

**BROOKLINE SCHOOL BOARD
JANUARY 21, 2020
PUBLIC HEARING
MEETING MINUTES**

A Public Hearing was conducted by the Brookline School Board on Tuesday, January 21, 2020 at 6:32 p.m. at the Captain Samuel Douglass Academy.

Matthew Maguire, Chairman, presided:

Members of the Board Present: Kenneth Haag, Vice Chairman
Rebecca Howie, Secretary
Alison Marsano
Erin Sarris

Members of the Board Absent:

Also in Attendance: Andrew Corey, Superintendent
Gina Bergskaug, Assistant Superintendent
Bob Thompson, Assistant Superintendent of Student Services
Kelly Seeley, Business Administrator
Kristen Maher, Assistant Business Administrator
Dennis Dobe, Principal, Captain Samuel Douglass Academy
Daniel Molinari, Principal, Richard Maghakian Memorial School
Brian Rater, Chairman, Brookline Finance Committee
Graham Loff, Secretary, Brookline Finance Committee
Dana Ketchen, Brookline Finance Committee

**BROOKLINE SCHOOL DISTRICT
FY21 BUDGET**

Superintendent Corey explained the purpose of the Public Hearing was to present and obtain public input on the Brookline School District proposed FY21 budget. He provided an explanation of the different Warrant Articles. Were each of the articles to be approved, the total would be \$10,208,185, which represents a decrease of \$39,548 or \$0.4% under FY20.

A presentation was provided (can be viewed [here](#)) a copy of which was included with the [agenda](#).

A chart was provided depicting historical and forecasted enrollment numbers. Currently the District has 578 students, and is projecting 611. Projections are provided by the National School Development Council (NSDC).

The historic high was in 2010/2011 (659). NSDC projections see the District heading towards that figure again in FY23 through FY25. That uptick is also being seen in the other two districts.

Information was provided on Cost Per Pupil (CPP). In FY08, the CPP in Brookline was \$10,547 (State average \$11,507) and in FY19, \$15,430 (State average \$16,520). One of the major reasons for the increase was related the State determining (FY12/FY13) local communities would fund the New Hampshire Retirement System.

Breakdowns were provided highlighting the changes from FY20 to FY21 in terms of expenditures, revenue, and State aid (estimates).

Last year, the State passed changes to the funding formula. The Brookline School District will see an increase (\$85,310 increase) in adequacy aid. Kindergarten appears in adequacy aid (slight increase).

Superintendent Corey spoke of a grant received in FY20 that will again be received in FY21 (\$591,264). Last year the entirety was used to offset the tax rate, which is what is again proposed. The grant funding is not guaranteed to continue. As a result, the District did not wish to utilize the funds to cover the cost of recurring item(s).

With regard to the tax rate, the proposed operating budget identifies a 2.2% reduction from FY20, an increase of 31.1% associated with the Warrant Articles (teachers' contract and full-day kindergarten major increases), a reduction in local revenue (29.5%) and an increase in State aid (4.5%). The retained State tax is a 2.9% increase, and the one-time grant a 100% increase for a reduction in the total tax effort of 6.8%. The estimated total Brookline School District tax rate is a reduction of 8.2% plus the State tax rate of 1.2% for an estimated overall reduction in the Brookline School District rate of 7.5%. The figures assume a slight increase (1.1567%) in the Brookline tax base.

Article 2

To see if the Brookline School District will vote to approve the cost of items included in the three-year collective bargaining agreement reached between the Brookline School Board and the Brookline Teachers Association for the 2020-2021, 2021-2022, and 2022-2023 school years, which calls for the following increase in professional staff salaries and benefits at the current staffing levels:

<u>Fiscal Year</u>	<u>Estimated Increase</u>
2020-2021	\$146,163
2021-2022	\$170,569
2022-2023	\$163,945
Total	\$480,677

and further to raise and appropriate a sum of \$146,163 for the first fiscal year (2020-21 school year), such sum representing the additional costs attributable to the increase in professional staff salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

Estimated Net Tax Impact - \$0.14/\$1,000

The Administration and Board have recommended sanbornization.

