

TO: Members of the Override Study Committee
FROM: Dick Benka
RE: Initial Questions from Committee Members
DATE: October 7, 2013

The following are initial questions raised by various members of the Committee, which I've made an effort to organize by general topics identified in the charge to the Committee from the Board of Selectmen, recognizing that some questions could fit within more than one topic area. Because these questions come from a number of Committee members, please also note that the words such as "I" or "my" appeared in the original question, and do not refer to me. In addition, any opinions or comments are those of the member who posed the question, which I've simply passed on without substantive editing. I've made an effort to include all of the questions that have been posed, so there is inevitably some repetition; moreover, some of the questions have already been addressed, at least in part. I apologize if I've missed any questions, and please note that these questions are designed to serve as a starting point for our work.

With those caveats:

**A. EVALUATION OF LONG-RANGE DEMOGRAPHIC PROJECTIONS,
PARTICULARLY PROJECTED PSB ENROLLMENTS AND POTENTIAL IMPACT
OF RESIDENTIAL DEVELOPMENT/EXPANSION**

1. Sustainability of Demographic Trends: Almost any School solution besides the reactivation of the OLS represents significant investment and less flexibility for changing demographics in the future. While clearly there is a need to address immediate needs, we should also be cognizant of long term projections to ensure we do not over or underinvest. There should be an examination of demographic trends.
2. Is there a breakdown of housing stock type by grade? I'm curious to see if there is any evidence of a lower cohort retention rate in later grades among students in condos (i.e., do families seek single-family homes elsewhere as their kids get older).
3. The MGT 2008 (final report of 2/4/2009) and 2011 update of the Facilities Master Plan and enrollment projections prepared for the Schools both reference 5 methods used by MGT to make projections from base data; these are "black boxes" in which MGT assigns different weighting to various factors in doing a projection. Neither report actually defines the weighting, basically asserting that in their experience the box they selected was the best "fit" for Brookline.
 - a. What are the factors and what are the weightings they assigned?

- b. Why was the one selected viewed as the best “fit”?
 - c. Why does their methodology produce a specific number of students, rather than a range?
4. On 8/26/13, Linda Olsen Pehlke and Larry Koff released *Brookline’s Changing Households*. This material came too late to be considered by B-SPACE, the School Committee’s Capital Subcommittee, and the School Committee in crafting their required response to MSBA. The report provides important new information concerning public data available for the 0-4 and 5-9 age cohorts, as well as stating that several factors suggest that the current enrollment increases are not likely to be sustainable. It also makes recommendation for several areas of further study, many related to the type and number of the housing stock. These suggestions and recommendations may offer an important basis to re-evaluate current enrollment projections and require follow-up for consideration of the methodology and the validity of the conclusions.
 5. In connection with B-SPACE, the IT Department made available SY 2012-2013 enrollments from K-8 for each grade in each school, broken out by: Brookline students from that elementary school district; Brookline students from other districts, if any; Brookline students from buffer zones, if any (including the number of the buffer zone). The total figures for materials fee and METCO students in each school and grade have also been provided by the Schools. We should get similar information for SY 2013-14.
 6. What are the data, assumptions and analyses underlying the various projected total K-8 and 9-12 enrollments for SY 2014-15 and future years? Are there any more detailed projections of population growth by K-8 school districts or buffer zones, and by Brookline and non-Brookline students?
 7. What are the preliminary enrollment sign-up data for various points in time for the current year (e.g., SY 2013-14) and the corresponding data for the past 3 or 4 years, for the purpose of comparing how the preliminary sign-ups compare year-by-year and how effective they could be – at different points prior to the actual beginning of the school year -- in predicting final enrollment numbers. Could this facilitate fine-tuning of METCO and materials fee acceptances?
 8. Do the Schools have data by grade on the number of students from other states or countries who are here for a limited period and then leave (e.g., parents are in fellowship or doctoral programs at local hospitals and universities)? Do we have information on the programs that have drawn their parents? See the 8/26/13 report by Linda Olsen Pehlke and Larry Koff, *Brookline’s Changing Households*, which indicates that such students form a substantial part of school population growth. The methodology and conclusions should be evaluated. What are the implications if this conclusion is accurate? For

example, should we be gathering information about plans for institutional expansion or contraction (e.g., as a result of changes at the federal level in research funding) in order to determine demographic projections? Seeking PILOT-type agreements? Reviewing the potential for funding from hospital community-benefit programs?

9. As we look to the future, I would like to better understand the demographic profiles of each of the schools.

B. POTENTIAL EFFICIENCIES AND BEST PRACTICES IN USE OF CAPITAL FACILITIES

1. **General.** When calculating future classroom needs, B-SPACE started with the current number of classrooms in use for each grade. They then carried that number of classrooms forward for future years – i.e., 32 Kindergarten classrooms in SY 2012-13 resulted in a calculated need for 32 First Grade classrooms in SY 2013-14, 32 Second Grade classrooms in SY 2014-15, and so on.

B-SPACE apparently then added an assumed 30 classrooms for Kindergarten classes in SY 2013-14 through SY 2018-19, and carried the need for those 30 classrooms forward for the upper grades in the following years, as was done with the 32 SY 2012-13 Kindergarten classrooms. That resulted in the calculation of the additional classrooms through SY 2018-19. See page 17 of the B-SPACE *Final Report*, September 2013.

As noted in the B-SPACE report, this methodology assumes no consolidation of classrooms. It also implicitly assumes that classrooms are now being used as efficiently as possible on both the K-8 and High School level. Both assumptions have to be evaluated.

