



**TOWN OF
BROOKLINE, NEW HAMPSHIRE**

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**Selectboard and Brookline School Board –
Joint Meeting with 2020 BudCom Study Committee Minutes
Thursday, October 22, 2020**

Meeting attendees via Zoom:

BudCom Committee: Drew Kellner, Eric Pauer, Karen Jew, Gaylord Sledge, Matthew Mailloux

Selectboard: Brendan Denehy, Edward Arnold, Ron Olsen, Dana Ketchen

School Board: Ken Haag, Erin Sarris, Rebecca Howie, Alison Marsano

Finance Committee: Brian Rater

Town Administrator: Tad Putney

Others: Peter Webb, Cindy Lacroix, Jay Kramarczynk, Eric Bernstein, Pete D'Agostino, Tom Solon, Kyle Lotring

Eric opened the meeting at 7:00 p.m. Eric stated that we were meeting electronically under the Executive Order 2020-04, and the Emergency Meeting Orders #12 and #23 which allow for remote meetings. Eric asked each member to verify per the order where they are, why they are there, can they hear everyone, and if anyone is present with them. All members responded.

Introductions

See meeting attendees

Presentation by 2020 BudCom Study Committee

Eric/Drew – introduced the purpose for the meeting and process.

Matt – led quantitative analysis discussion.

Karen – led qualitative analysis discussion.

Eric – led pros and cons, suggestions and recommendations to the **S**electboard.

Presentation is posted

Discussion and other business

Dana Ketchen (Selectboard) – what is the purpose of the quarterly review that is recommended?

Eric – to make sure that the town/schoolboard are meeting the needs of the town and provide insight to the next year's budget.

Drew – it's similar to the review that is done periodically by the **S**electboard.

Ken Haag (School board) – how does the budget committee understand the true needs of the town and school beyond setting numbers? The elected officials on the school board and Selectboard are intimately involved.

Eric – that is the reason the Selectboard and School Board appoint members to the BudCom, to serve as liaison from the town and school; these appointed members are key people to communicate what is going on and help with the detailed understanding of particular items. The budget committee would work with the business administrator to get answers to any school questions. It also helps with the ongoing budget process to understand where you may have had excess or not enough.

Alison Marsano (School board) – how would a budget committee make things different, better, or add value to what is happening today? We have similar processes in place. As a voter, how would adding random town people into the process add value? Quantitatively she didn't see the difference.

Drew – it has to do with bringing an outside perspective. When you combine the appropriation and the expenditure responsibilities, both functions reside in one entity. Sometimes stripping those out into different entities brings a little more structure, and checks and balances. Our research didn't show a clear improvement from a quantitative perspective. Once we got to that stage it became a qualitative discussion. It comes down to a governance philosophy on whether you value a separation. There is a value to having residents at large, that are not intimately involved with staff negotiations and budget preparations, who bring an outside perspective and opinion.

Karen – the budget study group is not recommending that the town adopt a budget committee. This presentation is a natural conclusion of what the town voted us to study. We then want the town to look at what we're presenting and make a choice. There is a good argument for the **S**electboard having that independent group with authority help create the budget. However, the schoolboard has that mechanism already. You can't cherry pick a budget committee just to apply it to the town. In this case it would also apply to the school. People need to consider that as well.

Jay Kramarczvnk – would the committee members be willing to give their perspective on whether the voters vote this in or not?

Matt – the voters shouldn't expect to change their taxes based on the form of government. There are colorful arguments on both sides. I can't say that I've made up our mind one way or the other about what's best for Brookline. The data shows that Brookline outperforms most of its peer group without a formal budget committee, and I don't know what else we would necessarily gain.

Gaylord – echoed what Matt and Drew said. The quantitative data makes it hard to argue against what we are currently doing. The main thing that sticks out for me is the separation of duties. However, there is no quantitative data that says that it is better than what we are doing today. I have not made a decision at this point.