The salary table identifies step increases for employees working through their career. There are 33 staff members who fall on the salary table. The current salary schedule identifies wage increases for employees on-step as 0.75% + step (3%) (FY21 and FY22) and 1.3% + step (FY23).

There are 23 staff members who have been with the District for a number of years and no longer fall on the salary table. For those off-step, the contract calls for a 2.25% increase in (FY21), 2.55% (FY22), and 2.75% (FY23).

The cap on the District's portion of the cost of health insurance will not change for the single and two-person plans throughout the contract (\$869 single/\$1,570 two-person). The cap on the District's portion of the cost of a family plan will increase from \$1,953/month to \$2,003/month (FY22) and \$2,053/month (FY23).

The District has a driver plan (ABSOS). There are 4 teachers on the single-person plan, 9 on the two-person, and 16 on the family plan. In previous negotiation cycles efforts were made to move teachers to this plan as it is much more cost effective. It allowed the District, at that time, to offer the benefit of significant coverage to get them to move to this plan. In FY21, the District's contribution to the family plan was 96%. In FY22 the District's contribution will be 92.8% and in FY23 89.8%.

The rate increase for year 1 is known to be 4.1%. For budgeting purposes, a 6% average was used for estimating cost increases for FY22 and 23.

The District still offers other plans for which employee contributions are significant. For AB10 the employee contributions for a single person plan are 6.7% (FY20), 10.3% (FY21), 15.4% (FY22), and 20.2% (FY23). For a two-person plan the employee contributions are 15.7%, 19.0%, 23.6%, and 27.9%, and for a family plan, 22.3%, 25.4%, 27.8%, and 30.2%.

For BC3T10, the single person plan is 14.9%, 18.2%, 22.9%, and 27.2%, two-person plan; 23.1%, 26.1%, 30.3%, and 34.3%, and for the family plan, 29.1%, 31.9%, 34.1%, and 36.3%.

The desire is to get teachers to move from these plans to the driver plan, and increase the percentage staff members contribute to that driver plan.

A breakdown was provided of salary and health increases for the life of the contract.

Chairman Maguire opened the floor for public comment.

Tom Solon, 2 Shady Rock Road

Questioned if there were assumptions made in the calculations regarding anticipated retirements. Superintendent Corey stated, at the time the contract was being completed, there were no retirements. Since then, there have been 2. Because of the buy-out, they will not result in a significant difference with regard to impact on the contract (first year).

Mr. Solon questioned if the assumption was that all current staff would continue over the life of the three-year contract, and was told it was. Superintendent Corey stated retirements are anticipated over the life of the contract, but in order to provide the best faith estimate they left the numbers as they are.

Testimony in Favor

Tom Solon, 2 Shady Rock Road

Based on the information presented, and the parameters described, he believes it to be a conservative estimate for costs in the amount anticipated for the Guaranteed Maximum Rate (GMR) for insurance increases and the fact that retirements have not been included in the calculations. He applauded the efforts regarding the modifications to health insurance, and stated support for the contract.

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

Article 3

To see if the Brookline School District will vote to implement a Full-Day Kindergarten Program at Richard Maghakian Memorial School starting with the 2020-2021 school year, and to raise and appropriate the sum of \$143,065 (Gross Budget) for the purpose of funding the additional operating costs of the program. It is anticipated that 65 students will be enrolled for total additional State revenues of \$120,535. Defeat of this article will have no impact on continuing the Kindergarten program currently in place.

If this article passes, the General Fund Operating Budget will decrease by \$96,965 and the General Fund Revenues will also decrease by \$96,965, which represents the revenue sources related to the Kindergarten program currently in place that will not be available if Full-Day Kindergarten passes; the cost of operating Full-Day Kindergarten will be included in the operating budget in future years.

Additional cost of new full-day program: \$46,100

Expected State funding: \$120,535

Current parent-paid revenue that will be lost: \$217,500

Revenue difference: \$96,965

Net effect to the taxpayer: \$143,065

Estimated Net Tax Impact - \$0.13/\$1,000

Superintendent Corey stated the belief the program will strengthen the early child intervention and pay dividends down the road. The District will be able to deliver a balanced curriculum at a developmentally appropriate pace for all students, will meet the State mandated play-based expectation, have a common experience with the Hollis School District, and will align with the New Hampshire Early Learning Task Force goal of increasing full-day kindergarten in New Hampshire.