Attached are two worksheets that begin to look at those issues, using the SY 2012-13 Kindergarten class for the analysis. There were 613 Brookline students in the class, according spreadsheet used by B-SPACE in its analysis of the impacts of various “Ninth K-8 School” redistricting plans (i.e., the “Baldwin,” “Old Lincoln,” etc. plans). As noted above, 32 classrooms were actually used for this Kindergarten class. (Note: this number of 613 does not include a reported 43 METCO and “materials fee” students; also, when added to the 43 students, the total of 656 is slightly less than the 666 students that has been reported for this Kindergarten class. This may be a function of the time when the spreadsheet was generated, or other factors.)

The School District’s written policy articulated in its 2009 Budget Message was 22 to 24 students in Grades K-3 (recently stated as a goal of 22, with a recognition that class size sometimes has to go higher). The analysis is therefore done twice, with a maximum class

size of 22 and with a maximum class size of 24. Both analyses adhered strictly to existing core district and buffer zones (i.e., students were assigned to schools as currently defined by either core or buffer zones for their address, with no students forced to a school outside their core zone or buffer zone).

The first analysis (Exhibit A) uses a maximum class size of 22. With that target class size, the Brookline students in the Kindergarten class could be placed in 28 classrooms (rather than the 32 actually used for the class). Using maximum class sizes of 24 (Exhibit B), the Brookline students could be accommodated in 26 classrooms (rather than the 32 actually used for the class). Again, in both analyses, existing core district and buffer zones were respected.

Some observations, questions and issues:

- a. The analysis shows a potential reduction of classroom “needs” by 4 to 6 classrooms for the Brookline students in the SY 2012-13 Kindergarten class.
- b. To the extent that some class sizes might be reduced because of specific student needs or other factors, both analyses have a few extra seats that allow some flexibility. In addition, with the 28 classrooms in Exhibit A, there is substantial flexibility to shift students while still staying under a class size of 24.
- c. This analysis count does not include METCO and materials fee students. Class sizes would have to be increased beyond the target class size under each analysis or, to maintain the target class size under each analysis, non-mandated students would require the equivalent of two additional classrooms.
- d. These analyses are “snapshots” of one class for one school year, but the analyses indicate that the existing core and buffer zones can provide a good deal of flexibility. In addition, there is reportedly substantial turnover of individual students from year to year, both over the summer between school years (“attrition”) (e.g., 7.2% overall 2010-13; 7.9% overall, 9.1% K, 10.1% Grade 1 in 2012-13) and also during the school year (“churn”) (8% overall in 2012), providing flexibility in the assignment of new students entering the system or moving from school to school. See *Brookline’s Changing Households*; http://profiles.doe.mass.edu/state_report/mobilityrates.aspx and http://profiles.doe.mass.edu/state_report/attrition.aspx
- e. The increase in the target class size between Third Grade (22 to 24) and Fourth Grade (25) also suggests the possibility of further consolidation.
- f. Could a more robust application of district policies and a more robust use of existing buffer zones entirely eliminate or, at least, mitigate the perceived need for additional

classrooms along with the attendant costs and other concerns raised by significant classroom expansion?

2. Capital costs for the B-SPACE recommendations need to be further refined and a realistic timeline developed, for example, with respect to whether and when an override to fund Driscoll and or Devotion is desirable or doable from an information timing standpoint.
3. The commitment of capital, whether within the tax growth or by override, requires some certainty that the utilization of the new facilities is matched to the debt instrument used to finance it. The Town has historically used 20 year bonds for large projects, and, in the case of Devotion, was considering 25 year bonds. (The typical life of new buildings may be closer to 40 years.)
 - a. Will the need for new facilities proposed under the incremental K-8 expansion meet this criterion?
 - b. If bricks and mortar expansion is the appropriate outcome but with the years of required need less than the debt instruments, should School expansion be designed to allow for future alternative uses – e.g., for an aging in place population that will require more senior services? What consideration has been given to that?
4. My sense from the *Brookline's Changing Household Study* and my own background is that our ability to predict how long the higher enrollment levels will continue is very limited. The committee should be concerned about addressing what may in fact be a relatively short term need (5 - 10 years) with a longer term solution (new construction). I would like to explore creative leasing solutions to address a portion of the capacity constraints. These might include approaching Pine Manor and Newbury College about leasing any underutilized facilities, along with churches/synagogues and other non-traditional spaces. Could the Brookline Teen Center offer daytime space suitable for K-1? Since lease payments are currently pay-as-you go, rather than bonded (paid from Classroom Capacity funds in the Capital Improvement Program funded by the Property Tax and Free Cash), this would transfer the conversation from the need for a capital project debt exclusion to an operating override.
5. It has been suggested that Brookline may have too many classrooms already. The problem is that we use them 6 hours a day for 180 days a year, and they stand empty the rest of the time. Yet the fixed costs of capital, heat, light, insurance, maintenance, grounds-keeping, etc. are year-round.

Exploring non-brick and mortar options is especially important if the current enrollment ramp up turns out to be for less than the borrowing term of 20-25 years (and so leaving

new classrooms vacant but unpaid for). One possible consideration is a change to the daily and annual calendar which may allow more intensive use of the spaces we already have. Many communities have used such tools with great success, and some OSC members have personal experience with such models.

- a. What current limitations are there concerning earlier and later uses of the school day, or, for example, double sessions or two terms per year, including such aspects as collective bargaining agreements, security, or current commitments to off-hour programs. This should be addressed at the K-8 level as well as BHS.

