

BROOKLINE ADVISORY COMMITTEE

Administration and Finance Subcommittee

**Report on FY2020 Unclassified Budget**

The Administration and Finance Subcommittee held a public hearing on Wednesday, February 13<sup>th</sup> 2019 to review the Unclassified budget. In attendance were John Doggett, Dennis Doughty, and Neil Gordon for the Subcommittee. Also present were Justin Casanova-Davis, Assistant Town Administrator and Melissa Goff, Deputy Town Administrator who presented.

The Unclassified budget information appears in summary form at II-11 and in detail at pp. IV-137 to IV-140 in the FY2020 Financial Plan.

**RECOMMENDATION**

By a vote of 3-0-0, the Administration & Finance Subcommittee recommends that the Unclassified budget of \$4,108,594 for Unclassified items in the FY 2020 budget.

**Discussion**

The Unclassified budget for FY20 is \$4,108,594 a decrease over FY19 budget of \$178,098 (-4.2%).

<b>PROGRAM COSTS</b>					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	BUDGET FY2020	FY20 vs. FY19	
				\$ CHANGE	% CHANGE
Out of State Travel	110	3,000	3,000	0	0.0%
Printing of Warrants & Reports / Town Mtg	44,567	55,000	55,000	0	0.0%
Mass. Municipal Association (MMA) Dues	12,588	13,222	13,553	331	2.5%
Vocational Technical	21,753	92,895	92,895	0	0.0%
General Insurance	334,959	420,830	507,952	87,122	20.7%
Audit and Professional Services	123,252	137,000	142,000	5,000	3.6%
Contingency Fund	11,874	15,000	15,000	0	0.0%
Liability / Catastrophe Fund *	203,644	456,762	389,700	(67,062)	-14.7%
Affordable Housing Trust Fund *	576,803	545,112	200,000	(345,112)	-63.3%
Stabilization Fund *	0	0	0	0	-
Reserve Fund **	1,939,266	2,547,871	2,689,494	141,623	5.6%
Property Tax Supported (0.75%)	na	1,910,653	2,017,120	106,467	5.6%
Free Cash Supported (0.25%)	na	637,218	672,373	35,155	5.5%
<b>TOTAL EXPENDITURE</b>	<b>3,268,816</b>	<b>4,286,692</b>	<b>4,108,594</b>	<b>(178,098)</b>	<b>-4.2%</b>

The Subcommittee discussed with the Deputy Town Administrator (DTA) the line items in Unclassified that seemed to be “classified” but appeared as above. The Subcommittee discussed the Vocational Technical line item and inquired as to why it was not in the School Budget. The DTA thought that the School Department had had a good reason two years ago when it was put here but could not remember specifically why.

One member of the Subcommittee thought that a number of these line items, such as Travel, MMA dues, printing of warrants, general insurance and possibly vocational technical should be moved to an appropriate department on the basis that these line items related to specific departments who should be

held accountable for their management. The Subcommittee thought that this should be a full AC discussion and should be considered for re-classification for the 2021 budget.

Insurance premiums are rising with new buildings e.g. for Coolidge Corner school is an additional \$69K. Insurance company says our valuations are below what they should be. (e.g., Devotion was \$30M -> \$110M). The insurance budget will be rising as we build more schools.

The Assessor pointed out that 7 out of 65 properties are undervalued for insurance purposes.

The Subcommittee asked who sets the Town's risk management policy (Finance Department) and what should the level of deduction or self-insurance be. The Finance Department had brought in a risk-assessor who thought our insurance program and policy are good.

The Subcommittee noted again that the formulae for driving line items such as the Affordable Housing Trust Fund were producing significant variations from year to year. So, two years ago there was a major (160%?) increase and now, this year, a 63% decrease. The Subcommittee hoped that the new BFAC committee would be looking at all these formulae to see if adjustments were needed to reduce the great variations in budget needs.

On a vote of 3-0-0, the Subcommittee recommends Favorable Action on the Unclassified budget.

BROOKLINE ADVISORY COMMITTEE  
Administration and Finance Subcommittee  
**Report on FY2020 Advisory Committee's Budget**

The Administration and Finance Subcommittee held a public hearing on Wednesday, February 13th, 2019 to review the Advisory Committee's budget. In attendance were John Doggett, Dennis Doughty, and Neil Gordon for the subcommittee, Sean Lynn-Jones, Chair of the Advisory Committee and Melissa Goff, Deputy Town Administrator.

