total Guideline Budget appropriation proposed at **\$101,866,859**
less \$7,168,991 excluded debt = \$94,697,868 net

- 7% to 8% target range equals **\$6,628,850 to \$7,575,829**

•FY18 Proposed Budget for capital expenditure financing:

Debt service budget (“within levy limit” portion)	\$3,860,000
Capital outlay, Town Departments	1,870,000
Capital outlay, Concord Public Schools	1,000,000
Total	\$6,730,000

Capital financing as percent of Proposed Total Budget, net of excluded debt levy: **7.1%**

SECTION I: Financial Summary

Capital

FY2018-2022 Capital Outlay Plan (General Fund)

Acct #	Item	ANNUAL PLANS										SUMMARY			
		REFERENCE ONLY		FY2018		FY2019		FY2020		FY2021		FY2022		Total Recommended	Total Deferred
		Requested	Recommended	Requested	Recommended	Requested	Recommended	Requested	Recommended	Requested	Recommended	Requested	Recommended		
	<i>Police</i>														
	<i>Police Dept. operations acct</i>														
D-1	Police Vehicles	140,000	140,000	105,000	105,000	140,000	140,000	105,000	105,000	140,000	140,000	105,000	105,000	595,000	0
D-2	Public Safety Equipment	20,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	30,000	30,000	130,000	0
D-3	EMD Automated Card System	40,712												0	0
D-4	Battleproof Vest Replacement	25,000		25,000	25,000									25,000	0
D-5	Night Vision Devices	13,200		13,200	13,200									13,200	0
D-6	Rifle Sights	5,500												0	0
D-7	Rifle Lights	6,000												0	0
D-8	Computer Upgrades/Invisible Ink	5,000		5,000	5,000									0	5,000
D-9	Ballistic Helmets	7,000												0	0
D-10	Office Center					10,000	10,000							0	0
D-11	Cruiser Laptop Replacement							40,000	40,000					0	40,000
D-12	Avon Body Cameras			35,000	35,000									0	35,000
D-13	Avon Vehicle Cameras			13,000	13,000									0	13,000
	<i>Police/Fire Station 1</i>														
E-1	Building Improv - Walden St	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	100,000	0
E-2	Card Access System	30,000												0	0
	<i>Fire</i>														
E-1	Miscellaneous Equipment	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	125,000	0
E-2	Car 2 (2008) - Assistant Chief	45,000	25,000											25,000	25,000
E-3	Car 3 (2007) - Shift Card													0	50,000
E-4	Utility Pickup (2006)			45,000	25,000									25,000	20,000
E-5	Turnout gear replacement	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	75,000	0
E-6	S/CBA	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	15,000	35,000
E-7	Supply line replacement													10,000	0
E-8	Medical equipment upgrade					25,000	25,000							25,000	40,000
E-9	Fire Alarm Equipment									60,000	60,000	30,000	30,000	30,000	30,000
E-10	Upgrade Community AED's													15,000	0
	<i>Fire Station 6 (Station 2)</i>														
H-1	Building Improv - W. Concord	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000	0

SECTION I: Financial Summary

Capital

FY2018-2022 Capital Outlay Plan (General Fund)

Acct #	Item	REFERENCE ONLY						ANNUAL PLANS						SUMMARY	
		FY2017		FY2018		FY2019		FY2020		FY2021		FY2022		Total Recommended	Total Deferred
		Requested	Recommended	Requested	Recommended	Requested	Recommended	Requested	Recommended	Requested	Recommended	Requested	Recommended		
	PUBLIC WORKS														
	Facilities & Systems														
24	Building Improv- 133/135 Keys	16,250	10,000	16,250	10,000	16,250	10,000	16,250	10,000	16,250	10,000	16,250	10,000	50,000	31,250
17B	GIS System	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	100,000	0
	Public Ways														
23	Road Reconstruction	95,000	90,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	110,000	100,000	500,000	10,000
17B	Traffic Control Devices	20,000	10,000	20,000	10,000	20,000	10,000	20,000	10,000	20,000	10,000	20,000	10,000	50,000	50,000
17C	Guardrail Replacement	20,000	10,000	20,000	15,000	20,000	15,000	20,000	15,000	20,000	15,000	20,000	15,000	75,000	25,000
17C	Small Equipment	7,500	5,000	7,500	5,000	7,500	5,000	7,500	5,000	7,500	5,000	7,500	5,000	25,000	12,500
21	Drainage Improvements	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	115,000	110,000	530,000	5,000
21	Culvert Improvement	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	110,000	102,500	502,500	7,500
17B	Sustainable Drainage Inpmt	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	125,000	0
17B	NPD&S Permit Compliance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	50,000	0
22	Sik-walks - Maintenance	125,000	100,000	125,000	110,000	125,000	115,000	125,000	125,000	125,000	125,000	125,000	125,000	600,000	25,000
17B	Street sign replacement	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	100,000	0
	Park & Tree														
17D	Public Shade Trees	25,000	22,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	125,000	0
17D	Turf Improv./ Park Rehab.	100,000	15,000	100,000	52,500	100,000	62,500	100,000	62,500	100,000	62,500	100,000	62,500	290,000	210,000
17D	Small Equipment	7,500	5,000	7,500	5,000	7,500	5,000	7,500	5,000	7,500	5,000	7,500	5,000	25,000	12,500
	Equipment														
20	Vehicles and Heavy Equipment	348,000	300,000	350,000	325,000	350,000	325,000	350,000	325,000	350,000	325,000	375,000	375,000	1,725,000	50,000
	Library														
25	Computer Equipment	10,000	10,000	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	50,000	0
	Human Services														
26A	Vehicle	14,000												0	0
	Senior Services														
27	Building Improv- Harvey Wheeler	10,000	10,000	15,000	10,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	70,000	5,000
27	HWCC Exterior Trim Painting	12,000												0	0
	Recreation Services														
28	Hunt Gym Improvements	49,000												0	0
28	Hunt Gym Exterior Trim Painting	40,000												0	0
28	Emerson Pool Boiling Facility													0	57,250
28	105 Everett ADA Ramp	5,000												0	0
28	Pool Shed Replacement													0	0
	GENERAL FUND TOTAL	2,766,662	1,800,000	2,542,450	1,870,000	2,558,500	1,945,000	2,471,250	2,020,000	2,586,250	2,100,000	2,661,250	2,185,000	10,120,000	2,649,700
	Target	1,800,000		1,880,000		1,945,000		2,020,000		2,100,000		2,185,000		10,130,000	
	Not funded	966,662		672,450		613,500		451,250		486,250		476,250		2,699,700	

**Capital Outlay and Special Project Accounts
(General Fund only)**

Acct #	Category	Budget FY17	Dept. Request FY18	Town Mgr Proposed FY18	\$ Change FY17 Budget to FY18 Proposed
1A	Town Manager				
	ADA Compliance	5,000	10,000	5,000	-
	Total - account #1A	5,000	10,000	5,000	-
1B	Human Resources				
	HR Software System	-	50,000	-	-
	Total - account #1C	-	50,000	-	-
1C	Facilities Management				
	Building Improv - Townwide Fund	235,000	400,000	290,000	55,000
	Total - account #1C	235,000	400,000	290,000	55,000
1D	Resource Sustainability Fund				
	Resource Efficiency	75,000	250,000	95,000	20,000
	Total - account #1D	75,000	250,000	95,000	20,000
1E	Information/Visitors Center:				
	Building Improv - Info Center	2,500	5,000	2,500	-
	Total - account #1E	2,500	5,000	2,500	-
1F	37 Knox Trail				
	Building Improv - 37 Knox Trail	5,000	10,000	5,000	-
	Total - account #1F	5,000	10,000	5,000	-
5A	Planning Department				
	Zoning Bylaw recodification	65,000	-	-	(65,000)
	Long Range Plan	40,000	-	-	(40,000)
	Total - account #5A	105,000	-	-	(105,000)
5B	Natural Resources				
	Pond & stream management	5,000	15,000	5,000	-
	Vehicle Replacement	20,000	-	-	(20,000)
	Agricultural fields improvements	-	10,000	-	-
	Total - account #5B	25,000	25,000	5,000	(20,000)
6	141 Keyes Road Building				
	Building Improv - 141 Keyes Road	10,000	10,000	10,000	-
	Total - account #6	10,000	10,000	10,000	-
9	Information Systems				
	Town-wide Technology Fund	200,000	350,000	230,000	30,000
	Telephone System (via Internet)	-	-	-	-
	Total - account #9	200,000	350,000	230,000	30,000
10	Town House				
	Building Improv - Town House	15,000	15,000	15,000	-
	Total - account #10	15,000	15,000	15,000	-
11	Police Department				
	Police Vehicles	140,000	105,000	105,000	(35,000)
	Public Safety Equipment	20,000	25,000	25,000	5,000
	EMD Card System	-	-	-	-
	Bulletproof Vest Replacement	-	25,000	25,000	25,000
	Night Vision Devices	-	13,200	-	-
	AED Replacement	-	-	-	-
	Computer Upgrade	-	5,000	-	-
	Ballistic Helmets	-	-	-	-
	Rifle Sight Upgrade	-	-	-	-
	Rifle Lights	-	-	-	-
	Body Cameras	-	35,000	-	-
	Taser Equipment	-	-	-	-
	Vehicle Cameras	-	13,000	-	-
	Office Copiers	-	-	-	-
	Total - account #11	160,000	221,200	155,000	(5,000)

