

Name of Committee: Brookline Fiscal Advisory Committee

Meeting Date: January 9<sup>th</sup>, 2019

Time: 6:00 p.m.

Meeting Location: Town Hall, Select Board's Conference Room

Members Present:

Attendees indicated by x			
David Kirshner, Committee Chair	x	Carol Levin	x
Peter von Bleyleben	x	Paul Saner	x
Cliff Brown	x	Jeff Rudolph	x
Nathan Shpritz	x	Nancy Daly	x
Mike Toffel	x	Mini Kolluri	x
Arthur Segel	x	Ben Franco, Select Board Liaison	x
David Pearlman, School Committee Liaison	x		

Staff Present: Mel Kleckner, Town Administrator; Melissa Goff, Deputy Town Administrator; Justin Casanova-Davis, Assistant Town Administrator; Joshua Weissman LaFrance, BFAC Intern

**Topic: introduction**

Ben Franco set the stage for what to expect in the Committee's yearlong work. This meeting complies with the public meeting law. The Committee work will reflect the Town's history as well as current priorities and needs. The Town and Schools budgets have been under pressure in recent years as School enrollment has increased by 30% in past decade. Town has increased taxes in past [several] years by \$238 million. This is against declines in state aid, increased state costs, and increasing programmatic expenses, like recycling.

Ultimately, the Committee's goal is to eliminate future needs to obtain overrides or debt exclusions, and mitigate the structural deficit.

**Topic: Organization and meeting schedule**

Ben Franco highlights that the Committee has a 12-month time frame for conclusions. The Committee charge is not necessarily to make individual budget cuts that create new revenue, but to reformat current lines and employ long-term strategies. There is a need (1) to determine financial value of programs versus their costs and (2) to underwrite the decisions that the Town makes. The Committee can sample out subjective criteria and sample in objective criteria and larger-view initiatives, namely, better methodologies.

David Kirshner proposes three sub-teams that the Committee may form:

- Team 1 looks at the objectives, assumptions, and baselines for the study. Committee would love to see the Town balance sheets.
- Team 2 would assess policy and principles to address general frameworks: capital investment, debt capacity, etc.
- Team 3 considers challenges previously identified by the committee and possible solutions to them. There is a need to see key performance indicators.

The Committee would split into these teams and reconvene frequently to share developments. This would ensure a full modeling deliverable for Town governance in the next 5-10 years with Committee's best practices.

### **Topic: presentations of Town's budget and overall financial picture**

Mel Kleckner and Melissa Goff present the Committee's focus as relating to the overall budget, balancing and its expenditures. The chief concern for the Town is the debt it is taking on and subsequent burden it is creating. The Town budget is program-based, and factors in the previous year's budget to estimate new revenues and expenditures. There is a set of financial policies which governs how the Town uses its free cash or undesignated fund balance from the previous year. For this, there are perhaps some ideas Members have utilized in the private sector that may not work in the public sector. Still, Members should continue to find ways to innovate.

Melissa Goff presents the Town budget. Brookline receives approximately 7% in state aid, though larger communities may receive as much as 70%. The Town has a AAA Moody's rating. However, underfunding on OPEBs causes long-term stress and sustainability issues. The Town pays 83% of premiums for employees and must work with local unions to make any bargain.

Mel Kleckner explains how the Town sets tax rates within the budget.

### **Topic: Closing and final considerations**

Ben Franco stresses the year-long timeframe held by the Committee to tackle these various challenges. A recurring meeting schedule would be beneficial to accomplish enough official meetings. Sub-committee divisions would also improve time effectiveness.

Cliff Brown nominates David Kirshner for the Chair position. Nathan Shpritz seconds. This vote will take place after Members are sworn-in.

The group sets the next meeting at 6pm on January 23, 2019.

There being no further business the meeting was adjourned at 8:44pm.