Also noted was that if this Article does not pass, because of a change in the law governing transportation, the District will be required to fund the cost of mid-day transportation (\$40,000).

Chairman Maguire opened the floor for public comment.

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor

Mallory Risler, 14 Hobart Hill Road

Moved to Town for the great education system. She stated her full support of full-day kindergarten.

Karen Jew, 141 Old Milford Road

Stated she is pleased to see this being put forward this year. She has seen kids who have not had the benefit of a full day program in kindergarten struggle with academics in 1st grade.

Testimony in Opposition - None

Article 4

To see if the Brookline School District will vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$9,459,497. Should this article be defeated, the default budget shall be \$9,379,264, which is the same as last year, with certain adjustments required by previous action of the school district or by law or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only.

Estimated Net Tax Impact - \$8.86/\$1,000

The proposed FY21 budget (\$9,459,497) represents a decrease from the FY20 budget (\$9,820,054; included FY20 teacher contract costs) of \$360,557 or 3.7%. An apples-to-apples comparison of the operating budget of FY20 and the proposed FY21 represents a decrease of 2.2%.

New item requests for FY21 represent an increase in the allocation to academic programs (\$21,150), decrease in personnel (\$59,580; was related to a self-contained program that was anticipated and did not come to fruition), and increases in computer equipment/services (\$22,010) and facilities/safety (\$70,900). The total is an increase of \$54,480.

A large piece of the operating budget is the retiring of a bond (\$437,275 or 4.5% reduction), reduction in program needs for special education (out of district)(\$63,298 or 0.6%) a reduction in the retirement benefit (less retirements) (\$45,081 or 0.5%), an increase in wages (HESSA/Non-BTA) / New Hampshire Retirement System/FICA (\$75,913 or 0.8%), an increase in health/dental insurance (\$40,216 or 0.4%) an increase in special education contracted services/transportation based on program needs (\$100,313 or 1.0%), an increase in new items requests (\$54,480 or 0.6%) and a decrease in discretionary items (\$85,825 or 0.9%). Net change to the budget is a decrease of \$360,557 or 3.7%.

Should the voters not approve the budget, the default budget would come into play. The default budget is the FY20 adopted budget (\$9,820,054) reduced by required by law or contacted increases/reductions (overall reduction of \$328,051) and reduced by one-time FY20 expenses (\$112,739) for a total default budget of \$9,379,264. The difference between the default budget and the proposed budget is \$80,233.

Chairman Maguire opened the floor for public comment.

Tom Solon, 2 Shady Rock Road

Questioned how the calculation of the default budget is impacted with the teachers' contract expiring in FY20. Noted was that the teacher contract would be funded as it is in the current year.

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

Article 5

To see if the school district will vote to raise and appropriate a sum of up to \$75,000 from the June 30 unassigned fund balance (surplus) available for transfer on July 1, 2020 to be added to the previously established SCHOOL FACILITIES MAINTENANCE FUND.

Estimated Net Tax Impact

No rate increase in FY21. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending \$75,000, that could potentially be returned as revenue, equates to foregoing a *potential* rate **reduction: \$0.07/\$1,000**

The FY20 ending balance is \$50,000. The allocation of \$75,000 and proposed use of \$73,000 would result in an FY21 anticipated ending balance of \$52,000.

The proposed use includes \$25,000 for the CSDA playground surface renovation (recommendation of insurance carrier), \$23,000 for additional security cameras at CSDA, and \$25,000 for additional security cameras at RMMS.

Chairman Maguire opened the floor for public comment.

Mallory Risler, 14 Hobart Hill Road

Asked for additional information on what the playground surface renovation entails, and was informed there are two pieces; drainage issue being addressed and peastone replacement with rubber bark mulch.