**Capital Outlay and Special Project Accounts
(General Fund only)**

Acct #	Category	Budget FY17	Dept. Request FY18	Town Mgr Proposed FY18	\$ Change FY17 Budget to FY18 Proposed
12	Fire Department				
	Miscellaneous Equipment	25,000	25,000	25,000	-
	Vehicle Replacement (Shift Cmd)	-	45,000	25,000	25,000
	Vehicle Replacement (Deputy)	25,000	-	-	-
	Upgrade Community AED's	-	-	-	-
	Turnout Gear Replacement	15,000	15,000	15,000	-
	SCBA	-	5,000	-	-
	Supply Hose Replacement	-	-	-	-
	EMS Equipment	-	-	-	-
	Total - account #12	65,000	90,000	65,000	-
13	West Concord Fire Station				
	Building Improv - W. Concord	10,000	10,000	10,000	-
	Exhaust System Upgrade	-	-	-	-
	Total - account #13	10,000	10,000	10,000	-
14	Police/Fire Station (Walden Street)				
	Office Design/Renovation	-	-	-	-
	Card Access System	-	-	-	-
	Building Improv - Walden St	20,000	20,000	20,000	-
	Total - account #14	20,000	20,000	20,000	-
17B	Engineering				
	GIS System	20,000	20,000	20,000	-
	Traffic Control Devices	10,000	20,000	10,000	-
	Drainage Improvements	25,000	25,000	25,000	-
	NPDES Permit Compliance	10,000	10,000	10,000	-
	Street Sign Replacement	20,000	20,000	20,000	-
	Total - account #17B	85,000	95,000	85,000	-
17C	Highway Maintenance				
	Guardrail Replacement	10,000	20,000	15,000	5,000
	Small Equipment	5,000	7,500	5,000	-
	Total - account #17C	15,000	27,500	20,000	5,000
17D	Parks & Trees				
	Public Shade Trees	22,500	25,000	25,000	2,500
	Turf Improv./Park Rehab.	15,000	100,000	52,500	37,500
	Small Equipment	5,000	7,500	5,000	-
	Total - account #17D	42,500	132,500	82,500	40,000
20	Public Works Equipment				
	Vehicles and Heavy Equipment	300,000	350,000	325,000	25,000
	Total - account #20	300,000	350,000	325,000	25,000
21	Drainage				
	Drainage Improvements	105,000	105,000	105,000	-
	Culvert Improvement	100,000	100,000	100,000	-
	Total - account #21	205,000	205,000	205,000	-
22	Sidewalks				
	Sidewalks - Maintenance	100,000	125,000	110,000	10,000
	Total - account #22	100,000	125,000	110,000	10,000
23	Road Improvements				
	Road Reconstruction	90,000	100,000	100,000	10,000
	Total - account #23	90,000	100,000	100,000	10,000
24	133/135 Keyes Road building:				
	Building Improv - 133/135 Keyes	10,000	16,250	10,000	-
	Rolling Storage Shelves	-	-	-	-
	Total - account #24	10,000	16,250	10,000	-

**Capital Outlay and Special Project Accounts
(General Fund only)**

Acct #	Category	Budget FY17	Dept. Request FY18	Town Mgr Proposed FY18	\$ Change FY17 Budget to FY18 Proposed
25	Library				
	Computer Equipment	10,000	10,000	15,000	5,000
	Total - account #25	10,000	10,000	15,000	5,000
26C	Hunt Recreation Center				
	105 Everett ADA Ramp		-		
	Hunt Gym Improvements		-	-	
	Hunt Gym Trim Painting		-	-	
	Total - account #26B	-	-	-	-
26E	Harvey Wheeler Building:				
	HWCC Exterior Trim Painting		-		
	Building Improv - Harvey Wheeler	10,000	15,000	10,000	-
	Total - account #26E	10,000	15,000	10,000	-
TOTAL		\$ 1,800,000	\$ 2,542,450	\$ 1,870,000	\$ 70,000

Capital Outlay and Special Projects Accounts General Fund Recommended Items

Highlights

The following are recommendations for the capital outlay and special projects items:

Acct # - Account Title

1A Town Manager

To be able to comply with the Americans with Disabilities Act, the Town provides money in this account for improvements to Town-owned buildings. In FY18, it is proposed that the funding level is \$5,000, the same as in FY17.

1C Facilities Management

This account was established with the FY05 budget in an effort to set up a central pool of funds from which to monitor building conditions, establish renovation priorities, and fund repairs and improvements. Since FY05 when the account was first budgeted at \$40,000, the funding level has gradually been increased to the recommended level in FY18 of \$290,000. The five-year Capital Outlay plan raises this funding target to \$360,000 by FY22. For FY18, this account will fund the Facilities Manager and the Facilities Maintenance Supervisor.

1D Resource Sustainability

Being established in FY13, the purpose of this new account is to provide supplemental funding for town-wide energy efficiency projects and improvements. In FY18, it is proposed that this account be funded at \$95,000.

1E Visitors Center

For routine building repairs, a budget of \$2,500 is being proposed.

1F 37 Knox Trail

Acquired by the Town in FY15, \$5,000 is proposed for routine building improvements in FY18.

5B Natural Resources Division, DPLM

Funding of \$5,000 is being proposed for pond and stream management.

6 141 Keyes Road, DPLM

For routine building repairs, a budget of \$10,000 is being proposed.

9 Information Systems

The proposed funding level for the Town-wide Technology Fund is \$230,000. This fund is crucial in maintaining current technology throughout the Town departments. In addition, funds go toward supporting the basic network infrastructure linking all town buildings and connecting more than 250 desktop computers to the network with a secure and reliable system.

10 Town House

For routine building repairs, a budget of \$15,000 is being proposed.

Capital Outlay and Special Projects Accounts General Fund Recommended Items

11 Police Department

Funding is being proposed for the replacement of three police cruisers (\$105,000), the replacement of bulletproof vests (\$25,000) and the upgrade and maintenance of public safety equipment (\$25,000).

12 Fire Department

For the Fire Department, \$25,000 in funding is being proposed for miscellaneous equipment, \$25,000 for the replacement of the shift command vehicle and \$15,000 for turnout gear.

13 West Concord Fire Station

For routine building repairs, a budget of \$10,000 is proposed.

14 Police/Fire Station

For routine building repairs, a budget of \$20,000 is being proposed. This amount is split equally between the Police Department and the Fire Department.

17B Engineering, CPW

The following items are being proposed for the Engineering Division: \$20,000 for continued enhancements of the Town's Geographic Information System (GIS), \$10,000 for the upgrade of traffic control devices for the Town's street intersections, \$10,000 for NPDES permit compliance, \$25,000 for sustainable drainage improvements and \$20,000 for the federal/state mandated street sign replacement.

17C Highway Maintenance, CPW

For the Highway Maintenance account, it is proposed that \$15,000 be allocated for guardrail replacement, and \$5,000 for small equipment.

17D Parks & Trees, CPW

The following items are being proposed for the Parks & Trees Division: \$25,000 for public shade trees, \$52,500 for turf improvements, and \$5,000 for small equipment.

20 Public Works Equipment, CPW

The proposed Public Works Equipment budget of \$325,000 funds the Town's well-planned schedule of equipment replacement. This represents an increase of \$25,000 from FY17.

21 Drainage, CPW

The FY18 level funding of \$205,000 is proposed to be used for drainage and culvert improvements.

22 Sidewalk Management, CPW

The proposed FY18 budget calls for an increase of \$10,000 for the maintenance of the Town's existing sidewalks program at \$110,000.

23 Road Improvements, CPW

The General Fund proposed funding for road improvements is \$100,000. With additional amounts of \$671,400 expected from the State (Chapter 90 Funds) and \$1,200,000 in borrowing, the total FY18 recommended amount for road improvements is \$1,971,400.

Capital Outlay and Special Projects Accounts General Fund Recommended Items

24 133 and 135 Keyes Road, CPW

For routine building repairs, a budget of \$10,000 is being proposed.

25 Library

The FY18 the CIP proposes to provide the Library with \$15,000 for public-access computer equipment replacement.

26B Harvey Wheeler Community Center

For routine building repairs, a budget of \$10,000 is being proposed.

SECTION I: Financial Summary

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Debt:

At the end of FY16 (June 30, 2016), the Town of Concord's outstanding tax-supported long-term debt is **\$39,391,306**.

This tax-supported debt is 0.67% of the Town's assessed value and equals \$2,230 per capita.

The Debt Section includes the following:

- Debt Overview 54
- Long-Term Debt Statistics 55
- FY18-22 Debt Authorization 56 to 57
- Debt Service Schedule 58 to 59
- Historical Debt & Charts 60 to 62
- Excluded Debt Detail 63
- Authorized and Unissued Debt 64

Rapid Debt Repayment

The Town aims for a rapid debt repayment schedule for tax-supported debt, with a goal (for "within the levy limit" debt) of 60% repayment within 5 years and 90% repayment within 10 years.

This policy serves the following purposes:

- To hold down the amount expended in the form of interest costs;
- To provide new capacity for debt issuance on a regular basis and thereby enable newly recognized capital needs to be addressed annually;
- To maintain the Town's credit rating of Aaa, which reduces the cost of borrowing.

Outstanding Principal and Percent of Debt to be retired for debt issued as of June 30, 2016								
Paid Down Percentage Starting on June 30, 2016	Tax-Supported Debt				Enterprise and Other Debt		Total Debt	
	Within Limit		Excluded		Outstanding Principal	%	Outstanding Principal	%
	Outstanding Principal	%	Outstanding Principal	%				
On 6/30/16	\$12,675,000		\$26,716,306		\$18,991,660		\$58,382,966	
In 5 years	\$2,355,000	81%	\$13,802,848	48%	\$8,903,554	53%	\$25,061,402	57%
In 10 Years	\$275,000	98%	\$3,275,000	88%	\$1,107,864	94%	\$4,657,864	95%
In 15 Years	\$0	100%	\$0	100%	\$0	100%	\$0	100%

Note: The Town's excluded tax-supported debt is primarily associated with the construction of the three Elementary Schools. Excluded debt associated with the construction of the new High School is assessed to the Town separately by the Concord-Carlisle Regional School District and is budgeted separately .

GENERAL OBLIGATION DEBT POLICIES

1. As a general policy, the threshold for an item for debt financing shall be an expenditure of at least \$100,000 and a useful life in excess of 5 years.
2. The term of long-term debt shall not exceed the expected useful life of the capital asset being financed, and in general it shall not exceed 20 years.
3. A rapid debt repayment schedule shall be maintained, with a goal of 60% principal repayment within 5 years and 90% repayment within 10 years, for tax-supported non-excluded debt.
4. Debt supported outside the levy limit—that is, through a debt exclusion—may be above the 7-8% allocation limit, and may be structured for a longer repayment schedule; such debt shall be reserved for large capital improvements, generally those costing over \$1 million and bonded for 10 years or more.
5. For all debt exclusion proposals, the impact on property tax rates shall be calculated prior to the vote.
6. All debt of the Town shall be issued as general obligation debt. As a policy, debt for enterprises may be paid for from fee revenue rather than through taxes.

