



Town of Concord
Finance Committee
22 Monument Square
P.O. Box 535
Concord, Massachusetts 01742

September 6, 2023

Henry Dane
Chair, Concord Select Board
22 Monument Square
Concord, MA 01742

Dear Chair Dane,

This month the Finance Committee is beginning its budget guideline process and would like to voice our support for pursuing opportunities to increase Town revenues.

As discussed in the most recent Finance Committee Report, while Concord's fiscal situation continues to show strength, there are areas of concern. Specifically, the Town's operating cost growth is projected to exceed revenue growth, Free Cash is near minimum levels and ARPA funds will soon be expended. In addition, budget pressures have delayed several Town capital projects which will likely have to be undertaken in the next several years. If these trends continue, a Prop 2 1/2 override vote could soon be required.

One way to relieve some of the budget pressure and avoid an override vote is to identify and pursue additional revenue sources; we estimate \$ 1-2 million in additional annual revenue would help close expected budget gaps. We encourage the Select Board and Senior Town leadership to consider:

- Expanding Payments in Lieu of Taxes (PILOTs) from Concord-based Not for Profit entities;
- Increasing Town property rental fees or adding a community impact fee; and
- Sale/rental of vacant or under-utilized Town land (e.g., Peabody Middle School; Ripley building).

Further, we support taking steps to expand Concord's commercial tax base including:

- Reviewing Town practices related to business licensing and other requirements related to commercial real estate and buildings; and
- Encouraging Town Committees to prioritize economic and fiscal benefits when making decisions and recommendations regarding Town projects, such as 2229 Main Street.

Finally, we urge the Select Board and Town Manager to develop, and periodically update, a three- or five-year strategic plan for the Town. Such a plan would establish and prioritize longer-term objectives for Town departments and facilitate planning and investment decisions to ensure that the Town's fiscal health remains strong.

We appreciate your efforts in ensuring Concord's continued financial health and look forward to discussion of this important topic during the budget process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Parashar Patel".

Parashar Patel
Chair Concord Finance Committee

cc: Finance Committee
Select Board
Kerry Lafleur
Steve Daly
Alexa Anderson
Tracey Marano