The Advisory Committee's proposed operating budget information appears in summary form at II-7 and in detail at pp. IV-29 to IV-31 in the FY2020 Financial Plan.

**RECOMMENDATION**

By a vote of 3-0-0, the Administration & Finance Subcommittee recommends Favorable Action on the Advisory Committee budget in the amount of \$28,042 for fiscal year 2020.

**Discussion**

<b>PROGRAM COSTS - ADVISORY COMMITTEE</b>					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY20 vs. FY19	
				\$ CHANGE	% CHANGE
Personnel	18,403	23,665	23,902	237	1.0%
Services	0	0	0	0	0.0%
Supplies	2,400	3,275	3,275	0	0.0%
Other	345	570	570	0	0.0%
Capital	279	295	295	0	0.0%
<b>TOTAL</b>	<b>21,427</b>	<b>27,805</b>	<b>28,042</b>	<b>237</b>	<b>0.9%</b>
<b>BENEFITS</b>			<b>0</b>		
<b>REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

The Advisory Committee's budget is essentially level funded at \$28,042 for FY20 compared to \$27,805 for FY19, an increase of \$237 or 0.9%.

Mr. Lynn-Jones noted that the small increase is due to personnel STEPS cost. He also noted that the pizza budget increase approved in FY19 is now baked into the FY 2020 plan. There was a discussion about the Administrative Secretary's salary, concerning the "hours paid" base versus a straight salary. The Deputy Town Administrator commented that the position is paid on an hourly basis and that the position should be paid for all hours worked.

**BROOKLINE ADVISORY COMMITTEE**  
**Administration and Finance Subcommittee**  
**Report on FY2020 Select Board Budget**

The Administration and Finance Subcommittee held a public hearing on Wednesday, 13th February to review the Select Board’s budget. In attendance were John Doggett, Dennis Doughty, and Neil Gordon for the subcommittee. Also, in attendance were Justin Casanova-Davis, Assistant Administrator and Melissa Goff, Deputy Town Administrator, who presented for the Select Board.

The Select Board’s proposed operating budget information appears in summary form at II-7 and in detail at pp. IV-1 to IV-5 in the FY2020 Financial Plan.

**RECOMMENDATION**

By a vote of 2-0-1, the Administration & Finance Subcommittee recommends Favorable Action on the Select Board’s FY 2020 budget in the amount of \$737,511.

<b>PROGRAM COSTS - SELECT BOARD</b>					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY19 vs. FY20	
				\$ CHANGE	% CHANGE
Personnel	706,824	700,906	706,626	5,720	0.8%
Services	6,224	7,080	7,080	0	0.0%
Supplies	5,293	4,000	4,000	0	0.0%
Other	17,573	17,600	17,600	0	0.0%
Capital	2,205	2,205	2,205	0	0.0%
<b>TOTAL</b>	<b>738,119</b>	<b>731,791</b>	<b>737,511</b>	<b>5,720</b>	<b>0.8%</b>
<b>BENEFITS</b>			<b>438,598</b>		
<b>REVENUE</b>	<b>594,777</b>	<b>517,575</b>	<b>522,575</b>	<b>5,000</b>	<b>1.0%</b>

**Discussion**

The FY20 budget is essentially level funded compared to FY18 with an overall increase of \$5,720 (1%). STEPs accounts for most of the increase in personnel costs.

The Deputy Town Administrator (DTA) noted that there had been a lot of turnover in this office. Justin Casanova-Davis has come on board as the new assistant town administrator. Stephanie Orsini left over the summer so there is a new assistant to the town administrator, Margery Lalli and the Town hired a licensing clerk, from Newton.

A Subcommittee member questioned why the WA33 (which was passed by TM in May 2018) Select Board committee hadn't been established.

The DTA responded that the Select Board activity had been high this year with Select Board member Heller on the high school project and climate action committee, Select Board member Greene on Baldwin project and a just established committee on militarization articles (2 weeks ago), which was also approved in TM in May 2018, Select Board member Hamilton

serves on the land bank committee, Select Board member Franco serves on the BFAC and Override Study committee and Select Board Chair Wishinsky has had his hands full generally, and including the school capacity expansion projects.