If such a strategy were available, even it increased some operating costs, it may offset some of the currently proposed capital construction projects. Has any analysis been done to evaluate how, for example, the \$18M for the Driscoll expansion (250 students), or the \$65M for BHS (600 students), might be eliminated or reduced in this way?

Flex time work arrangements, once unusual and achieved only with a premium in pay, are today normal and without premium in many sectors. They allow HR and employers to better recognize a variety of family structures and individual needs, and are viewed as significant attributes in the workplace by providing alternatives to the standard workday hours.

- b. What about slightly larger classes to more efficiently use classroom spaces, perhaps with the increased use of technology or classroom aides or interns?
 - c. Would there be any benefit in providing the Superintendent with additional flexibility in the assignment of students entering the system during a school year?
6. **K-8 Schools. Lawrence Strategies and Costs.** The HMFH Report of 7/24/13 to B-SPACE identifies a series of options for incremental expansion and estimated costs associated with each. One site for expansion is Lawrence, where the HMFH sketch plan suggests a significant number of additional classrooms would be possible using both the parking area and green space sides of the building.

At the Building Commission meeting of 9/10/13 the Building Commission voted in favor of proceeding with the Modular project and noted this would preclude the larger project identified by HMFH. The Modular strategy had been voted by the Schools Capital Subcommittee on 9/5/13 (confirmed by Subcommittee Chair Helen Charlupski) and recommended to the School Committee for their 9/19/13 vote (and presumably submitted as part of the Town's required response to MSBA [&CHECK] as well as presented as policy at the 9/12/13 public hearing).

In addition, it was stated that an eventual major renovation or replacement at Pierce is planned instead of the Lawrence expansion identified by HMFH. As these decisions have significant cost impacts:

- a. On what basis was the decision made to preclude further expansion at the Lawrence site by building the Modulares?
 - b. It appears that the Pierce School project is not included in the HMFH pricing table. Is this correct, and what would that add to the required capital needed to address incremental expansion?
7. **Devotion/Driscoll.** Some have pointed out that the K-8 incremental expansion route that has been identified requires 3 to 4 principals and their teaching staff to spend the next 1 to 2 years engaged with their parent communities in sorting out plans and designs, followed by 1 to 2 years of on-site construction, likely with occupied buildings (as OLS cannot provide enough temporary space for these simultaneous projects), and schools with significantly greater populations at the end, particularly at Devotion and Driscoll. These could be powerful disrupters of the educational mission and focus, impacting about much of our school operations. Do parents understand the implications for the impacted schools?
- a. Why have the earlier educational concerns over the size of Devotion at 800 +/- not been heard relative to Driscoll, which is proposed to expand by 10 classrooms to reach a similar size?
 - b. What are the educational impacts of what is now proposed to be an even larger Devotion, at over 1,000 students?
 - c. What information has been considered about the impacts of schools of this size relative to other options that might be considered?
8. How many classrooms are available in each of our K-8 schools at the moment?
- a. Are there any legal or other restrictions on the uses of those classrooms (e.g., occupancy limits, mandates for specific grades, etc.)?
 - b. What additional spaces are available for conversion (e.g., by repurposing space, subdividing spaces, or combining spaces) in each of the schools?
 - c. How are the Heath and Runkle expansions being utilized to address capacity needs? To the extent that buffer zones have been changed, what is the effect in practice?

9. How many additional usable classroom spaces are projected to be in existence for the 2014-15 school year and future years, created with funding that has already been approved, with funding in the FY2014 budget, with any reconfigurations or other changes that are planned using “classroom capacity” CIP funding (without override or debt exclusion funds), and with the expanded Devotion?
 - a. Has the School Department or Building Department done any analysis, beyond those done by HMFH, of the potential for renting space or creating additional space in existing schools? Any such analyses should be reviewed.
 - b. Has there been any consideration or analysis of additional methods for meeting space needs, such as district or assignment changes, program changes, assignment of programs to various locations, and so on? Any such analyses should be reviewed.
10. **High School Classrooms.** The classroom assignment/usage schedule for the High School during SY 2012-13 and SY 2013-14 (i.e., the classes meeting in the various classrooms during various days and periods, the size of those classes, and the classrooms that are not utilized during various periods) and any projections for future years should be reviewed. The SY 2012-13 and 2013-14 classroom assignment/usage schedules should be readily available.
11. How many classrooms are available at the High School at the moment? What spaces are available for conversion (e.g., repurposing, subdividing, or combining spaces)? HMFH is looking at the High School as well as the elementary schools, but presumably the School Department or Building Department at least has an existing inventory. Have there been any analyses (other than those done by HMFH and MGT) of classroom needs and the potential for creating additional space at the High School, either through conversions or new construction? Those analyses should be reviewed.
12. Has there been any consideration or analysis of additional methods for meeting space needs, such split sessions, satellite campuses and so on? Any such analyses should be reviewed.
13. The MGT 2009 study identified the High School as having about 1772 students at the time (2008-2009), but with a capacity for 2438. This is very close to the projected maximum number of students in the 2020-22 period (e.g., 620 +/- per year, 4 years = 2480). Yet the current discussions indicate that a major High School expansion is required to accommodate the anticipated 2500 students, either as a second High School or expansion of the existing facility (see HMFH for specifics). What changed the High School’s capacity since 2009? Are other programs at the High School currently (due to excess capacity) to remain there, and if so, what type of programs are they?

14. Many people who grew up in Town say that the High School had close to 2,500 students when they were there and are wondering why, if it was okay for them, it is not okay now (Have renovations, mandated programs or other factors reduced general classroom capacity?).