Town of Concord, Long-Term Debt Statistics												
Direct Debt - June 30, 2006 to June 30, 2016												
@ June 30	Assessed Value	Outstanding Long-term Debt		Population decennial census	per capita income decennial census	Assessed value % of		Debt per capita		Debt per capita as % of per capita income		
		Gross	Net			gross debt	net debt	gross debt	net debt	gross debt	net debt	
2006	\$5,207,535,371	\$29,542,533	\$19,758,290	16,993	\$51,477	0.57%	0.38%	\$1,739	\$1,163	3.38%	2.26%	
2007	\$5,309,253,833	\$55,091,156	\$31,052,480	16,993	\$51,477	1.04%	0.58%	\$3,242	\$1,827	6.30%	3.55%	
2008	\$5,498,736,316	\$62,606,176	\$39,739,546	16,993	\$51,477	1.14%	0.72%	\$3,684	\$2,339	7.16%	4.54%	
2009	\$5,264,591,702	\$71,479,238	\$49,853,220	16,993	\$51,477	1.36%	0.95%	\$4,206	\$2,934	8.17%	5.70%	
2010	\$5,026,552,229	\$79,599,890	\$59,831,473	16,993	\$51,477	1.58%	1.19%	\$4,684	\$3,521	9.10%	6.84%	
2011	\$5,045,140,030	\$80,557,680	\$57,138,277	17,668	\$67,374	1.60%	1.13%	\$4,560	\$3,234	6.77%	4.80%	
2012	\$5,090,058,629	\$75,393,732	\$53,893,601	17,668	\$67,374	1.48%	1.06%	\$4,267	\$3,050	6.33%	4.53%	
2013	\$5,054,970,094	\$70,984,036	\$50,782,417	17,668	\$67,374	1.40%	1.00%	\$4,018	\$2,874	5.96%	4.27%	
2014	\$5,130,493,662	\$70,598,766	\$48,544,694	17,668	\$67,374	1.38%	0.95%	\$3,996	\$2,748	5.93%	4.08%	
2015	\$5,412,298,562	\$62,596,727	\$41,730,402	17,668	\$67,374	1.16%	0.77%	\$3,543	\$2,362	5.26%	3.51%	
2016	\$5,841,889,295	\$58,382,966	\$39,391,306	17,668	\$67,374	1.00%	0.67%	\$3,304	\$2,230	4.90%	3.31%	

"Net debt" is tax-supported, net of self-supporting debt issued for the water, sewer and electric funds.

EQV and Debt: The Town's Equalized Valuation (EQV) is set by the state biennially. The value set at Jan. 1, 2014 is \$5,540,602,300. This EQV is used in various state formulas for FY15 and FY16. By state law (MGL c. 44, § 10), the Town's debt limit is capped at 5% of its EQV. The Town's gross outstanding debt as of June 30, 2016 is 1.05% of EQV.

SECTION I: Financial Summary

Debt

FY18-22 Capital Program DEBT AUTHORIZATION - February 1, 2017

	adopted		plan					FY18-22 Total
	FY2017 2016	FY2018 2017	FY2019 2018	FY2020 2019	FY2021 2020	FY2022 2021		
Fiscal Year of Planned Long-term Debt Issuance Annual Town Meeting Year								
Projected Amount Available for Authorization								
General Fund - Financing within Levy Limit								
<i>Town Manager</i>								
Renovation/Construction/acquisition of office space			350,000	575,000	750,000		\$1,675,000	
Land acquisition for municipal purposes			1,200,000	300,000			\$300,000	
Archdiocese of Boston Building for Harvey Wheeler Expansion			250,000					
Comprehensive Municipal Building Feasibility Study								
Planning								
Land Acquisition, open space	800,000		250,000	250,000	75,000	450,000	\$1,025,000	
Rail Trail Design - Phase 2B	250,000							
Trail Improvements			75,000				\$75,000	
Warner's Pond Improvements				500,000			\$500,000	
Pedestrian Bridge Over Assebet River in W. Concord					800,000		\$800,000	
Public Safety								
Engine #3 Refurbishment (2008)	150,000						\$150,000	
Engine #4 Refurbishment (2010) Pumper			150,000				\$350,000	
Engine #5 Replacement (1988) Brush Truck				350,000			\$200,000	
Engine #6 Replacement (2006) Brush and Utility Vehicle					200,000		\$575,000	
Engine #8 Replacement (1988)			575,000				\$260,000	
Ambulance #1 Replacement (2008)			260,000				\$275,000	
Ambulance #2 Replacement (2011)					275,000		\$250,000	
Ladder #1 Refurbishment (2012)						250,000		
Police & Fire Radios			225,000					
Public Works								
Roads, Parking lots and Sidwalks Reconstruction	1,350,000		1,200,000	1,200,000	1,200,000	1,200,000	\$6,215,000	
Sidewalk extensions - phase 2				500,000			\$500,000	
Cemetery Roads Improvements	50,000		150,000				\$150,000	
Human Services								
Harvey Wheeler Roof Repair	150,000							
Harvey Wheeler Parking Lot					100,000		\$100,000	
Hunt Gym renovations	50,000							
Subtotal - Town Projects	2,800,000	4,425,000	2,550,000	3,550,000	1,850,000	2,700,000	\$13,400,000	

SECTION I: Financial Summary

Debt

**FY18-22 Capital Program
DEBT AUTHORIZATION - February 1, 2017**

Fiscal Year of Issuance Annual Town Meeting Year	adopted					plan					FY18-22 Total	
	FY2017 2016	FY2018 2017	FY2019 2018	FY2020 2019	FY2021 2020	FY2022 2021						
CMS Middle School feasibility assessment study	155,000											
School Transportation facility	300,000											
Peabody	0	39,500	0	205,000	0							\$244,500
Sanborn	415,000	39,000	0	400,000	1,400,000							\$1,839,000
Alcott	0	155,000	150,000	0	195,000							\$500,000
Thoreau	0	285,000	140,000	95,000	0							\$520,000
Willard	0	94,000	350,000	0	0							\$444,000
Ripley Administration Building	0	690,000	1,290,000	250,000	0							\$2,230,000
Unassigned	0	0	0	0	0	1,000,000						\$1,000,000
Gross subtotal, CPS buildings	870,000	1,302,500	1,930,000	950,000	1,595,000	1,000,000						\$6,777,500
less: Unfunded	0	(452,500)	(1,030,000)	0	(595,000)	0						(\$2,077,500)
Subtotal - School Projects allocation	\$870,000	\$850,000	\$900,000	\$950,000	\$1,000,000	\$1,000,000						\$4,700,000
General Fund Total	\$3,670,000	\$5,275,000	\$3,450,000	\$4,500,000	\$2,850,000	\$3,700,000						\$19,775,000
debt supported within levy limit												
General Fund - Financing subject to Debt Exclusion Ballot												
School Transportation Facility	1,950,000											\$1,950,000
Keyes Road Campus - Site Reconstruction					20,000,000							\$20,000,000
Concord Public School - Middle School renovations			6,280,000 (a)									\$6,280,000
Debt Exclusion Total	\$1,950,000	\$0	\$6,280,000	\$20,000,000	\$0	\$0						\$26,280,000
Light Enterprise Fund												
Smart Grid Improvement		3,000,000										3,000,000
Telecommunications Services		1,000,000										1,000,000
Water Enterprise Fund												
Reservoir Improvements	\$965,000											965,000
Nagog Pond - Intake pipeline	\$1,870,000											1,870,000
Keyes Road site & covered storage				\$500,000								500,000
Nagog filtration plant	\$13,665,000											13,665,000
Land acquisition - Balls Hill	\$800,000											800,000
Sewer Enterprise Fund												
Keyes Road site & covered storage				\$100,000								100,000
Enterprise Funds Total	\$17,300,000	\$4,000,000	\$0	\$600,000	\$0	\$0						\$4,600,000
GRAND TOTAL	\$22,920,000	\$9,275,000	\$9,730,000	\$25,100,000	\$2,850,000	\$3,700,000						\$50,655,000

(a) subject to revision based upon a assessment study currently underway

Debt Service Schedule, July 1, 2017 to final maturity for debt issued through June 30, 2016

Fiscal Year	Total Annual Debt Service		Total Principal Outstanding at June 30th	Tax Supported Annual Debt Service							
				Town (within levy limit)		Town (outside levy limit)		School (within levy limit)		School (outside levy limit)	
	Principal Matured	Interest Payment		Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment
2017	8,483,568	1,731,154	58,382,967	2,430,000	255,973	82,529	18,560	830,000	109,386	3,043,800	866,389
2018	7,283,674	1,547,006	49,899,399	1,940,000	203,000	84,196	16,767	605,000	95,350	2,555,000	795,911
2019	6,329,085	1,323,899	42,615,725	1,450,000	141,675	85,897	14,939	460,000	76,900	2,320,000	713,810
2020	5,879,490	1,126,494	36,286,640	1,110,000	94,275	87,632	13,073	455,000	60,600	2,295,000	636,535
2021	5,345,748	944,376	30,407,151	725,000	60,150	89,403	11,170	315,000	45,500	2,270,000	560,035
2022	4,826,060	773,886	25,061,403	475,000	37,050	91,209	9,229	295,000	33,300	2,250,000	481,085
2023	4,292,753	623,466	20,235,343	285,000	22,800	93,052	7,248	280,000	21,500	2,080,000	404,010
2024	3,957,381	488,584	15,942,590	185,000	12,400	94,932	5,227	120,000	12,000	2,055,000	330,585
2025	3,879,707	367,622	11,985,209	120,000	7,500	96,850	3,165	120,000	8,400	2,028,000	258,969
2026	3,447,637	255,732	8,105,502	85,000	4,600	98,806	1,062	115,000	4,900	1,640,000	192,675
2027	2,547,865	155,856	4,657,865	75,000	2,150	0	0	65,000	1,950	1,300,000	135,688
2028	1,435,000	82,694	2,110,000	70,000	700	0	0	65,000	650	1,300,000	81,344
2029	675,000	27,000	675,000	0	0	0	0	0	0	675,000	27,000
total	58,382,967	9,447,769		8,950,000	842,273	904,506	100,440	3,725,000	470,436	25,811,800	5,484,036

Interest expense as % of total debt service, FY17:

16.9%

Interest expense as % of total debt service to final maturity:

13.9% as of July 1, 2016

Projected as of June 30, 2016:

Debt Retirement - all

5 yrs | 10 yrs

57.1% | 92.0%

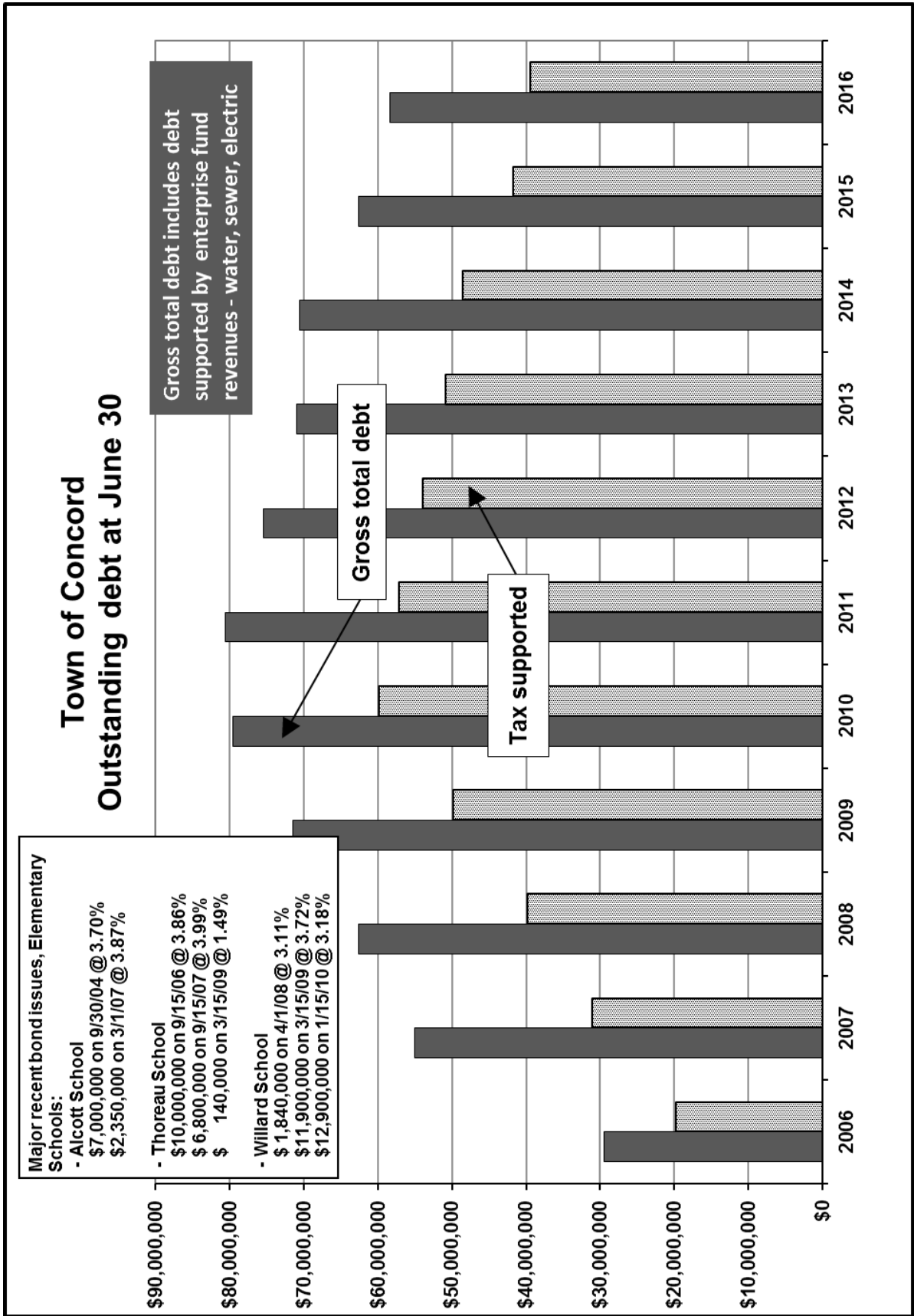
Debt Retirement - tax supported only

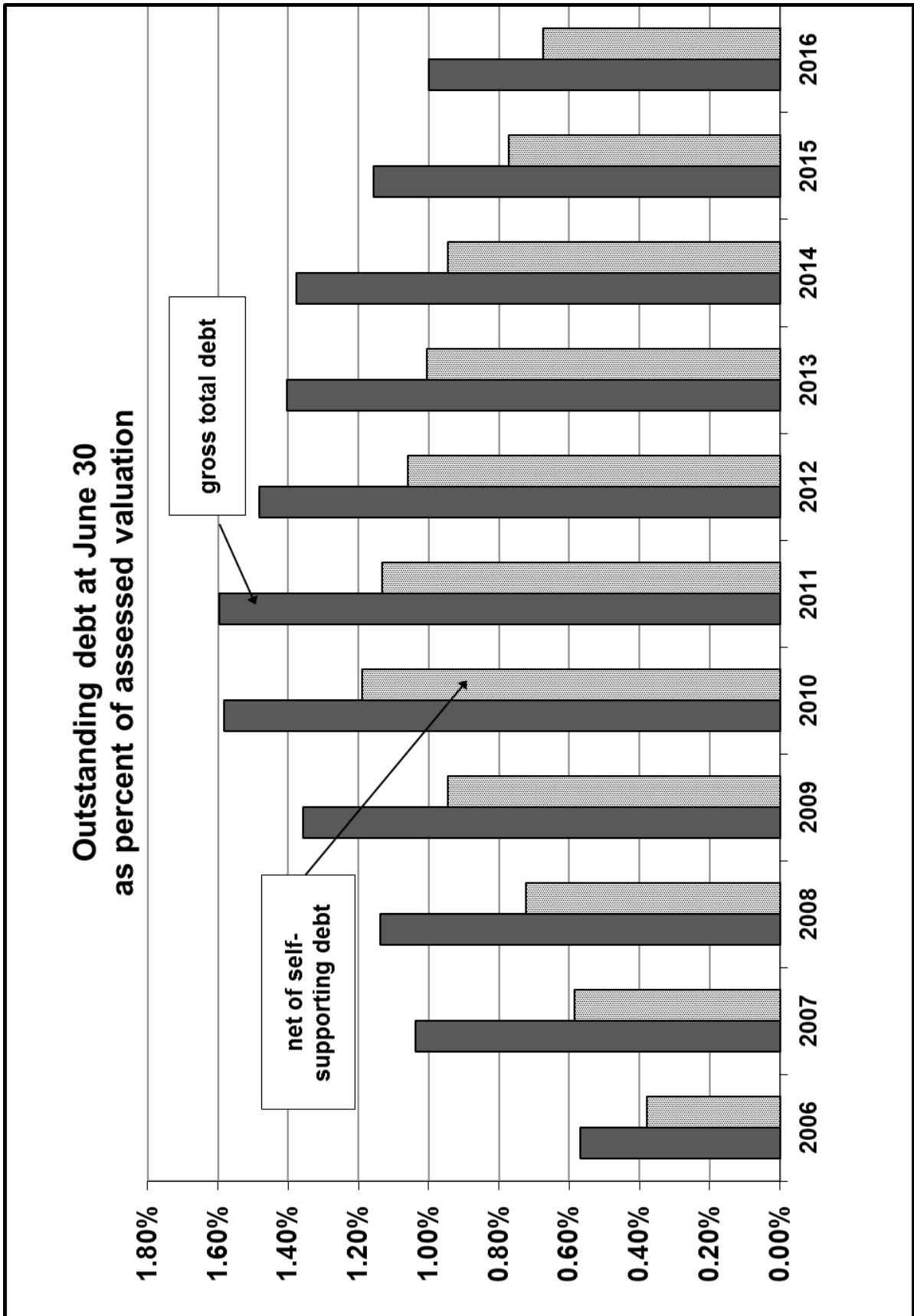
59.0% | 91.0%

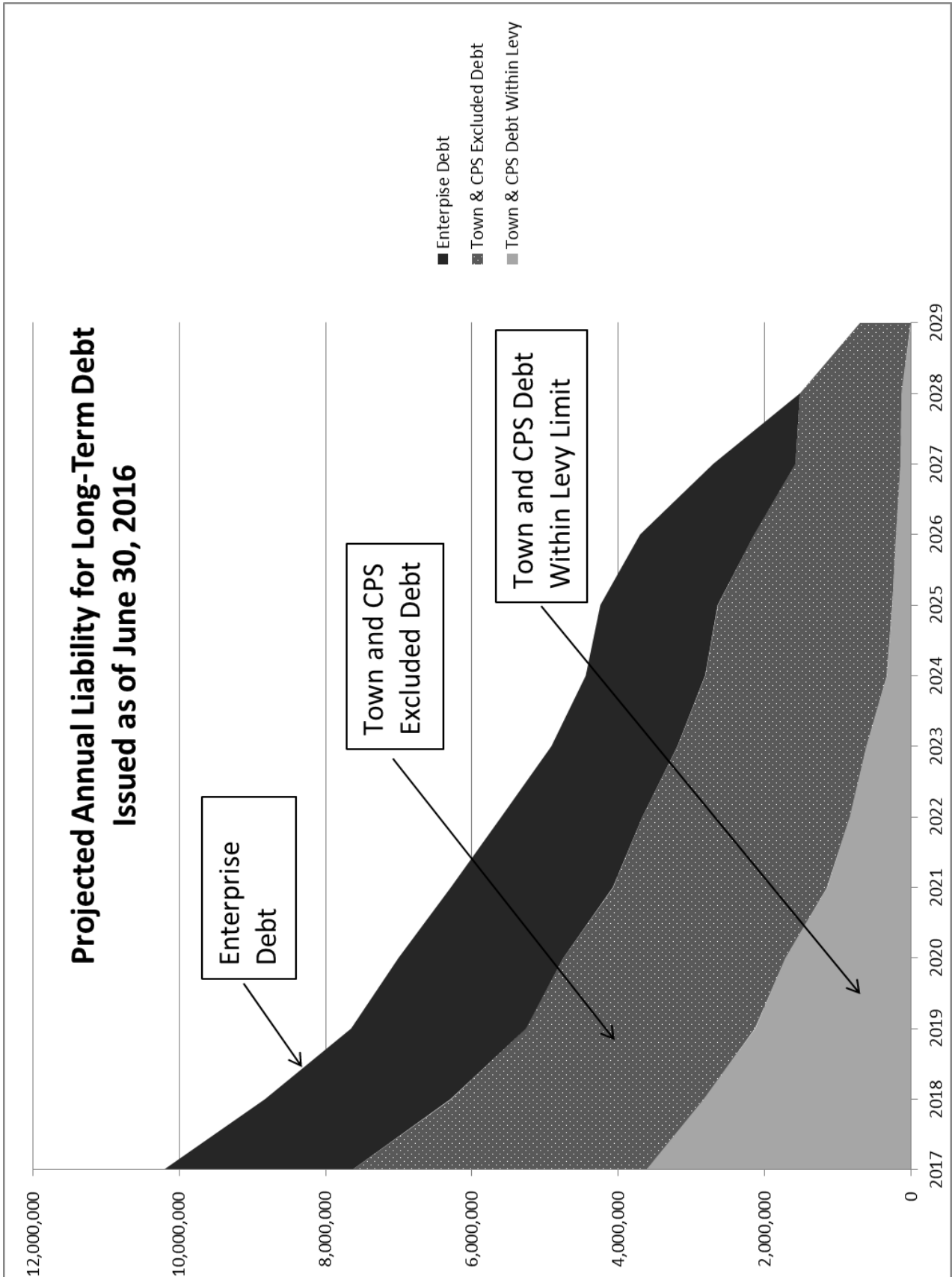
SECTION I: Financial Summary

Debt

Revenue Supported Annual Debt Service								<i>subtotals</i>		
<i>Water</i>		<i>Sewer</i>		<i>Betterment (WPAT loans)</i>		<i>Light (including Telecom)</i>		Tax-supported		Revenue- supported
Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment	Principal Matured	Interest Payment	<i>within Limit</i>	<i>Excluded</i>	
								0	0	0
441,200	94,730	609,516	143,591	291,523	28,908	755,000	213,618	3,625,359	4,011,278	2,578,086
410,000	87,228	607,814	129,946	294,164	26,116	787,500	192,688	2,843,350	3,451,874	2,535,456
335,000	72,015	618,831	116,229	296,857	23,268	762,500	165,063	2,128,575	3,134,646	2,389,763
335,000	60,815	617,570	102,459	229,288	20,362	750,000	138,375	1,719,875	3,032,240	2,253,869
335,000	49,615	629,036	88,633	232,310	17,398	750,000	111,875	1,145,650	2,930,608	2,213,867
225,000	38,415	640,734	74,558	224,118	14,374	625,000	85,875	840,350	2,831,523	1,928,074
225,000	30,015	602,668	60,979	227,033	11,289	500,000	65,625	609,300	2,584,310	1,722,609
220,000	21,715	614,843	47,891	167,606	8,141	500,000	50,625	329,400	2,485,744	1,630,821
217,000	14,995	627,265	34,538	170,589	4,930	500,000	35,125	255,900	2,386,984	1,604,442
215,000	8,300	639,936	20,916	153,895	1,654	500,000	21,625	209,500	1,932,543	1,561,326
155,000	1,550	652,865	7,018	0	0	300,000	7,500	144,100	1,435,688	1,123,933
0	0	0	0	0	0	0	0	136,350	1,381,344	0
0	0	0	0	0	0	0	0	0	702,000	0
3,113,200	479,393	6,861,078	826,758	2,287,383	156,440	6,730,000	1,087,994	13,987,709	32,300,782	21,542,246