Tom Solon – the data that was presented only used one metric, the control of the increase in taxes. Did you get a sense of how people felt that it impacted actual performance or delivery of services? Did the inclusion/exclusion of a formal budget committee enhance their ability to meet the educational needs of their students or the specific needs of their community?

Matt – the committee explicitly did not consider student outcomes or town sentiments because those metrics were impossible to standardize across districts. There wasn't a good metric to tap into on the town side.

Tom – were there any anecdotal conclusions or was it strictly on tax impact?

Drew – the only example we may have had was New Ipswich, which was excluded from the data because it significantly skewed the information. Our understanding of the disillusion of the budget committee was the putting forward of drastic cuts to the police department which was not palatable to the taxpayers.

Karen – did have a phone call with a finance director who was no longer working with that town. His experience with one town with a budget committee was that the town missed out on grant funding due to the budget committee not recommending it. In his view it was an opportunity that the town lost out on due to the budget committee.

Eric – we had Zoom calls with six budget committees and one finance committee and none of them expressed less than good outcomes for their students. At best they may have had to delay some projects on the town side. There wasn't an amount of huge disappointment with the budget or finance committees we contacted. The committee did talk about how we would look at student and civic outcomes. It is something that is very difficult to quantify. SB2 is another factor that was excluded from our analysis. We did average that out by having a mix of towns and school districts with and without the SB2 system.

Kyle Lotring – (chat question) I think it's inappropriate to say the committee is 'neutral' when they proposed the town vote for a BudCom. Neutral would be presenting the data and allowing a voter to ask for a warrant article—not a BudCom study member.

Drew – the committee was chartered to have a recommendation delivered to the **Selectboard**. The vote that we took as a committee was that there was sufficient contemplation that it should be put on the warrant as a warrant article. We are not voting to propose a BudCom, we are suggesting to the **Selectboard** that there is enough here that the towns people should have a vote on whether or not there is a BudCom.

Ken Haag – will the various boards vote on this as well as we move forward?

Drew – The Selectboard and the town make the decision on whether to form a budget committee. And if it does, it applies to the school board as well. The Selectboard will determine whether it's put on a warrant. It's entirely appropriate for the school board to weigh in on their recommendation. The school board doesn't have any direct purview on the outcome of the article.

Ken Haag – will ask that the school board has a vote and include that as part of this process because this will dictate how the school board operates as well.

Kyle Lotring - in addition to that - was there evidence of a formal BudCom reducing or controlling taxes?

Drew – we were very careful to present the data as inflation/pupil adjusted to try and equalize peer towns in terms of growth. The general consensus among the committee members was that there wasn't statistically significant evidence that having a BudCom better controlled growth over the time period we studied.

Erin – voters may construe it being on the ballot as something that is supported by the committee versus something that is just on the ballot. It would be a good point of education and communication to the voters to have a clear understanding. Most of the voters will not have access to the data that went into the study.

Ken/Alison - agree

Brendan (Selectboard) – definitely taking note of that point. When we go through the warrant article process in January we should make a determination on whether the Selectboard, School Board and Finance Committee all make recommendations or not. It should be all or none.

Dana – if it is decided that this is included on the town warrant article, how would this topic be addressed/included in the school portion? There would have to be information for the voters. The school has a different set of voters.

Drew – the RSA on this falls squarely on the town, so it would not become involved in SB2 or the school district vote. What was brought up was having the opportunity to weigh in on a recommendation to the voters at the town annual meeting. The RSA is very prescriptive on how it is formulated. It's the town's warrant that can create the official budget committee. If the town does it then the school board automatically falls under that.

Eric – the committee could inform voters at the deliberative session of the school district meeting and the town meeting. At the deliberative session it would be informational to educate the voters. We can do that as a committee, as we plan to support the Selectboard and School Board leading up to the 2021 school meeting and town meeting season so that everyone is aware of what the study is about.

Warrant article A is a mandatory one hour ballot vote, not a card vote. It's a simple majority to pass.