C. EVALUATION OF LONG-RANGE FINANCIAL PROJECTIONS (INCLUDING FUTURE NEEDS & LIABILITIES, FACTORS DRIVING COST PROJECTIONS, AND REVENUE PROJECTIONS)

1. What strategies can and should the Town employ to stimulate new growth and thereby increase the tax levy limit (in particular for commercial)? What is the conservative estimate of new growth we can anticipate in the next 5-10 years? Should the Town stimulate or suppress (to the extent that it can) new residential growth, given its potential to increase the school population?
2. Collective Bargaining: We are in a new collective bargaining cycle. What is negotiable? It would be helpful to get the key business points of the agreement.
3. How much does each Town employee contribute to his/her pension? Each School employee? Are such contribution amounts governed by state law or collective bargaining? Similar questions for health care and other benefits.
4. In the chart entitled School Expenditure/Revenue Incremental Change FY14-FY19, there is an expenditure called "Collective Bargaining." What costs are included in this item?
5. What are the impact of "steps" and "lanes" in Town and School financial projections, on both a total and an individual basis?
6. How have wage and salary increases, including all factors, compared to the rate of inflation for Town and School employees on an annual, one-year, three-year, five-year and ten-year basis? What is the distribution of increases for individual employees? What is the impact when benefits are included?
7. Health Insurance: There is a premium cost difference of \$4000 per year per employee for a PPO over an HMO. If only 10% of employees are choosing the PPO this represents a cost swing of over \$1 million per year. The major difference between PPO and HMO is the use of in network and out of network doctors. While useful in cases with out-of-state employees or in areas with less robust healthcare systems, a Town/School district with a nearly 100% drive-to-work population located in Eastern Massachusetts may not need to provide this benefit. It may be a vestige of the time when the HMO system was just coming into being and employees may select a PPO even if from a practical standpoint

they would be equally served by an HMO. What are our options for discontinuing the PPO or limiting its use by policy? What do other school/town districts do? Is there opportunity to negotiate this?

8. At some point in Sean's presentation he fully allocated the School budget to the different budget categories and showed a combined School/Town budget by category. I would like to see School expenses which are currently in the Town budget fully allocated to the School budget, with the goal of better understanding the structural deficit. This would include the Town's share of enrollment and Special Education expenses.
9. It is my understanding that the current 6% and 7.5% CIP funding targets are a policy decision. Raising those targets would lessen some of the pressure on capital projects and transfer pressure onto the operating budget, pressure which could potentially be relieved by an operating override to deal with the major drivers of that budget. I would like to see the committee explore this possibility.
10. What is the likelihood that the MWRA assessment will decrease at some point in the future?
11. What does the “worst case scenario” look like for state funding cuts? What kind of a shortfall would the Town need to fill, and how likely are those cuts?
12. I would like to see a plan to address the worst case scenario of no overrides from the School Department. This is needed to fully understand the alternatives facing the committee.
13. We discussed that the long-range financial projections for the Schools do not maintain current service levels. What about the non-School portion of the Town operating projections – are service levels maintained in those projections? If not, what was reduced? What would it cost the Town over the next 5-10 years to maintain current service levels and performance in both the Town and the Schools, and what would the overall deficit be?
14. Fiscal responsibility tools: We should all be proud of the approach our financial stewards take toward the Town finances. However, we should explore financial tools that would enable us to address short term needs while maintaining long term stability -- and provide some guidance for flexibility. Explore debt service, terms, level funding, OPEB reserve, etc.

D. POTENTIAL EFFICIENCIES AND BEST PRACTICES IN TOWN/PSB OPERATIONS, PROGRAMMING AND STAFFING (GENERAL)

1. **Town.** What have been the implications of spending cuts implemented following Efficiency Initiative Committee recommendations? Are there further cuts or efficiencies that were not implemented or not recommended that the OSC should revisit?
2. Questions pertaining to specific elements:
 - a. Can we reduce the annual appropriation and the steepness of the annual increase in contributory pension appropriation? What is the benefit in \$\$ terms? What is the risk/downside?
3. **Schools.** A number of programmatic changes have been mentioned for dealing with enrollment increases and budget pressures (e.g., longer school days, split sessions, charging for full day Kindergarten, elimination or temporary suspension of METCO or materials fee programs, creating a 6th Grade or 8th Grade school, going to a K-6 and 7-12 system, splitting districts into K-4 and 5-8, elimination of the Enrichment and Challenge Support program, elimination of certain music and performing arts programs, additional charges for extracurricular activities, full cost recovery for pre-Kindergarten or Extended Day, slightly larger classes, and so on). Has the Department developed any analyses of the additional revenues, additional costs, potential savings or educational impacts associated with any of these approaches?
4. Are there any other proposals for increasing revenues or reducing costs that have been considered, and has any analysis of any of them been developed?
5. At some point, the Override Study Committee will have to go beyond classroom (i.e., space) needs to personnel and other operating needs. The principals have some flexibility in making personnel assignments, but are there broader policies regarding personnel assignments to various grades and sections in the elementary schools or the High School (e.g., head teachers, paraprofessionals, interns, Special Education personnel, etc.)? Has there been any analysis of personnel assignment policies? What contractual constraints, if any, exist? Copies of the collective bargaining agreements applicable to School personnel should be reviewed.

E. EVALUATION OF THE IMPACTS, INCLUDING OPERATING AND CAPITAL, OF ANY RECOMMENDED EXPANSION OF FACILITIES OR ALTERNATIVES

1. **MSBA, Educational Policy and the Town:**
 - a. It appears that the review of some alternatives in consideration by B-SPACE were cut short by the 8/6/13 MSBA letter warning the Town that any switch in educational

models to something other than K-8 would require the agency to re-visit their commitment to Heath and Runkle, and Devotion as well.