Excluded Debt

Projected to June 30, 2017	Principal		FY18 Debt Service				
	Initial Issuance	Remaining Balance	Remaining Percent	Principal	Interest	Debt Service (Net of Premium)	Amortized Premium
<u>Outstanding Town-Issued Excluded Debt</u>							
Wastewater Management (Phase 1) <i>Nov. 2005 (2.00% - WPAT Loan)</i>	\$1,638,290	\$737,782	45.0%	\$84,196	\$15,598	\$99,794	
Alcott School <i>May 2015 (1.40%; refund), May 2016 (1.16%; refund)</i>	\$9,365,000	\$3,083,000	32.8%	\$494,000	\$100,505	\$594,505	
Thoreau School <i>Sept 2007 (3.99%), May 2015 (1.40%; refund) May 2016 (1.16%; refund)</i>	\$16,940,000	\$7,167,000	42.3%	\$581,000	\$139,247	\$720,247	\$683
Willard School <i>Apr. 2008 (3.11%), Mar. 2009 (3.72%), Jan. 2010 (3.09%)</i>	\$27,025,000	\$13,715,000	50.6%	\$1,480,000	\$554,089	\$2,034,089	\$1,517
CPS Bus Depot						\$156,672	
Town Excluded Debt - Total	\$54,968,290	\$24,702,782	\$2	\$2,639,196	\$809,438	\$3,605,307	\$2,201
<u>Outstanding CCRSD-Issued Exempt Debt</u>							
Existing High School				\$240,000	\$4,173	\$244,173	
New High School (\$32.5 million issued June 2013, 3.00%)				\$1,300,000	\$882,006	\$2,182,006	
New High School Bond (\$30 million issued in March 2015, 2.87%)				\$1,350,000	\$891,532	\$2,241,532	
New High School Bond (\$2.5 million issued in March 2016, 2.40%)				\$115,000	\$62,700	\$177,700	
Projected New High School Issue (\$1.9 million to be issued January 2017, 4.0%)				\$190,000	\$76,000	\$266,000	
Landfill Remediation (\$1.5 million to be issued, 4%)				\$150,000	\$60,000	\$210,000	
Less: Reserves from FY17 assessment not expended						(\$162)	
Total Assessable						\$5,321,249	
Concord Share @ 74.30%						\$3,953,688	
Less: Stabilization fund appropriation						(\$785,000)	
Net CCRSD Excluded Debt						\$3,168,688	
Net Levy for the Total Town and CCRSD Exempt Debt						\$6,773,995	

SECTION I: Financial Summary

Debt

Town of Concord, MA Authorized and Unissued Debt @ June 30, 2016

debt category	Town Meeting	Vote	Purpose	Debt Amount Authorized & Unissued	Code	Bond or Note Issuance and other comment	Expected future issue	Expected to rescind	TOTAL (equals column J)	Projected May 2017 Bond Plan
Betterment	Art. 42, 2009	18-455-455-0316	Septic Betterment Loan (Title 5)	1,477,826	18-455-455-0316	Interim Note dated 3/1/15, due 12/31/16	1,477,826		1,477,826	
enterprise	Art. 36, 2012	62-460-460-345	Land Acquisition (WR Grace)	187,500	62-460-460-345	\$800K bond issued 5/21/15	0	375,000	375,000	
enterprise	Art. 48, 2013	73-0-0-350	Telecommunications	400,000	73-0-0-350	\$25k bond issued 5/19/16 \$100K bond issued 6/12/14 \$500K bond issued 5/19/16	400,000	0	400,000	200,000
within limit	Art. 30, 2014	30-426-426-357	Keyes Road public works facilities design	150,000	30-426-426-357		150,000		150,000	150,000
within limit	Art. 31, 2014	30-197-197-358	141 Keyes Road renovations (Planning dept)	400,000	30-197-197-358	\$200K bond issued 5/19/16	400,000		400,000	400,000
within limit	Art. 33, 2014	30-410-410-360	West Concord infrastructure improvements	100,000	30-410-410-360		100,000		100,000	100,000
within limit	Art. 34, 2014	30-215-215-361	Public Safety Bldg security improvements	85,000	30-215-215-361		85,000		85,000	85,000
within limit	Art. 23, 2015	30-300-300-365	Concord Public Schools renovations	0	30-300-300-365	\$650K bond issued 5/19/16	0	0	0	
within limit	Art. 24, 2015	30-122-123-366	Concord Public Schools - Bus Depot	0	30-122-123-366	\$950K bond issued 5/19/16	0	0	0	
within limit	Art. 42, 2015	30-429-429-367	Road Improvements - 2016 Program	0	30-429-429-367	\$1.2M bond issued 5/19/16	0	0	0	
within limit	Art. 52, 2015	30-122-123-368	Rideout & Emerson Playground Improvements	600,000	30-122-123-368		600,000		600,000	600,000
within limit	Art. 53, 2015	30-180-175-369	Parking Management Plan Implementation	100,000	30-180-175-369	\$150K bond issued 5/19/16	100,000		100,000	100,000
within limit	Art. 54, 2015	30-122-123-370	Town House Interior Improvements	350,000	30-122-123-370	\$350K bond issued 5/19/16	350,000		350,000	350,000
within limit	Art. 55, 2015	30-122-123-371	37 Knox Trail renovations and site work	0	30-122-123-371	\$200K bond issued 5/19/16	0	0	0	
within limit	Art. 57, 2015	30-220-220-372	Fire Engine Replacement	0	30-220-220-372	\$550K bond issued 5/19/16	0	0	0	
within limit	Art. 12, 2016	30-300-300-373	Concord Public Schools renovations	570,000	30-300-300-373		570,000		570,000	570,000
within limit	Art. 15, 2016	30-300-300-366	School Bus Depot	300,000	30-300-300-366		300,000		300,000	300,000
excluded	Art. 22, 2016	30-122-123-374	Concord Public Schools - Bus Depot (excluded debt)	1,950,000	30-122-123-374		1,950,000		1,950,000	1,950,000
within limit	Art. 22, 2016	30-520-546-375	Municipal Building Renovations	150,000	30-520-546-375		150,000		150,000	150,000
within limit	Art. 23, 2016	30-520-631-375	(HWCC & Hunt)	50,000	30-520-631-375		50,000		50,000	50,000
within limit	Art. 23, 2016	30-122-123-376	Land Acquisition - Ball's Hill Road	800,000	30-122-123-376		800,000		800,000	800,000
within limit	Art. 23, 2016	61-450-450-376	Land Acquisition - Ball's Hill Road	800,000	61-450-450-376		800,000		800,000	800,000
within limit	Art. 24, 2016	30-220-220-377	Public Safety Equipment - Fire Engine refurbish	150,000	30-220-220-377		150,000		150,000	150,000
within limit	Art. 25, 2016	30-410-491-378	Cemetery Improvements	50,000	30-410-491-378		50,000		50,000	50,000
within limit	Art. 26, 2016	30-429-429-379	Road Improvement Program 2016	1,350,000	30-429-429-379		1,350,000		1,350,000	1,350,000
enterprise	Art. 28, 2016	61-450-450-380	Water System Improvements	13,665,000	61-450-450-380	Water Treatment Plant	13,665,000		13,665,000	8,000,000
enterprise	Art. 28, 2016	61-450-450-381	Water System Improvements	965,000	61-450-450-381	Reservoir improvements	965,000		965,000	
enterprise	Art. 28, 2016	61-450-450-382	Water System Improvements	1,870,000	61-450-450-382	Nagog Water Intake pipeline	1,870,000		1,870,000	
within limit	Art. 57, 2016	30-180-175-383	Rail Trail design/Engr. - Phase 2B	250,000	30-180-175-383		250,000		250,000	250,000
				\$ 26,957,826			26,957,826	375,000	26,957,826	16,405,000

tax, within limit	5,455,000
debt exclusion	1,950,000
Water	8,800,000
Sewer	0
CMLP	0
Telecom	200,000
	16,405,000

Detail: Authorized & Unissued by Funding Source

Tax Supported - within limit	\$ 5,455,000
Tax Supported - debt exclusion	1,950,000
Betterments	1,477,826
Light Fund (#62)	187,500
Telecom Fund (#73)	400,000
Sewer Fund (#60)	187,500
Water Fund (#61)	17,300,000
	\$ 26,957,826

SECTION I: Financial Summary

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SECTION I: Financial Summary

Liabilities

Major Liabilities

The Major Liabilities are a result of the following:

- Debt from the issuance of bonds;
- Pensions; and
- Other Post Employment Benefits (OPEB).