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

Article 6

To see if the school district will vote to raise and appropriate a sum of up to \$25,000 from the June 30 unassigned fund balance (surplus) available for transfer on July 1, 2020 to be added to the previously established SPECIAL EDUCATION EXPENDABLE TRUST FUND. No amount to be raised from taxation.

Estimated Net Tax Impact

No rate increase in FY21. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending \$25,000, that could potentially be returned as revenue, equates to foregoing a *potential* rate **reduction: \$0.02/\$1,000**

The current balance and anticipated FY20 ending balance are \$175,000. With the allocation of \$25,000, the anticipated FY21 ending balance is \$200,000.

The goal of the fund is to maintain a balance of approx. \$225,000, which represents approx. 60-70% of the cost of 1 out-of-district placement were a child to move into the District.

The budget starts in July and goes for 18 months. If on August 20th, a family arrived with a student requiring services, the District is legally obligated to pay for those services. Those funds would not have been budgeted for. This fund is designed to have the resources so that the District would not have to reduce spending from regular education line items or other areas. It is a safety net, and one that exists in each of the SAU districts.

Chairman Maguire opened the floor for public comment.

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

Article 7

To see if the school district will vote to establish a contingency fund for the current year for unanticipated expenses that may arise and further to raise and appropriate a sum of up to \$40,000 to go into the fund. This sum to come from the unassigned fund balance (surplus) available for transfer on July 1, 2020.

Estimated Net Tax Impact

No rate increase in FY21. The Unassigned Fund Balance is the sum of unspent taxes and revenues. Expending \$40,000, that could potentially be returned as revenue, equates to foregoing a *potential* rate **reduction: \$0.04/\$1,000**

The District is moving towards all-day kindergarten. If that is not approved by the voters, a change in the law that mandates the District bus kindergarten students to and from school would result in an additional cost. The mid-day parent pick-up would now be mandated transportation. The \$40,000 contingency is intended to address that additional cost should the voters not approve all-day kindergarten.

The intent of the Administration would be not to utilize the contingency if all-day kindergarten is approved by the voters. The funds would sit in the budget for the year and be returned to the tax base the following

year. Were there an unanticipated expense calling for the use, the Finance Committee would be made aware and a vote of the Board would take place at a formal meeting of the School Board.

Chairman Maguire opened the floor for public comment.

Chairman Maguire noted the order of the Warrant Articles is the order in which they are funded.

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

Article 8

Shall the voters of the Brookline School District adopt a school administrative unit budget of \$1,807,100 for the forthcoming fiscal year in which \$319,460 is assigned to the school budget of this school district? This year's adjusted budget of \$1,718,104 with \$307,815 assigned to the school budget of this school district, will be adopted if the article does not receive a majority vote of all the school district voters voting in this school administrative unit.

Estimated Net Tax Impact - \$0.30/\$1,000

The SAU budget consists of payroll and human resource functions, business office, and the office of the Superintendent. The largest addition to the budget is the position of Facilities Director.

The FY20 budget was \$1,731,611 and the proposed FY21 budget \$1,807,100, which represents an increase of \$75,489 or 4.4%. The adjusted budget, should the proposed budget not pass, is \$1,718,104. The adjusted budget is similar to, but not legally a default budget.

The major drivers include salaries (\$37,333), benefits (\$24,914), position of Facilities Director (\$66,500), and a reduction in the position of Student Services Transition Coordinator (\$54,202).

A chart was displayed listing the responsibilities and benefits of the position of Facilities Director.

Chairman Maguire opened the floor for public comment.

Peter Webb, 48 Mason Road

Questioned if the SAU budget is amendable, and was informed it is not. It is either the recommended or the adjusted.

Cindy Lacroix, 3 Louis Drive

Questioned who currently performs the role of Facilities Director. Superintendent Corey provided the example of a situation that occurred the previous week with a plumbing mishap at CSDA; Principal Dobe

became the head custodian/facilities coordinator and solved the issue. With the turf field recently installed at the high school, Superintendent Corey was the facilities coordinator and Kelly Seeley, Business Administrator, ran all of the financials.

The position would oversee some 30 custodians across the SAU, 7 buildings, and 200-300 acres.