However, it should be noted that if the total incremental K-8 expansion were to cost \$250M, of which MSBA would reimburse 40% or \$100M, the \$150M balance is the Town's share. Any alternative solution with the same \$150M price tag would leave the Town financially in the same position without any MSBA reimbursement. The Committee should consider the potential alternatives.

- b. What is the status of MSBA commitments regarding funding for projects beyond Devotion?
2. The 7/24/13 HMFH Report, among other materials, identifies expansion solutions which are limited to one building on one site. The most discussed was a K-6/7-12 model, calling for a new 7-12 school, and converting the existing K-8 to K-6. This approach also preserves the neighborhood school districts through 6th grade. Yet, this option was not fully investigated for operational issues and costs, nor for educational implications except in overview form (including the Superintendent's 8/12/13 memo to B-SPACE.) That memo states that there are no pressing educational issues to merit a change from the K-8 model. Yet, during the transitional period of 2-4 years and perhaps beyond, there appear to be many (See the Devotion/Driscoll discussion in Part B above).
3. The High School currently is the step child in the incremental K-8 expansion. Little has been said about what the High School expansion should be, in terms of location, program or costs. This is a very important issue to address, as it falls directly from the decision to proceed with the incremental K-8 expansion model.
4. There are two noteworthy corollary aspects to the incremental K-8 expansion program: (i) as the HMFH Report has already noted, the Building Commission cannot oversee that many projects at the same time in house; and (ii) the costs associated with the 7-12 model appear lower than the incremental K-8 expansion.
5. School construction/expansion efficiencies: The B-Space report acknowledges that there are financially efficient models to solve the space problem that were rejected due to widespread community values (7-12 High School) or hyperlocal concerns about one solution or another. It is this committee's responsibility to compare and contrast and possibly rank the studied options in terms of cost and project scope (stand-alone school vs. with an upgrade to an existing school) so that voters can clearly see the cost of their choices in the context of the clear budget pressures.

F. EXAMINATION OF COSTS (OPERATING AND CAPITAL) AND POTENTIAL NON-OVERRIDE REVENUE SOURCES (INCLUDING COSTS, FEASIBILITY, POTENTIAL SAVINGS, AND IMPACTS OF POTENTIAL CHANGES IN PSB NON-MANDATED AREAS)

1. What is the full suite of options to maximize revenue on the School side via fees and how much money would that raise? What are the implications or costs associated with raising that revenue? How do those fees compare with peers?
2. Are there any additional opportunities for state or federal grants on the School side? How much revenue would they generate, and how sustainable are they? What are the requirements, implications and associated costs? (*Note: this might or might not be worth spending a lot of time on – based on what I heard in the meetings it seems like these opportunities have already been exhausted, but perhaps we could just confirm that is the case*)
3. Under the Chapter 70 funding formula is there extra money allocated for districts that might be considered "rapidly growing?"
4. What would it cost over the next 5-10 years to maintain current service levels and ratios in the Schools?
5. For the list of operating cost cutting measures the School Committee considered (including class size), what is the net impact on budget (costs less associated revenue)? What is the potential impact on student and school outcomes, teacher retention, and other measures of quality if they are cut?
6. Are there innovations or best practices should Brookline consider implementing or piloting that could enhance performance at lower cost? (*OSC briefly discussed more technology in the classroom – what specifically might that entail, and are there others?*)
7. Questions pertaining to specific elements:
 - a. What is the true cost/student for METCO and therefore what revenue increase should the Town advocate for that program?
 - b. What is the fully-loaded per teacher cost of staff daycare? Are there other, less expensive ways of providing teachers day care benefits (e.g. contributing to costs of enrollment in off-site daycare of their choice)?
 - c. If all teachers are being trained for ELL, can we ultimately reduce other ELL services without reducing quality (or not)?
8. Changing Kindergarten to half-day

9. Exploration of payment for full-day Kindergarten (apparently done in some communities). I'd like to better understand the thinking behind the issue of tuition for half of the full-day K program. My understanding is that the Foundation formula considers a K child as 1/2 for half-day K and if a district chooses to have full-day K and not charge tuition, the Foundation budget will then consider the child full-day and fund accordingly. If that is correct, why would a district choose to charge tuition as many do if they can get funded though the formula? Can the funds from private tuition payments be used to go above the foundation formula number? There was an explanation that it didn't make sense from a budgetary perspective to charge tuition for Kindergarten, but that needs further explanation.
10. Eliminating/rationalizing METCO and materials fee programs (many related questions on these topics)
11. Do we provide 1099s to Town employees who get to use the Schools at a discount?
12. Evaluation of the efficacy/cost-benefit of the K-6 world language program five years into the program.
13. Sports fees are now up to \$300 per kid per sport, or thousands a year for families with more than one athlete at the HS. Why aren't they capped?
14. Why aren't we charging for "select" and "special" programs like SWS? There is more demand than supply there. Would a fee like the athletic fee (\$900 per year for full participation) be warranted?
15. Increase in cost for BEEP (how does it compare with private daycare cost – a relevant question given that it only serves less than 50% of the eligible population). The pre-K program should be fully costed out. Should it be run at no less than break-even? Related, why do we have a pre-K program run by the Schools and one run by the Parks and Rec Department?
16. Has the School Department done any analyses of the impacts of the various non-mandated programs (including materials fee, non-mandated BEEP, non-mandated Kindergarten, METCO, Extended Day, and adult education): e.g., total or per student costs, personnel requirements, space or capital requirements, reimbursements, and outcomes.
 - a. Have the costs been calculated on an average cost or marginal cost basis, or both?
 - b. What are the costs, personnel, space or capital requirements broken down as between those directly attributable to each program (such as transportation costs, program coordination costs, personnel exclusively or substantially assigned to the program, office or classroom space assigned to the programs or necessary because of the

program, etc.); Special Education or other similar costs allocable to the program based on the students in the program using the services; and other ongoing general costs and resource usages a portion of which are allocable to the program.