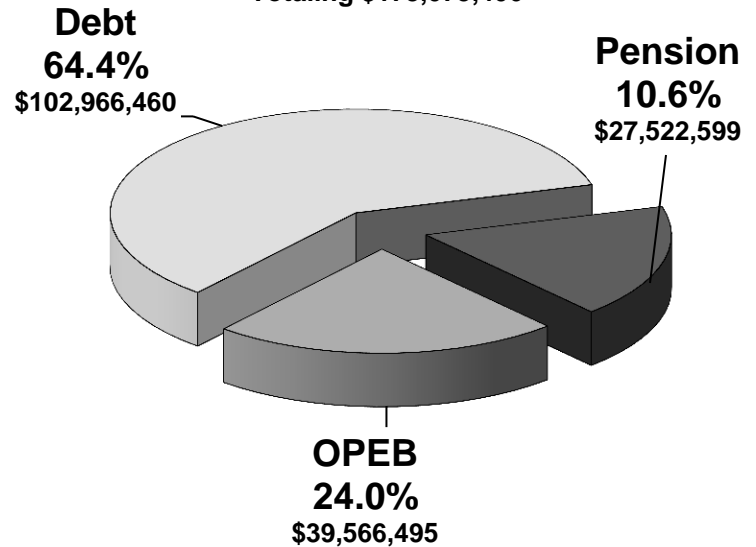
This section contains the following:

• Major Liabilities	66
• Reason for Presenting Major Liabilities	67
• Debt	68
• Pensions	69
• OPEB	70

Major Liabilities at June 30, 2016

(with CCRSD Overlapping Debt)

Totalling \$173,075,406



Major Liabilities (with CCRSD overlapping liability) as of June 30, 2016

<u>FY16 Liabilities</u>	<u>Debt</u>	<u>Pension</u>	<u>OPEB</u>	<u>Total</u>
General Fund	\$39,391,306	\$23,967,947	\$29,134,528	\$92,493,781
Enterprise and Other	<u>\$18,991,660</u>	<u>\$3,554,652</u>	<u>\$1,655,247</u>	<u>\$24,201,559</u>
Total Direct Town Liabilities	\$58,382,966	\$27,522,599	\$30,789,775	\$116,695,340
CCRSD Assessment @73.71%	<u>\$44,583,494</u>	<u>\$3,019,852</u>	<u>\$8,776,720</u>	<u>\$56,380,066</u>
Total	<u>\$102,966,460</u>	<u>\$30,542,451</u>	<u>\$39,566,495</u>	<u>\$173,075,406</u>

Major Liabilities

Major outstanding liabilities are commitments that the Town has made and is required to pay in future periods. There are three categories of major outstanding liabilities: Debt, Pension, and OPEB. Each liability is to be paid from one of three sources: (1) General Fund resources; (2) Enterprise or Other Fund resources which are primarily generated from customer rates and fees; or (3) the assessment to the Town of the separate political entity, the Concord-Carlisle Regional School District (CCRSD); at June 03, 2016, the Town is responsible for 73.71% of all CCRSD expenses and liabilities, the assessment ratio as determined by Concord and Carlisle student enrollment in grades 9-12. This ratio changes each year.

Debt: Debt-funded projects have a useful life of many years and costs are appropriately distributed over these years. General Fund and Enterprise & Other Fund debt is guaranteed by the full faith and credit of the Town.

Pension: The Concord Retirement Board administers a defined benefit contributory retirement plan for substantially all municipal employees of the Town, Concord Public Schools, Concord-Carlisle Regional School District, and Concord Housing Authority, who work at least 25 hours per week and who are not covered by the State Teachers Retirement System. All aspects of the system are defined by state law.

OPEB: Other Post-Employment Benefits (OPEB) is the amount that the Town has committed to fund the employer-portion of health care and other benefits for retirees, spouses, or eligible survivors. To comply with new accounting standards, the Town began reporting this liability on the Financial Statements in FY09 and started transferring funds into the OPEB Trust Fund in FY10.

Liabilities and Credit Rating:

Liabilities, the future obligations that a municipality owes to an outside entity, need to be managed carefully. It often easier for a city or town to push off costs into the future or to not fully fund the obligations that have been made. If these liabilities become too large, they can crowd out other expenditures. Accordingly, credit rating agencies are placing greater emphasis on how municipalities manage their liabilities in determining their credit worthiness.

Benefits of a Good Credit Rating

The Town has made a concerted effort to earn and maintain a “Aaa” credit rating from Moody’s Investors Service. This is the highest possible rating and allows the Town to issue long-term bonds to fund its capital expenditures at the lowest possible interest rate, which decreases the cost of borrowing and benefits the taxpayer.

Moody’s Investors Service Methodology

In January 2014, Moody’s Investors Service restated the methodology of how it quantitatively sets the credit rating on bonds issued by cities and towns. To determine the credit worthiness of a municipality, Moody’s has identified the following four broad rating factors (and has assigned weights to each factor):

1. Economy / Tax Base (30%) – The ability of the underlying economy and the tax base to generate financial resources,
2. Finances (30%) – The local government’s fiscal position and available reserves to meet existing and future obligations,
3. Management (20%) – The legal (structural) and practical (political) framework to meet the financial responsibilities, and
4. Debt / Pensions (20%) – The municipality’s liability level as it affects the ability of the city or town to meet future obligations.

Town Credit Rating History

Moody’s Investors Service has examined the Town’s fiscal health using the four factors specified above. Since November 1987, Moody’s has assigned the Town an “Aaa” bond rating, the highest possible municipal rating category.

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
The Town’s Credit Rating (Moody’s)	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa

Importance of Managing Liabilities

Various recent news reports have highlighted the difficulty that some municipalities have had in managing these major liabilities, especially those associated with pensions and OPEB. In fact, a few municipalities around the nation have had to declare bankruptcy, partly due to large unfunded pension obligations.

Due to the increasing importance of managing debt and pension obligations, Moody’s Investor Service uses a 20% weight for Debt / Pension in establishing the credit rating. Currently, Other Post-Employment Benefits (OPEB) obligations are not part of the rating methodology. Nevertheless, for transparency purpose, this section of the budget book provides information about the Town’s OPEB liability.

SECTION I: Financial Summary

Liabilities

Debt Liability:

Since 2002, the Town has undertaken to replace three elementary schools and its regional high school with new buildings, an investment of more than \$125 million. Tax-supported outstanding debt, including \$44,583,494 million as the Town's share of CCRSD debt, has increased to \$83,974,800 at June 30, 2016. With the inclusion of enterprise debt which is paid from user fees, the total is \$102,966,460.

Rapid Debt Repayment Policy

The Town aims for a rapid debt repayment schedule for tax-supported debt, with a goal (for "within the levy limit" debt) of 60% repayment within 5 years and 90% repayment within 10 years. This policy allows the Town to properly manage this liability and maintain available debt capacity. Excluded debt and borrowing for enterprise projects generally have a longer payback period.

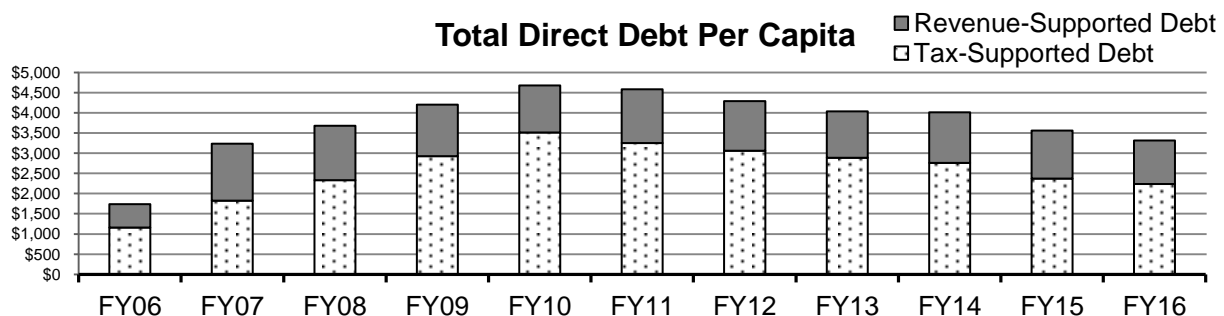
Direct Debt

The Town of Concord borrows money to pay for various capital projects, including the construction of new schools, the purchase of fire apparatus, and the renovation of public buildings and facilities. All borrowed funds are guaranteed by the full faith and credit of the Town, borrowing for enterprise-related projects is expected to be repaid from enterprise user fees rather than from tax-supported resources. Furthermore, some tax-supported debt-funded projects are voted by the electorate as being outside the Proposition 2 ½ tax levy limit constraints referred to as "debt exclusions").

The chart below shows the amount of outstanding principal by category. For tax-supported debt repaid within the levy limit, the Town follows a rapid principal repayment policy; as of June 30, 2016, 81% of the borrowed principal will be repaid within 5 years and 98% will be repaid within 10 years. Tax-supported excluded debt has a longer repayment schedule, since almost all of this debt is for the construction of new school buildings which have a long useful life and the cost should be amortized over a longer time. A similar generational matching policy is applied to enterprise debt, employed for relatively long-lasting capital projects. This chart does not show the overlapping debt that the Town is responsible for as a result of the CCRSD assessment.

Outstanding Principal and Percent of Debt to be retired for debt issued as of June 30, 2016								
Paid Down Percentage Starting on June 30, 2016	Tax-Supported Debt				Enterprise and Other Debt		Total Debt	
	Within Limit		Excluded		Outstanding Principal	%	Outstanding Principal	%
	Outstanding Principal	%	Outstanding Principal	%				
On 6/30/16	\$12,675,000		\$26,716,306		\$18,991,660		\$58,382,966	
In 5 years	\$2,355,000	81%	\$13,802,848	48%	\$8,903,554	53%	\$25,061,402	57%
In 10 Years	\$275,000	98%	\$3,275,000	88%	\$1,107,864	94%	\$4,657,864	95%
In 15 Years	\$0	100%	\$0	100%	\$0	100%	\$0	100%

The graph below shows Direct Debt per capita. With the construction of the new elementary schools, the tax-supported debt began to increase starting in FY06. Debt associated with the Town's assessment from CCRSD for the new high school is not included.



SECTION I: Financial Summary

Liabilities

Pension Liability:

As of the January 1, 2016 actuarial valuation, the Concord Contributory Retirement System's has a estimated Unfunded Liability was \$29,159,253. In FY18, the Town's annual funding to meet current obligations and to pay down this liability is \$4.72 million, of which \$3.66 million is the General Fund share.

Pension Funding Policy

The Town's Funding Schedule for the Concord Contributory Retirement System projects full funding status by fiscal year 2030. To achieve this goal, the General Fund appropriation is projected to increase by 3% annually. A discount rate of 7.25% is assumed in the actuarial analysis for the January 1, 2016 valuation.

