



Town of Concord  
Finance Committee  
22 Monument Square  
P.O. Box 535  
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To: Kerry Lafleur, Town Manager  
Alexa Anderson, Chair, Concord Public School (CPS) Committee  
Tracey Marano, Chair, Concord-Carlisle Regional School District (CCRSD) Committee

From: Lois Wasoff, Chair, Concord Finance Committee Guidelines Subcommittee  
Lyndsey Lis, Vice-Chair, Concord Finance Committee Guidelines Subcommittee

Cc: Henry Dane, Chair, Concord Select Board  
Dr. Laurie Hunter, Superintendent, Concord Public Schools  
Anthony Ansaldi, Chief Financial Officer, Concord  
Robert Conry, Assistant Superintendent of Finance & Operations, Concord Public Schools  
Finance Committee

Date: December 1, 2023

Re: Fiscal Year 2025 Final Guidelines

On November 27, 2023, the Guidelines Subcommittee of the Finance Committee met and voted on recommendations to the full Finance Committee for the Fiscal Year 2025 Final Guidelines. Immediately after that meeting, the full Finance Committee convened and after discussion voted to approve the Guidelines Subcommittee's recommendation.

The Fiscal Year 2025 Final Guidelines for increases in spending by the budgeting entities (the Town, Concord Public Schools (CPS) and Concord Carlisle Regional School District (CCRSD)) are for a 3.66% total year-over-year increase for spending subject to guidelines, with increases of 4.45% for the Town (including the operating budget and Tier 1 Capital), 3.26% for CPS, and 3.26% for CCRSD.

The Finance Committee arrived at this Final Guideline by considering several factors:

- 3.66% is the highest rate of the metrics established by the Committee to inform overall increases for spending subject to guidelines. Those metrics were:
  - 1.00% projected increase in real personal income growth,
  - 3.35% projected increase in nominal personal income growth, and
  - 3.66% projected inflation relevant to Concord's school and town expenses.
- All operating units (Town, CPS, and CCRSD) are being provided with the same 3.26% increase for spending subject to guidelines because:
  - Budgets are in early stages, and it is not definitively clear that any unit has greater or lesser needs than others.

- Unlike recent prior years, there is no "catch up" needed for any operating unit over the others. In recent prior years, catch up was needed for the Town after spending cuts related to the COVID 19 pandemic. As discussed below, the situation is different for the Town's Tier 1 Capital spending.
- 3.66% represents a blended rate of a 3.26% increase for each of the operating units (Town, CPS, and CCRSD) and a 26.38% increase for Town Tier 1 Capital. This means that the blended rate for the Town is 4.45% (3.26% for Town Operating expenses and 26.38% for Town Tier 1 Capital). In dollars, this means that the Town's spending subject to guidelines (not including Town Tier 1 Capital) would increase from \$31,711,833 to \$32,745,639. CPS spending subject to guidelines would increase from \$45,047,176 to \$46,515,715 and CCRSD spending subject to guidelines would increase from \$22,302,834 to \$23,029,906, making total School spending subject to guidelines for Fiscal Year 2025 \$69,545,620.
- In considering the increase in Town Tier 1 Capital, the Committee took into account that Tier 1 Capital is treated differently for the Town than it is for the Schools. For the Town, Tier 1 Capital is included in the spending subject to guidelines. For the Schools, there is a separate warrant article for Tier 1 Capital, which typically totals \$900,000, so School Tier 1 Capital is not subject to guidelines. The Town's Tier 1 Capital budget had been cut significantly during Covid, so this is in part to make up a portion of that deficit. Although the percentage increase seems large, it is on a relatively small base in Fiscal Year 2024 of \$1,725,000 which is \$220,000 lower than Fiscal Year 2019 spending. The Town's total recommended Tier 1 Capital spending for Fiscal Year 2025 is \$2,180,000.
- The 3.26% increase for the Schools operating budget allows for an approximate 2.3% COLA increase for school personnel based on the Fiscal Year 2025 estimate provided by the Schools and assuming that all other factors in the Fiscal Year 2025 estimate do not change.

Based on the latest information available regarding revenue, an overall increase of 3.66% in guideline spending for the Town and Schools would result in a 3.6% increase in taxes for the median homeowner. This is in addition to an expected increase in taxes of up to 4% due to the borrowing to finance the building of the Middle School, depending on the final terms on which the remaining bond authorization is financed.

Sincerely,

Lois Wasoff  
Guidelines Subcommittee Chair

Lyndsey Lis  
Guidelines Subcommittee Vice-Chair