17. Does any budget or cost data exist in any greater programmatic detail than provided in the Superintendent's published budget?
18. Have any analyses been done of Special Education costs, either in total or per student, for K-8 and 9-12? This would include personnel costs, space or capital requirements, transportation, any other costs, and reimbursements, including any breakdown by level of support needed? Have various models been analyzed?
19. The School Committee has repeatedly raised with our legislators the question of whether certain Special Education costs should be treated as medical costs, reimbursed by health insurance or other governmental programs such as Medicaid. What is the status of that issue?
20. What effect, if any, will the Affordable Care Act have on potential reimbursement for Special Education expenses?
21. What are the numbers (and percentages) of Special Education students in K-8 and 9-12 among Brookline residents, materials fee, and METCO? Is there any breakdown by the level of support needed?
22. Is it correct that materials fee and METCO students who require out-of-district Special Education placements are the financial responsibility of their home districts?
23. What is the turnover among METCO and materials fee students? How many METCO and materials fee students have left the school system before graduation in each of the last eight years, and what is the grade (K-12) during which they left or the grade after which they left? What is the number of METCO and materials fee students who have entered the school system in each of the last eight years, and what is the grade (K-12) in which they entered?
24. Do the Public Schools of Brookline sign a contract regarding METCO; if so, please provide that contract. What is the METCO reimbursement formula? Are there deadlines for decisions regarding METCO enrollments? It has been asserted that if METCO were limited for new students (for example, if accepting non-Brookline students meant adding classrooms), Brookline would lose all of its METCO reimbursement, including the reimbursement for METCO students who remained in the system. Is that accurate? What is the governing law?
25. Materials fee students. We should understand who really uses this – it is not a benefit that accrues to all Town employees. Should we increase the materials fee? Would we be

at a competitive disadvantage if we increased the fee or didn't offer it at all? What do other towns do? How would possible solutions impact the budget – particularly if changes only impact future growth.

26. Are there any contractual provisions in collective bargaining agreements regarding materials fee students? What is the materials fee reimbursement formula? Are there deadlines for decisions regarding admissions of materials fee students? Please provide the current collective bargaining agreements (teacher and other) for the Schools and the Town? It has been asserted that the Schools can only charge the “materials fee” to materials fee students, that is, that the Schools cannot charge such students their full costs, leaving the Schools with only the choice of charging the “materials fee” or not admitting a student at all. Is that accurate? What is the governing law?
27. It has been asserted that a large percentage of the student population consists of students temporarily moving from abroad because parents are coming to the area for post-doctoral or other types of research positions, being drawn by our area's high concentration of medical and academic institutions. See *Brookline's Changing Households*. Is there some way to tap those institutions to support the costs imposed on the Schools?
28. Robust School Program: We should fully describe the cost of the school system we want to have in Brookline. In recent years there have been cuts or stagnant growth in some areas. If we were to fully fund these programs consistent with community goals for excellence (ECS, arts etc), what would this look like? This should be our baseline. Voters should feel they are paying for something great that will catapult the Town higher in the rankings and/or contribute to raising property values. Is there any additional programmatic funding that should be considered, including projected costs, phase in, and analyses?

G. EXAMINATION OF POTENTIAL NON-OVERRIDE REVENUE SOURCES AND SAVINGS (NON-PSB)

1. What is the full suite of options to maximize revenue on the Town side via fees, fines, local receipts, etc., and how much money would that raise? What are the implications or costs associated with raising that revenue? How do those fees, fines, etc. compare with peers?
2. Are there any additional opportunities for state or federal grants on the Town side? How much revenue would they generate, and how sustainable are they? What are the requirements, implications and associated costs? (*Note: this might or might not be worth spending a lot of time on – based on what I heard in the meetings it seems like these opportunities have already been exhausted, but perhaps we could just confirm that is the case*)

3. Community Preservation Act
 - a. What projects and fractions of projects that are currently on the CIP are eligible for the Community Preservation Act?
 - b. What proposed school expansion projects not currently on the CIP would be fundable or partially fundable through the CPA?
 - c. What are reasonable projections for the CPA match? Jay Gonzalez (Mass. A&F) might be willing to talk to us about this.
4. Is it feasible and legal to charge taxi medallion owners an annual fee?
5. Registration fees for bicycles in Brookline
6. Trying to get revenue from Zipcars located in Brookline
7. Increased fees for valet parking spots that the Town gives to businesses
8. Residential exemption: Is a change in this policy part of the answer? How might it change and what would it net? (note: elimination or reduction would result in a redistribution of taxes but not additional revenue; see issues in Section H below regarding tax distribution).
9. Evaluation of the assessments on the commercial properties in Brookline to determine whether they reflect market conditions (track assessments to actual sales and/or financing placed on properties)
10. Should financing trigger revaluation? Do sales trigger revaluation?
11. Evaluation of the investment policies of the pension plans to determine if Brookline is achieving adequate returns for the fees it is paying.
12. Increases in parking fees.
13. Increases in refuse fees.
14. Other Town Programs: How are senior center and teen center funded? How should they be funded? How is the affordable housing trust used? Services to all Brookline residents should be considered.