Pension

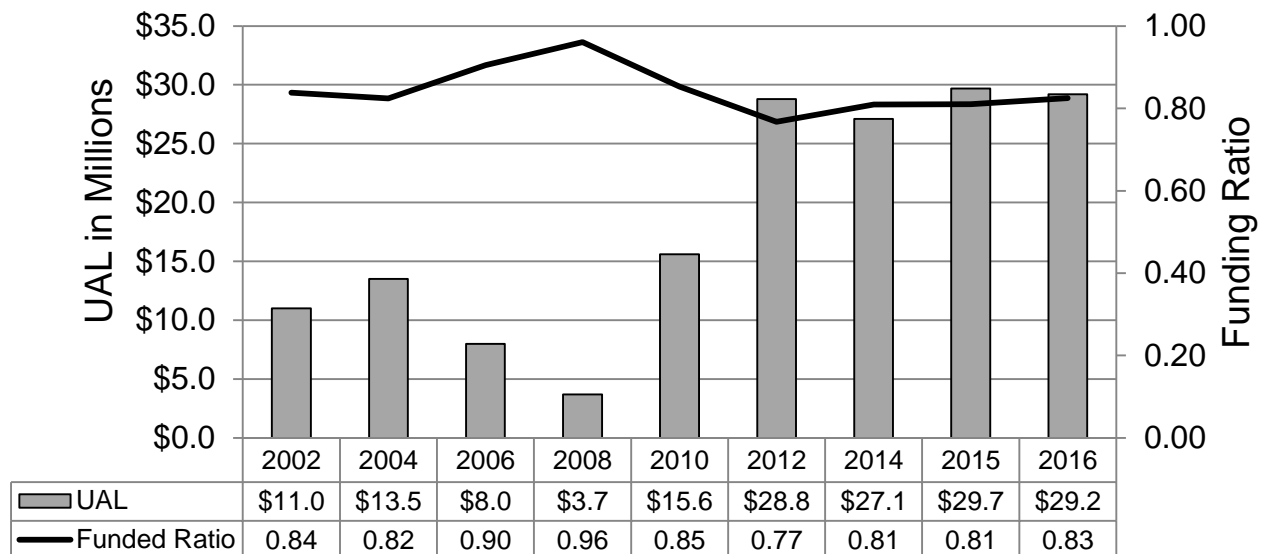
The Concord Contributory Retirement System operates under M.G.L. Chapter 32 to provide retirement benefits to substantially all municipal employees (with the exception of teachers who are covered by the State Teachers Retirement System) who work at least 25 hours per week.

The amount of the Pension Liability, or Unfunded Accrued Liability (UAL) is the difference between the amount that owed to current and future retirees, or Actuarial Accrued Liability (AAL), and the amount that has been set aside to cover this liability, or Actuarial Value of Assets (AVA). The AAL generally increases over time as salaries increase, while the AVA can fluctuate depending on market conditions. The Town's policy is to completely fund this liability by fiscal year 2030.

As of January 1, 2016, the Town's Actuarial Accrued Liability is estimated at \$167,011,493 and the Actuarial Value of Assets \$137,855,240, which results in an Unfunded Accrued Liability of \$29,156,253. The funding status (AVA / AAL) is 83%.

Pension Funding Progress

(as of January 1st)



SECTION I: Financial Summary

Liabilities

OPEB Liability:

As of the most recent actuarial study for a valuation date of June 30, 2016, the Unfunded Actuarial Accrued Liability (UAAL) was \$30.8 million. OPEB Trust Fund assets were \$8,394,780 at that date (at market value) and the funded ratio was 21.4%. The funding schedule is a closed 30-year period beginning with FY09.

OPEB Funding Policy

The Town's policy to fund the OPEB obligation is two-fold. First, the OPEB liability as it is associated with covered enterprise employees is fully funded (8.6% of the total liability). Second, the amount appropriated for the costs associated with other covered Town Government employees is to be maintained at a level of \$1.4 million plus inflation to cover the annual required contribution level in FY18.

Other Post-Employment Benefits (OPEB)

Other Post-Employment Benefits (OPEB) consists of health care and other benefits for retirees, spouses, and survivors.

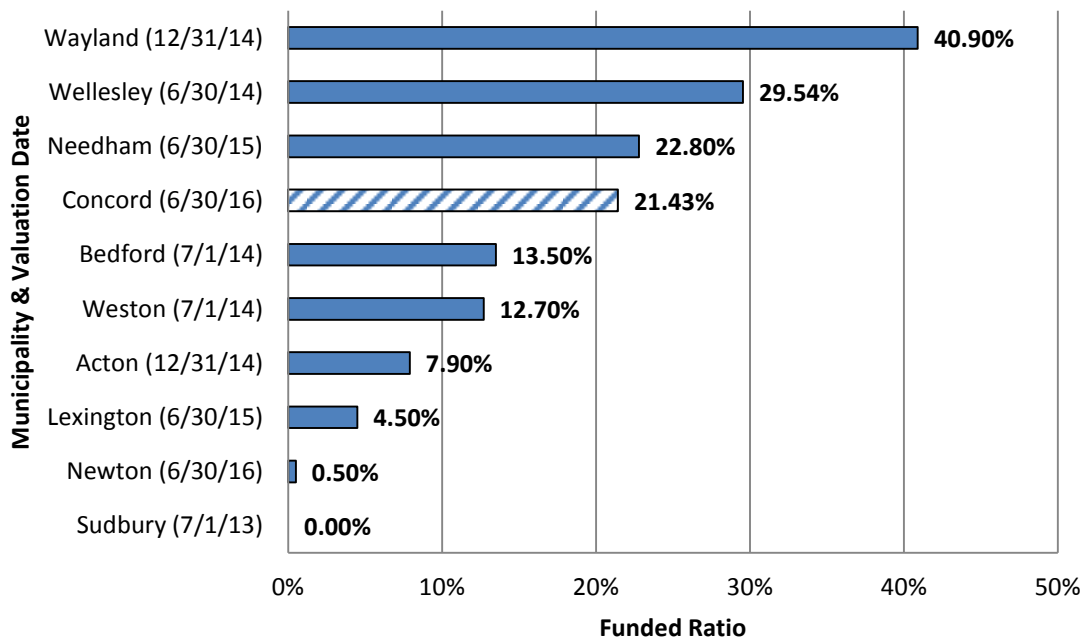
As determined by an actuarial study, the OPEB liability, known as the Unfunded Actuarial Accrued Liability (UAAL) is the difference between the amount needed to fund present and future benefits, or the Actuarial Accrued Liability (AAL) and the amount set aside to fund this obligation, or the Actuarial Value of Assets (AVA). Consistent with the applicable accounting standards, the OPEB Trust AVA is always measured at market value.

Many Massachusetts cities and towns are beginning to fund the OPEB liability. The metric useful in determining how municipalities are progressing is the Funded Ratio. The Funded Ratio (or AVA divided by the AAL) measures the percentage of the AAL that is funded. As of June 30, 2016, Concord's Funded Ratio is 21.4%.

The table below provides the most recent available audited information from Concord and neighboring communities about the OPEB liability. As shown, Concord's Funded Ratio ranks well (i.e., a higher funding ratio is better) in comparison with the other municipalities.

OPEB Funded Ratios

(based on PERAC & town websites as of 12-28-16)



SECTION I: Financial Summary

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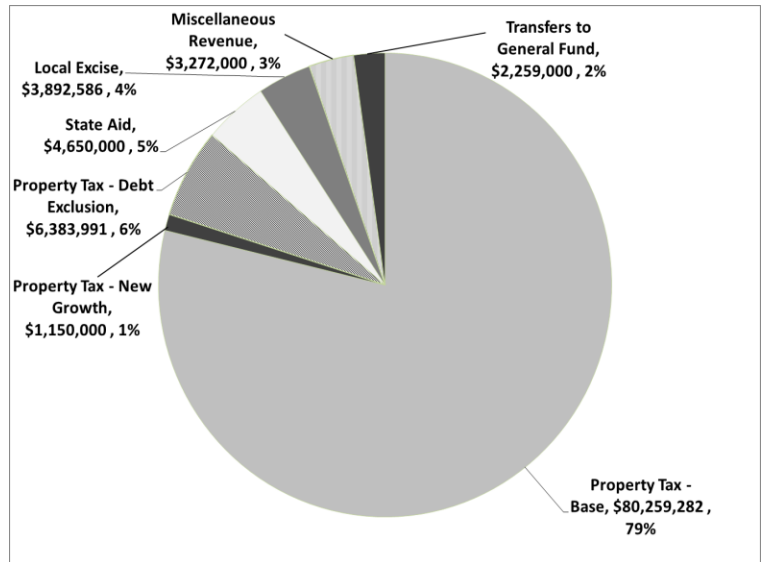
Five-Year Projection

With the adoption of Article 3 of the Special Town Meeting held on November 7, 2011, the Finance Committee was asked to develop a five-year projection of the property taxes likely to be levied on Town residents. This is the sixth year that the analysis has been conducted and the projection is for the period from FY19 through FY23.

This section contains the following:

- Overview 72
- Expenditure Assumptions 73
- Revenue Assumptions 74
- Projection 75
- Property Tax Calculator 75

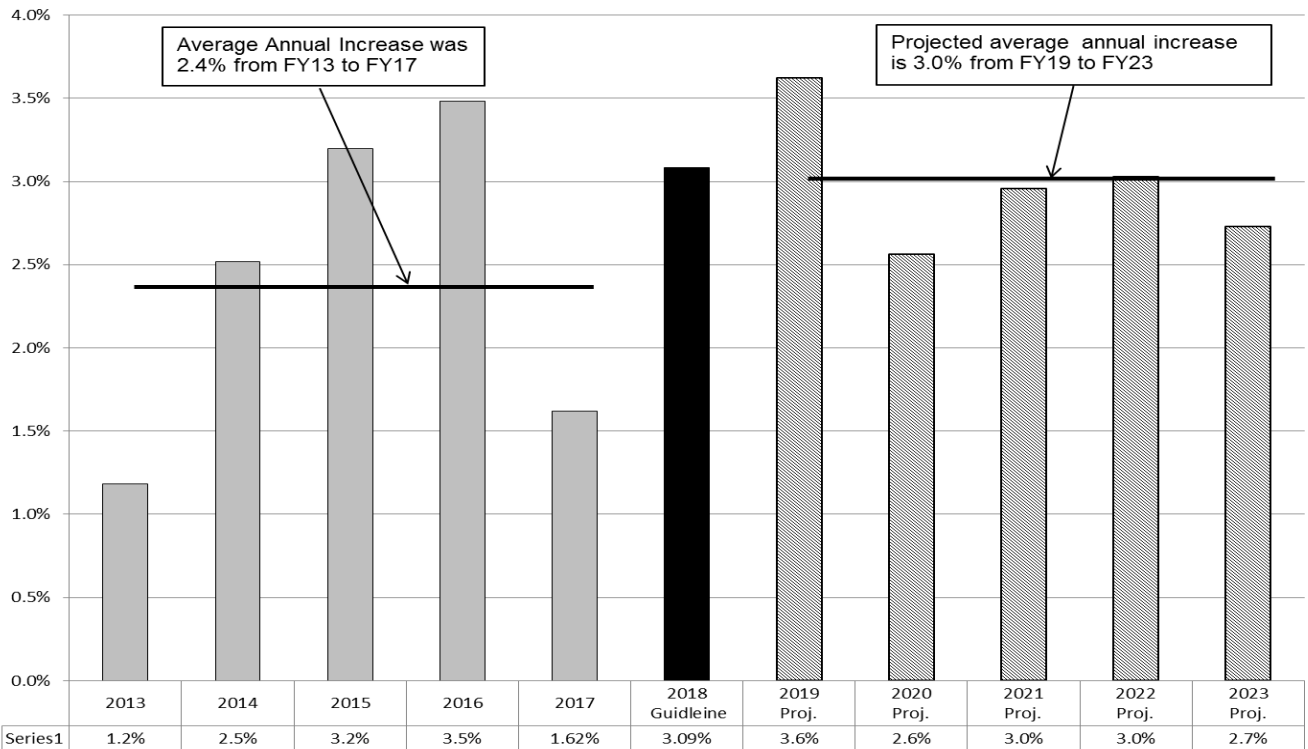
FY18 Sources of Revenues



Projection of Property Tax Increase

An analysis by the Concord Finance Committee projects that the property taxes owed by existing taxpayers would increase in aggregate under a most likely scenario by 3.0% per year for the next five years. Assumption about the expected expenditures and revenues for this scenario is presented on the following pages.