In answer to the question, “How many other committees are in the same situation?” the DTA responded that there were none at this point and pointed out that a Select Board committee requires a Select Board member sponsor to set the charge, identify potential members and be a committee member or chair.

The Subcommittee inquired as to whether this level of involvement in general and more specifically with respect to WA33 is necessary, to which DTA responded, “Generally, yes”.

The Subcommittee was concerned that this situation was not really appreciated by TM and that this could influence a decision to request a Moderator’s committee rather than a Select Board committee. The Subcommittee also noted that the Moderator does not sit on a Moderator’s Committee (other than during the first meeting to give the committee a charge).

Perhaps the Select Board could consider different levels of participation, depending on the committee. The Subcommittee noted that for WA33 the petitioners were not seeking a deep involvement, just the authority to proceed and recommended that the Advisory Committee and Select Board need to discuss this with the new Select Board Chair, at an appropriate time (i.e., post the Town election in May).

One Subcommittee member made a suggestion that, since there is always a “report” article on the Annual TM warrant that this should be addressed by speaking to this concern on that warrant article.

The vote to approve the Select Board’s budget was 2-0-1. The member who abstained wished to “make a point” concerning the inaction on WA33.

BROOKLINE ADVISORY COMMITTEE  
Administration and Finance Subcommittee  
**Report on FY2020 Finance Department Budget**

The Administration and Finance Subcommittee held a public hearing on Wednesday, February 13<sup>th</sup>, 2019 to review the Finance Department budget. In attendance were John Doggett, Dennis Doughty, and Neil Gordon for the subcommittee. The Department was represented by Jeanna Franconi, Finance Director, Michael DiPietro, Comptroller, David Geanakakis, Purchasing, Gary McCabe, Chief Assessor, and also in attendance was Melissa Goff, Deputy Town Administrator.

The Finance Department’s proposed operating budget information appears in summary form at II-7 and in detail at pp. IV-16 to IV-25 in the FY2020 Financial Plan.

**RECOMMENDATION**

By a vote of 3-0-0, the Administration & Finance Subcommittee recommends Favorable Action on the FY 2020 Finance Department budget in the amount of \$3,410,309, for the Treasury, Purchasing, Comptroller, and Assessing Divisions.

**Discussion**

Overall Finance Department Budget for FY20:

<b>PROGRAM COSTS - FINANCE DEPARTMENT</b>					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY19 vs. FY20	
				\$ CHANGE	% CHANGE
Personnel	2,216,204	2,364,690	2,374,880	10,190	0.4%
Services	1,079,627	886,857	913,757	26,900	3.0%
Supplies	47,674	46,960	46,960	0	0.0%
Other	20,385	25,707	29,907	4,200	16.3%
Utilities	1,166	1,375	1,375	0	0.0%
Capital	7,250	24,250	43,430	19,180	79.1%
<b>TOTAL</b>	<b>3,372,305</b>	<b>3,349,839</b>	<b>3,410,309</b>	<b>60,470</b>	<b>1.8%</b>
<b>BENEFITS</b>			<b>1,437,419</b>		
<b>REVENUE</b>	<b>2,518,347</b>	<b>2,288,753</b>	<b>2,362,532</b>	<b>73,780</b>	<b>3.2%</b>

Ms. Franconi, the Town’s Finance Director and Treasurer, noted that the overall budget for the Finance Department will increase by \$60,470 (1.8%), from \$3,349,839 in FY19 to \$3,410,309 in FY20.

**COMPTROLLER DIVISION**

**Background**

Brookline’s Comptroller Division is tasked with maintaining and administering financial accounting and management information systems pertaining to all financial activities of the Town and School departments.

**Discussion**

COMPTROLLER					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY19 vs. FY20	
				\$ CHANGE	% CHANGE
Personnel	366,445	441,897	446,145	4,248	1.0%
Services	213,524	228,646	236,546	7,900	3.5%
Supplies	1,292	6,000	6,000	0	0.0%
Other	5,619	7,507	7,507	0	0.0%
Capital	1,461	1,450	1,630	180	12.4%
<b>TOTAL</b>	<b>588,341</b>	<b>685,500</b>	<b>697,828</b>	<b>12,328</b>	<b>1.8%</b>

Year-over-year, the Comptroller Division’s proposed budget would increase by 1.8% from \$685,500 in FY19 to \$697,828 for the FY20 Budget, due to increases in Services and Personnel Steps and Lanes (\$4,248) and Munis software licensing (\$7,900).