H. COMPARABILITY TO OTHER TOWNS OF TOWN AND PSB PROGRAMS, EXPENDITURES, AND REVENUES

1. Need for and identification of possible third-party consultants regarding comparability (benchmarking) and best practices.

2. How does Brookline's operating spending and performance compare to LEAs (local education agencies) with similar demographic profiles? How does it compare to LEAs whose performance we aspire to match?
3. Based on numbers gleaned from the Mass DOE website, questions arise regarding FY12 actual and per-pupil School expenditures. It may be that different districts characterize their expenditures differently, but assuming for the moment that the categories are defined similarly, there are some interesting results that seem, at a minimum, to raise some important questions.
4. Comparing Brookline with Newton, Newton's total enrollment is 1.75 times Brookline's, but their expenditures for Administration and for Operations & Maintenance are only 1.21 and 1.43 respectively times Brookline's. (We spend \$5.27 M and \$9.57 M respectively.) On a per-pupil basis, Brookline spends 45% more for Admin and 23% more for O&M as Newton. (Surprisingly, we only spend 88% of what Newton spends for Guidance & Psychological Support, even though one would guess that we have a greater proportion of at-risk students.) If we could reduce our per-pupil Admin and O&R expenses to Newton's level, we would save approximately \$3.4 M, enough for 26 new elementary classroom teachers plus additional support staff w/o need for an operating override.
5. Examining a few more comparison communities, on a per-pupil basis, our Admin and O&R expenditures are 35% and 31% higher than Lexington's; 28% and 21% higher than Needham's; and 98% and 54% higher than Wellesley's. These numbers may not be directly comparable due to differing definitions, and discrepancies might be justified due to needs that vary from district to district. Still, the numbers raise questions that should be addressed as part of the override study.
 - a. To see the raw data. go to <http://www.doe.mass.edu/finance/statistics/ppx12.html>, click on "FY12 expenditures per pupil" (near the top) to download the entire spreadsheet, and then choose "show summary listing for all districts" to get to the sheet from which the data was culled.
 - b. School Response as of 9/29: "You hit the nail on the head at the beginning of your document when you said 'Assuming the categories listed in the DOE data are interpreted in the same manner in each of the districts compared below, making for an apples-to-apples comparison,...' Peter [Rowe] and I have talked about his many times, and unfortunately as I understand it DESE does not give specific guidance to districts with regard to expense categories. I suspect that our Override Study Committee will commission an outside comparative examination of our School Department expenditures. Such an independent examination by a properly

experienced organization will be important. We look forward to the results which will be helpful to the schools and our community.”

6. In the 2008 Override Study Report that there was a comparison between Brookline and other Boston area school districts. Attached (Exhibit C – sorry, it will have to be rotated) is the top 50 list from this month's Boston magazine where Brookline is listed as #19. We (or a subset of us) could utilize the data points / information at some point in the near future.

I. REVIEW OF TOWN BONDING CAPACITY

1. What is the likelihood that the Town bond rating could be downgraded solely due to a significant increase in the Town's outstanding debt even if all current fiscal policies remain in place and the debt service were supported by revenues (as they may be increased as a result of a debt exclusion)?
2. If the Town / School capital needs aren't fully financed, which of the smaller pay-as-you-go projects will be delayed to pay for the big ones, and what are the potential long-term implications? (*the list is long – I'd like to see it prioritized and evaluated*)
3. Are there ways to implement the B-SPACE recommendations fully (retention of K-8 neighborhood schools and expansion in place), but at lower costs and/or lower impact to the school communities affected by it?
4. How much additional leverage could the Town assume without jeopardizing its credit rating? How much more leverage can the Town take on if it were willing to take a 1-2 notch downgrade? What would be the implications of a downgrade on borrowing costs, contracting ability, etc.?
5. Against which assets or new projects should the Town raise debt? Does leveraging certain assets provide additional economic benefits (like increasing the cost of providing services against which the Town can collect revenue)?
6. Which debt structures (duration, payment schedule, etc.) currently have the best economics? What are the associated risks? (*relevant to the question raised last week about the arbitrage opportunity for long-term debt capital*)

J. EXAMINATION OF TOWN/TAXPAYER CAPACITY FOR AN INCREASED TAX BURDEN (INCLUDING RELATED TAX IMPACT ISSUES THAT HAVE BEEN RAISED)

1. What is the relationship/correlation between school quality, School-related tax increases, and property values (in general what does the research say, and what does this relationship look like for Brookline peers)?

2. What would the individual property owner's tax rate increase be at various values and types of property (\$200K condo vs. \$1M home, etc.), and at various levels of total override amounts?
3. What is the full list and value of tax exemptions and deferrals (are there others beside the residential exemption mentioned during the budget overview)? *(to understand how the tax burden gets distributed)*
4. Is it legal to tax single family homes and condominiums differently?
5. Is it legal to have a graduated property tax rate within the same property category (for example, on a \$1 million dollar property, could the first \$500K in value be taxed at a lower rate than the second \$500K in value)?
6. Based on the tax discussion on September 25, we should look at this issue differently than "averages" because averages are very misleading, particularly given the homeowner exemption. Would like to see and understand (might be difficult to get) ...
 - a. Break-down taxes by property-type...single-family, condo, 2-4 homes to see the absolute and average tax paid by asset class
 - b. Would also like to see the total tax paid by each class per resident
 - c. Further break-down within each category, taxes paid by those above and below the exemption 'break-even' point
 - d. Correlate school use to taxes paid by seeing where students actually live
 - e. Are we inducing demand here by having overly generous subsidies?
 - f. Would like to understand how the tax exemption impacts the market value of properties that qualify for it and the trade-off on "affordability."
7. Would like to understand how many families in Town bear the burden of subsidizing everyone else
 - a. At a break-even value of about \$1.25 million and median values of \$1.07 for SF and condo of \$0.425 it is likely a fairly small number of homeowners, many of whom may not even use the school system.
 - b. What is the effective rate for those households?
 - c. How does that compare to other municipalities (rate and dollars on comparably assessed values)?