Property Tax Increase for Existing Taxpayers



SECTION I: Financial Summary

Projection

Expenditure Assumptions:

Under the “most likely” scenario, the percent increase for the Total Budget Plan will increase by 3.7% in FY19, 3.0% in FY20, 3.6% in FY21, 3.7% in FY22, and 3.4% in FY23.

Different Scenarios

The Finance Committee has developed three scenarios depending on projected spending levels. The assumptions presented below reflect the “most likely” scenario.

It should be noted that the model does not make a provision for any new borrowing that might be approved as excluded debt at the ballot

Assumptions of the Expenditure Increases in Major Budgetary Accounts

	Change from FY18 to FY19		Change from FY19 to FY20		Change from FY20 to FY21		Change from FY21 to FY22		Change from FY22 to FY23	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Town	800,785	3.5%	828,588	3.5%	857,357	3.5%	887,125	3.5%	917,926	3.5%
CPS	1,261,309	3.4%	1,304,528	3.4%	1,349,228	3.4%	1,395,459	3.4%	1,443,275	3.4%
CCRS	1,094,046	6.1%	497,142	2.6%	924,719	4.7%	1,074,260	5.3%	946,757	4.4%
Total Operating Budgets	3,156,139	4.1%	2,630,258	3.2%	3,131,304	3.7%	3,356,844	3.9%	3,307,957	3.7%
Group Insurance	240,000	5.0%	252,000	5.0%	264,600	5.0%	277,830	5.0%	291,722	5.0%
OPEB Trust	73,500	5.0%	77,175	5.0%	81,034	5.0%	85,085	5.0%	89,340	5.0%
Retirement	360,010	9.8%	370,810	9.2%	381,935	8.7%	393,393	8.2%	405,194	7.8%
Debt Service - Town	140,000	3.6%	135,000	3.4%	145,000	3.5%	150,000	3.5%	155,000	3.5%
Debt Service - CCRSD Assess	(3,467)	-3.4%	(99,116)	-100.0%	-	-	-	-	-	-
Minuteman Tech	25,000	5.0%	25,000	4.8%	25,000	4.5%	25,000	4.3%	25,000	4.2%
Excluded Debt - Minuteman	285,735		-	0.0%	-	0.0%	-	0.0%	-	0.0%
Excluded Debt - High School	(179,992)	-5.1%	(135,223)	-4.0%	(23,478)	-0.7%	(81,802)	-2.5%	(73,238)	-2.3%
Excluded Debt - Town	(417,047)	-11.6%	(98,346)	-3.1%	(102,542)	-3.3%	(101,026)	-3.4%	(261,763)	-9.1%
Other	49,783	2.0%	50,779	2.0%	51,794	2.0%	52,830	2.0%	53,887	2.0%
Total Budget Plan	3,729,661	3.7%	3,208,337	3.0%	3,954,647	3.6%	4,158,155	3.7%	3,993,098	3.4%

SECTION I: Financial Summary

Projection

Revenue Assumptions:

Under the “most likely” scenario, most non-property revenue items are not projected to increase. Total Property Tax Base (including the levy within the Proposition 2 ½ limit and the levy for excluded debt) is projected to increase by 4.7% in FY19, 3.6% in FY20, 4.0% in FY21, 4.0% in FY22, and 3.7% in FY22.

Different Scenarios

The Finance Committee has developed three scenarios depending on projected spending levels. The assumptions presented below reflect the “most likely” scenario.

Assumptions of the Revenue Increases needed to fund Project Expenditures

	Change from FY18 to FY19		Change from FY19 to FY20		Change from FY20 to FY21		Change from FY21 to FY22		Change from FY21 to FY22	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
State Aid	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Local Excise Taxes	97,315	2.5%	99,748	2.5%	102,241	2.5%	104,797	2.5%	107,417	2.5%
Fines & Forfeitures	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Rental & Investments	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Licenses & Permits	12,550	1.0%	12,676	1.0%	12,802	1.0%	12,930	1.0%	13,060	1.0%
Fees	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
All other	(20,000)	-13.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Free Cash	51,580	5.2%	32,159	3.1%	42,375	3.9%	42,392	3.8%	39,082	3.3%
CMLP PILOT	(9,480)	-2.0%	(9,290)	-2.0%	(9,105)	-2.0%	(8,923)	-2.0%	(8,744)	-2.0%
Debt Stabilization (CCRSB)	(535,000)	-68.2%	(250,000)	-100.0%	-	-	-	-	-	-
Subtotal	(403,035)	-2.9%	(114,708)	-0.8%	148,314	1.1%	151,197	1.1%	150,815	1.1%
Property Taxes										
Base (1)	4,109,000	5.1%	3,287,614	3.9%	3,912,973	4.5%	4,170,018	4.6%	4,157,122	4.3%
New Growth	(200,000)	-17.4%	19,000	2.0%	19,380	2.0%	19,768	2.0%	20,163	2.0%
Debt Exclusion	(311,304)	-4.3%	(233,569)	-3.4%	(126,020)	-1.9%	(182,828)	-2.8%	(335,001)	-5.3%
Less Debt Stab. (CCRSB)	535,000	-68.2%	250,000	-100.0%	-	-	-	-	-	-
Total Property Taxes	4,132,696	4.7%	3,323,045	3.6%	3,806,333	4.0%	4,006,958	4.0%	3,842,283	3.7%
Total Resource Plan	3,729,661	3.7%	3,208,337	3.0%	3,954,647	3.6%	4,158,155	3.7%	3,993,098	3.4%

(1) Property Tax Base included the taxes levied within the Prop 2 1/2 limit as well as those levied as excluded debt.

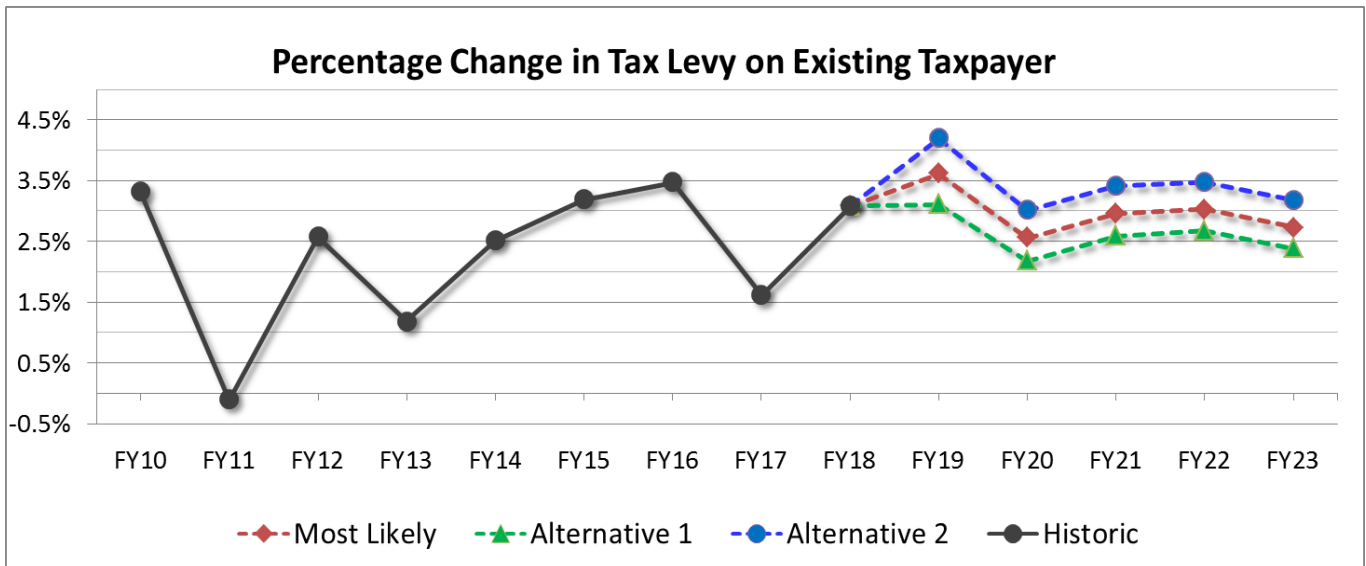
Scenario Analysis

The graph shown below presents the percentage change in Total Tax Levy given three scenarios: most likely scenario, alternative 1, and alternative 2.

Most Likely Scenario (the middle line): Given the assumption shown on the previous two pages, the Most Likely Scenario is the probable percentage increase in the total tax levy by year from FY19 to FY23.

Alternative 1 (the lower line): This scenario projects lower expenditures. For example, in FY19, Town Government Operations are projected to increase by 3.0%, CPS Operations by 2.9%, and the CCRSD Assessment by 5.5%.

Alternative 2 (the upper line): This scenario projects higher expenditures. For example, in FY19, Town Government Operations are projected to increase by 4.0%, CPS Operations by 3.9%, and the CCRSD Assessment by 6.7%.



Property Tax Calculator (Most Likely Scenario)

Home Value	FY17 Actual	FY18 Budgeted	FY19 Estimated	FY20 Estimated	FY21 Estimated	FY22 Estimated	FY23 Estimated
Concord FY17 Median (\$819,400)	11,529	11,885	12,316	12,631	13,005	13,398	13,764
- per 100K	1,407	1,450	1,503	1,541	1,587	1,635	1,680
\$250,000	3,518	3,626	3,757	3,854	3,968	4,088	4,199
\$500,000	7,035	7,252	7,515	7,707	7,935	8,176	8,399
\$750,000	10,553	10,878	11,272	11,561	11,903	12,264	12,598
\$1,000,000	14,070	14,504	15,030	15,415	15,871	16,351	16,798
\$1,500,000	21,105	21,756	22,545	23,122	23,806	24,527	25,197
\$2,000,000	28,140	29,008	30,060	30,830	31,742	32,703	33,596

Note: The median single family residential tax bill in FY17 is \$11,529, based on an assessed value of \$819,400 at a tax rate of \$14.07 per thousand. Estimates assume no change in property values over FY17.

SECTION I: Financial Summary

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