The Finance Director was asked about policy and procedures concerning administration of other department’s inter account transfers, such as had occurred with the School department and a revolving fund. The Finance Director indicated that new procedures for checking appropriate approvals had been received have been put in place, that in the case of the School Departments transfers that the School Committee’s authorization for such a transfer had been received.

A question was raised concerning the approval process for software acquisition. In many cases, the Capital Subcommittee approves a trial based on expectations for cost savings (or other benefits, such as increased efficiencies). Typically, the first months of the trial come out of an IT department budget which is broadly used for this purpose. And then in subsequent budget cycles the specific department (e.g., Finance) puts an item in its operating budget for "increased software costs" reflecting the reallocation from the IT budget. But nowhere in the process is there Advisory Committee oversight as to whether the original goals of the trial were accomplished.

## ASSESSOR DIVISION

### Background

Brookline’s Assessor Division is tasked with uniformly and accurately valuing taxable (and non-taxable) properties and conducting assessments to ensure equitable property tax levies.

### Discussion

ASSESSOR					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY19 vs. FY20	
				\$ CHANGE	% CHANGE
Personnel	662,498	672,395	672,857	462	0.1%
Services	22,011	36,159	36,259	100	0.3%
Supplies	2,285	2,000	2,000	0	0.0%
Other	5,131	7,500	7,500	0	0.0%
Capital	2,242	2,100	2,100	0	0.0%
<b>TOTAL</b>	<b>694,167</b>	<b>720,154</b>	<b>720,716</b>	<b>562</b>	<b>0.1%</b>

The Assessor’s budget is essentially level-funded from FY19’s \$720,154to FY20’s budget of \$720,716 an increase of \$562 or 0.1%.

Mr. McCabe, the Assessor, informed the Subcommittee about some new software that the Division was testing with the IT department, which would potentially automate a manual process of entering into a database all details of property transfers. The Division administers about 1,200 property transfers each year. If the software is effective i.e. the error rate is within reasonable bounds, this software would significantly reduce the manual effort involved in maintaining the Assessor’s database.

The Assessor was asked to comment on a Newbury College’s land area owned, as there had been voiced in several meetings recently that the College owned either about 10 acres or about 8 acres, and that the Assessor’s database may be incorrect. The Assessor noted that the Division had worked with the college closely in the past to ensure the database records are correct. He stated that the records in the database are consistent with what the college owns.

**PURCHASING DIVISION**

**Background**

Brookline’s Purchasing Division is tasked with the negotiation of agreements providing the Town with supplies, vehicles, IT systems - hardware and software, energy products, general insurance, and other items. The Department also manages the Town’s printing and mailing functions (other than certain School Department items).

**Discussion**

Mr. Geanakakis briefly summarized the activities and functions of his Division. The overall Purchasing Division budget has increased from last year’s \$717,277 to FY20’s \$741,164 or 3.3%.

<b>PURCHASING</b>					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY19 vs. FY20	
				\$ CHANGE	% CHANGE
Personnel	393,765	404,290	405,977	1,687	0.4%
Services	236,492	267,152	266,152	(1,000)	-0.4%
Supplies	26,825	23,960	23,960	0	0.0%
Other	2,281	2,400	6,600	4,200	175.0%
Utilities	1,166	1,375	1,375	0	0.0%
Capital	1,079	18,100	37,100	19,000	105.0%
<b>TOTAL</b>	<b>661,607</b>	<b>717,277</b>	<b>741,164</b>	<b>23,887</b>	<b>3.3%</b>

Personnel STEPs accounts for personnel increase of \$1,687. In services, a replacement Pool car for a 2002 and 2009 vehicle (\$19,000) is the driver for the increase in Capital line item. All pool vehicles will now be less than 5 years old. Mr. Geanakakis was asked is an all-electric fleet being considered. It has been, but he noted that these vehicles were typically double the price of hybrids and that we would need to invest in a charging station infrastructure.

Mr. Geanakakis commented on the contract price the Division was able to get for gasoline \$2.04/gal for the year as well as good prices for other fuel types.