Ms. Lacroix questioned why the position is being requested at this time. Superintendent Corey commented the SAU has been building toward this, and needed to first put some integral pieces in place. Five years ago there were no Capital Improvement Plans in place, there was no facilities audit, which prioritizes needed repairs/replacement so that they could be budgeted for accordingly. Both the Superintendent and Business Administrator believed it best for a great deal of the groundwork to be put in place before handing off those tasks and taking on more of a supervisory role.

Testimony in Favor

Tom Solon, 2 Shady Rock Road

Stated his support for the budget. He spoke of things that have occurred year over year in the communities. There is now a team in the SAU that has been assembled. The last speaker asked why now; there have been proposals come before the Governing Board to address other areas such as restructuring of the Business Administration. It has been an ongoing desire to have this position, but it has been delayed while other priorities were attended to. Those have now been addressed.

He noted the enormous success in savings the SAU has achieved through the efforts of the Special Education Administration and the Director of Student Services. He stated his belief the budget creates an opportunity for economies that far outweigh the cost of bringing an administrative person into the SAU.

For many years the public has asked what we are doing to benefit from having the three districts coordinated, and in the past it has been little because it is very difficult to do when everything was compartmentalized. He sees this as being a large economic boost to the total SAU by offering the possibility for consolidation of efforts.

He recommended support of the Article, and that members of the school boards do whatever they can to get that message out ahead of time, particularly in Brookline as residents won't have the benefit of hearing it when voting.

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

A chart was shown depicting gross appropriations over the past 10 years as a means of showing how costs have risen. A good deal of the costs seen from FY18 forward relate to costs that have come down from the State, e.g., retirement and technology.

A chart was shown identifying the distribution of expenses.

A breakdown was provided of the different areas of expenses, which included information on FY19 actual costs, FY20 budgeted amounts, FY21 proposed amounts, and the percent of change from FY20 to FY21. In total, FY19 actual expenses were \$9,663,059, the FY20 budgeted amount was \$10,247,733, and the proposed FY21 budget amount is \$10,208,184, which represents a reduction of 0.4%.

Article 9

To see if the school district voters will authorize the Brookline School District to access future year state and federal special education aid funds in the event that special education costs exceed budget limitations.

Chairman Maguire opened the floor for public comment.

Peter Webb, 48 Mason Road

Stated he is hopeful to have documentary materials to help voters at the time of the meeting. Superintendent Corey stated an information guide will be produced, which will provide a summary of each Article, votes of the School Board and Finance Committee, and tax impact. Copies will be available that night, and will be sent home electronically to residents having students in the schools.

Dana Ketchen, 59 Russell Hill Road

Commented the total budget, if all Warrant Articles were to pass, would represent a decrease from FY20 of 0.4%. The portion of the budget that was the bond was 4.5%. She questioned if it is accurate to state, the budget itself, with the bond having matured, increases 4.1%.

Superintendent Corey noted if talking strictly about the bond, the comparison has to be strictly to the operating budget. He would take the 4.5%, subtract the 2.2%, which is the difference in the operating budget, and then take out revenue that is not coming in, approx. \$47,000 (about 0.5%). The result would be 1.4%.

Ms. Ketchen commented it's a little misleading when we use the bottom line with a decrease of 0.4% when the bond is such a large chunk of the budget. There are increases in the budget. That should be presented somehow.

Ms. Sarris stated that to be the point of the process; to go through and explain all aspects of the budget, including the impact of the bond.

Superintendent Corey commented the \$591,264 in one-time revenue was not stressed too greatly. That will not be expended, but instead be used to offset the tax rate. That is why you have to go back to one of the earlier slides where it was indicated the tax decrease would be 7.5% for the Brookline taxpayer for the Brookline School District. Last year we were at an almost 8% increase, and those one-time revenues that came in allowed the Brookline tax rate for the current year to be a 1% increase overall. The Board has chosen not to expend those revenues because it is not known what the Governor will do next year.

Testimony in Favor - None

Testimony in Opposition – None

Testimony in Favor - None

Testimony in Opposition – None

The Public Hearing was declared closed at 7:33 p.m.

Date _____

Signed _____