8. The policy questions and issues are: that Brookline seems to have a property tax system that is very high for some and extremely low to non-existent for many. Are those subsidies really fair when you are talking about homes that are valued above say, \$500,000 or \$750,000? And do those subsidies merely translate into a wealth creation mechanism for certain owners who then do not have to pay for their fair share of Town services? It also strikes me that zoning policies designed to minimize size (anti-McMansions) work against the Town as those assets (currently) bear the majority of the brunt of the tax burden at least as applied to owner-occupied residences.
9. The following information background information might be available from the Assessor's Office or elsewhere:
 - a. Inventory of residential units by property type (single family, 2-4 family, condominium, rental (multi-family) and "other") at the end of each year, 2000 through 2012
 - b. Reconciliation of changes to inventory sub-categories by year (new development, conversions, demolitions, etc.)
 - c. Vacancy rates by property type per year
 - d. Average rental rates by apartment size per year
 - e. Any comparable data for any property that traded more than once during the period 2000-2012 and the value of any additions or renovations done to such properties during the time period.
 - f. Gross sale price of properties (residential and commercial) compared to assessed values over the time period (trend to see actual market pricing to assessed values)
10. Financing levels relative to assessed values (loans generally have LTV (loan-to-value) requirements; if there is chronic undervaluation of properties it will show as chronically high loan to assessed value). If we do not capture financing as liens are recorded, we should begin to do so.

EXHIBIT A: 2012-13 BROOKLINE KINDERGARTEN STUDENTS AT 22 PER CLASS

Number	Districts	#Students	Baker	Devo	Driscoll	Heath	Lawrence	Lincoln	Pierce	Runkle	TOTAL
1	B/H	12	12								12
2	R/H	4				1				3	4
3	Dr/R	25			19					6	25
4	Dr/De	6		6							6
5	De/P/Dr	2							2		2
6	De/La	59		45			14				59
7	P/La										0
8	P/La	41					41				41
9	P/Li	17						11	6		17
10	Li/P/R	8						5	3		8
11	Li/P	3							3		3
12	B/H/Li/R	15	7			3		5			15
13	H/Li	3				2		1			3
14	P/Dr	4							4		4
15	R/Li	0									0
21	B	69	69								69
22	De	59		59							59
23	Dr	47			47						47
24	H	60				60					60
25	La	33					33				33
26	Li	44						44			44
27	P	67							67		67
28	R	35								35	35
	Total	613	88	110	66	66	88	66	85	44	613
	÷22	27.86364	4	5	3	3	4	3	3.863636	2	27.86364
	ACTUAL 2012-13		5	6	3	3	4	4	4	3	32

Notes:

1. Buffer Numbers Match BPS Buffer Zones Effective 7/1/2012 - Buffer 7 and 8 (both P/La) are both coded as 8
2. District Numbers Start at 21, in alphabetical order
3. Brookline Students from IP Printout 7/19/13
4. No redistricting -- no deviation from existing district and buffer zones -- 28 classrooms required vs. 32 actually used
5. METCO & Materials Fee (total 43) require increasing average class size to 23.4, or equivalent to 2 additional classrooms of 22

EXHIBIT B: 2012-13 BROOKLINE KINDERGARTEN STUDENTS AT 24 PER CLASS

Number	Districts	#Students	Baker	Devo	Driscoll	Heath	Lawrence	Lincoln	Pierce	Runkle	TOTAL
1	B/H	12	12								12
2	R/H	4				1				3	4
3	Dr/R	25			18					7	25
4	Dr/De	6		0	6						6
5	De/P/Dr	2			1				1		2
6	De/La	59		37			22				59
7	P/La										0
8	P/La	41					41				41
9	P/Li	17						17	0		17
10	Li/P/R	8						5	0	3	8
11	Li/P	3						3	0		3
12	B/H/Li/R	15	15			0		0			15
13	H/Li	3				2		1			3
14	P/Dr	4							4		4
15	R/Li	0									0
21	B	69	69								69
22	De	59		59							59
23	Dr	47			47						47
24	H	60				60					60
25	La	33					33				33
26	Li	44						44			44
27	P	67							67		67
28	R	35								35	35
	Total	613	96	96	72	63	96	70	72	48	613
	ROOMS ÷24	25.54167	4	4	3	2.625	4	2.916667	3	2	25.54167
	ACTUAL 2012-13		5	6	3	3	4	4	4	3	32

Notes:

1. Buffer Numbers Match BPS Buffer Zones Effective 7/1/2012 - Buffer 7 and 8 (both P/La) are both coded as 8
2. District Numbers Start at 21, in alphabetical order
3. Brookline Students from IP Printout 7/19/13
4. No redistricting -- no deviation from existing district and buffer zones -- 26 classrooms required vs. 32 actually used
5. METCO & Materials Fee (total 43) require increasing average class size to 25.2, or equivalent to 2 additional classrooms of 24