**TREASURER-COLLECTOR (TREASURY) DIVISION**

**Background**

The Treasury Division is responsible for billing, collecting and investing Town funds, as well as disbursing monies owed to vendors, employees and retirees, and operating payroll functions.

**Discussion**

TREASURER-COLLECTOR					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY19 vs. FY20	
				\$ CHANGE	% CHANGE
Personnel	793,497	846,108	849,902	3,793	0.4%
Services	607,600	354,900	374,800	19,900	5.6%
Supplies	17,272	15,000	15,000	0	0.0%
Other	7,353	8,300	8,300	0	0.0%
Capital	2,468	2,600	2,600	0	0.0%
<b>TOTAL</b>	<b>1,428,190</b>	<b>1,226,908</b>	<b>1,250,602</b>	<b>23,693</b>	<b>1.9%</b>

Ms. Franconi noted changes to services, mainly software maintenance costs, have resulted in an increase of the Treasurer-Collector Budget of \$23,698, from FY19 budget of \$1,226,908 to FY20 budget of \$1,250,602.

Ms. Franconi noted that the Division continues to improve the taxpayer/Town interface and has introduced an IVR line to enable property taxes etc. to be paid by phone or text.

Mr. Gordon noted that the Department had achieved a remarkable 6% return on investments (page IV-19).



**BROOKLINE ADVISORY COMMITTEE**  
**Administration and Finance Subcommittee**  
**Report on FY2020 Town Clerk's Budget**

The Administration and Finance Subcommittee held a public hearing on Wednesday, February 13th, 2019 to review the Town Clerk's budget. In attendance were John Doggett, Dennis Doughty, and Neil Gordon for the subcommittee, and Patrick Ward, Town Clerk and Melissa Goff, Deputy Town Administrator.

The Advisory Committee's proposed operating budget information appears in summary form at II-7 and in detail at pp. IV-33 to IV-37 in the FY2020 Financial Plan.

**RECOMMENDATION**

By a vote of 3-0-0, the Administration & Finance Subcommittee recommends that the budget include funding of \$662,765 for the Town Clerk in the fiscal year 2020 budget.

**Background**

The Town Clerk is elected to a three-year-term. The office has three purposes and sub-programs, more fully described on page IV-32:

- Public records
- Elections
- Voter Registration

**Discussion**

The proposed 2020 budget totals \$622,7657 a decrease of \$129,275 (16.3%) over FY19 budget of \$792,040 primarily due to this being a 2-election year, with probably no early voting for the presidential preference primary election. The Budget details as follows:

<b>PROGRAM COSTS - TOWN CLERK</b>					
CLASS OF EXPENDITURES	ACTUAL FY2018	BUDGET FY2019	REQUEST FY2020	FY20 vs. FY19	
				\$ CHANGE	% CHANGE
Personnel	479,869	655,388	546,413	(108,975)	-16.6%
Services	70,142	110,172	94,872	(15,300)	-13.9%
Supplies	11,149	22,750	17,750	(5,000)	-22.0%
Other	600	2,450	2,450	0	0.0%
Capital	1,184	1,280	1,280	0	0.0%
<b>TOTAL</b>	<b>562,943</b>	<b>792,040</b>	<b>662,765</b>	<b>(129,275)</b>	<b>-16.3%</b>
<b>BENEFITS</b>			<b>207,907</b>		
<b>REVENUE</b>	<b>152,857</b>	<b>155,200</b>	<b>155,200</b>	<b>0</b>	<b>0.0%</b>

Mr. Ward discussed with the Subcommittee aspects of the budget as it related to elections and noted that the Town has increased stipends for poll workers so that an election costs an additional \$3,500 in staffing costs. In general, an election costs between \$70-90K. The Town Clerk was about calling elections and voting days and he responded that the Town has to hold its election between February and the end of May, and the election could be held on any day, including a Saturday or Sunday.

The Committee notes that consecutive prior years budgets for the Town Clerk's office can be misleading and not effectively used for comparison purposes. This is because the chief

variable in the Town Clerk's budget is the number and type of elections held in a given year.

One member of the Subcommittee, also a constable, inquired as to whether constable postings are a statutory requirement. The Town Clerk indicated that there are no preferences for any particular constable and that the job went to the constable that responded in a timely fashion. He said that he could not speak for other department's procedures, but the Town Clerk's office requests are time-sensitive.