Drew – we did discuss the possibility of an educational outreach meeting. The idea being able to use the presentation in other venues. The more people that are educated going into the town meeting saves time and produces better outcomes.

Tad – is the report ready to go on the town website?

Drew – we were waiting for the outcome of this meeting to see if there was anything that came up from the two entities that made us go back and look at something deeper. The report is essentially done now. We will go back and debrief after this presentation to make sure that what we have is ready to go. However, there wasn't anything that came up in this meeting that will require great revisions. This should be ready to go before the public in a few days.

Brain Rater – one of the pros of going to a budget committee is that it is a completely independent body. There are rare occasions when you have someone in a school district or a town that's an employee and sees something that is wrong and will be able to go to the **Selectboard** or the **School Board** if that is the source of problem. Having an independent body gives an avenue where someone can report anonymously and raise a concern. And the independent body has some authority to do something about it more so than an advisory committee does. One of the cons is that the SAU serves six masters already. All of which have meetings and reporting requirements. This would be adding a seventh master to their process.

Pete D'Agostino – his understanding of the 8% cap for the school district is that the School Board cannot propose a budget that increases the spending by more than 8% above the prior year. But at the SB2 meeting it can be increased to anything above that.

Karen – the recommended budget cannot be more than 8%, but the legislative body can increase it at meeting up to additional 10%, if there is a BudCom.

Pete D'Agostino- the difference with BudCom is that the BudCom can present a budget and it can only be increased by 10% at the town or school meeting. So collectively the school budget can increase 18% at any given time through the legislative process and the school board process.

Pete D'Agostino- on the school side the budget committee is obligated by the starting point of the tax cap of 8%. They could not recommend anything higher than 8 % of the previous year. After that, then there would 10% more that the town could go up in a deliberative session if they wanted to, if there is a BudCom.

Pete D'Agostino- if the budget committee were to cut the budget substantially, the town couldn't make the full correction because the town would be held to 10% above the recommendation. That gives him concern because you are putting some very strict guardrails in place.

Eric - that is correct, you would not be able to go above 10% of the amount the committee recommended with the exception of the override for a bond article if it was needed.

Pete D'Agostino – the presentation talked about appointed members versus elected members. Eric did you recommend a warrant article that would change it from appointed to elected for the general members?

Eric –warrant article A is to determine if you want a budget committee or not. If you say yes, then you are obligated to set up some structure. One of them is how many members you have, the second one is how you chose those members. Members can be appointed or elected. If you chose appointed you put the onus on the moderator to forever thereafter appoint members. Nobody that we interviewed was using this approach. The second option is to do an election. All the members would be elected officials with the initial members being elected for one year.

Pete D'Agostino – would the BudCom process allow the School Board more, less, or the same flexibility as they have now, to respond to budget demands during unforeseen circumstances? The School Board and Selectboard have consistently and significantly outperformed the budget committees in other communities...the BudCom study committee didn't consider the student outcome which the current school board did nothing but consider student outcomes during the pandemic. That is troubling... many members made public comments that they weren't sure how they would vote on this, which leads him to believe that this doesn't overwhelming lead us in one direction or the other...asks the chairs of the 3 committees take a vote on this...it's critical that the town members know how these boards feel about it.

Eric – how the money is spent is up to the governing body, in this case, the School Board. They can spend the money anyway they see fit; the budget committee doesn't have the authority to control how appropriated funds are spent.

Matt – the emergency appropriations are covered by RSA 32:11 and 32:13 which are outside the scope of the budget committee statutes. So it would be the same process as required now.

Drew – because we didn't measure the success of our student population or the wellbeing of our town residents, we cannot make the assertion that we outperformed. Just because we held the line on a population and inflation adjusted basis, we may have had less services than others had, less testing scores, etc. Anecdotally, we agree that we don't fall in that category

Adjourn

Meeting was adjourned at 8:27 pm by the Selectboard.