



Dr. Michael Lechlitter, Superintendent

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**Vermont Joint Education Hearing
Testimony on school district budgets as it relates to Act 127
January 25, 2024**

*Presented by
Kristen Rodgers
Board Chair
Harwood Unified Union School Board*

Chairwoman Kornheiser and distinguished representatives and senators,

My name is Kristen Rodgers. I serve as the chair of the Harwood Unified Union School District School Board. Accompanying me is our district superintendent, Dr. Mike Lechlitter.

Thank you for inviting us to speak before you today on the current impact of Act 127 on our students, schools, and communities.

The majority of school budgets are made up of wages and benefits; in HUUSD's case that is about 71% of our school budget. When you add in our fixed costs which accounts for another 20% it leaves only about 10% of our budget for which we have some discretion without laying off personnel.

Additionally, our school district does not carry a fund balance, but has routinely transferred a little over \$1 million to capital reserve. We are indicating that in a transparent manner in our budget. Keep in mind that capital improvement has not been supported by the state since 2007. With well over \$10 million in immediate facility needs, our capital reserve fund contains less than \$3 million.

Our district has followed the rules set out by Act 127 and our cost per pupil is above the 5% increase while not exceeding the 10% threshold which would require our budget to be automatically reviewed.

What the school board has proposed to our community is a level service budget which is what the board feels is the right thing for the students of our district. When I say level service I mean we are not increasing personnel or programs. However, it is really not a level services budget as we are in fact working with our administration to phase out 14 positions through attrition as our district made use of ESSER funds to provide for the educational and mental health challenges faced by our children during the COVID-19 pandemic. We have not added more educational opportunities to our budget or new teaching positions.

We are seeing double digit increases in statewide health insurance, contractual wage increases necessary to attract and maintain teachers and support staff, increasing costs of federally mandated special education services, a new child care tax, increases in transportation costs, as well as increasing costs associated with the ongoing mental and physical health of our students. This is where our budget has increased in spite of a level services approach.

As leaders, we are concerned with changing the rules as our budgets go out to the public as suggested in the letter last week from two of the legislative committee chairs. In the letter it is stated that “you hope more extreme measures are not needed this year.” While I understand that the legislature has questions about the implementation of Act 127, many board members were concerned with the adversarial tone of the letter. Does this mean that districts will be penalized or “punished” for following the rules as defined in the legislation? If there are unintended consequences, this is due to vague legislative language and not the hard work of school boards and superintendents across Vermont

As a district that is losing funds as a result of Act 127, our board understands what Act 127 is trying to accomplish. Unfortunately in order to comply with the revised rules many districts would need to take drastic measures by cutting a significant number of staff and programs to lower costs in the first year of implementation. The individuals who would feel the most pain of this is our students.

It is already difficult to hire people and Vermonters are already struggling with income loss, poverty, and mental health needs. With the new stress of higher educational taxes and compromised programs, we are concerned that the unintended consequences of rash programmatic reductions will result in the loss of students further impacting our per pupil costs. Students thrive when they have a vibrant school. Now is not the time that we should be making draconian program and educational cuts. This will certainly put our students and communities at a disadvantage.

To change the rules at the eleventh hour when many districts have already voted on their budget is ethically wrong and quite honestly would put districts in unprecedented hardships.

Thank you for your consideration.

Presented by
Michael G. Lechliter, Ed.D.
Superintendent of Schools
Harwood Unified Union School District

Good afternoon. My name is Mike Lechliter. I began my tenure as Superintendent of the Harwood Unified Union School District (HUUSD) last year. While I am in my second year as a school superintendent in Vermont, I have 33 years of experience as a teacher and administrator in urban, suburban, and rural settings including 13 years as a school superintendent in an out-of-state school district of 5400 students.

Our board chair has provided a thorough overview of the experience of developing a very challenging budget this year. I have a few additional items to share.

As a district that has historically had a higher cost per student as compared to other districts in Vermont, our board and administrators understand that many of the transitional elements of Act 127 were implemented to levelize per pupil funding across the state and to also assist school systems like Harwood in the process of reducing spending.

As a reminder, the only significant way to reduce spending for schools is to reduce personnel. We are a people business. Hiring teachers and support staff is not easy, especially in a school district that has communities with homes that are in high demand as vacation properties due to the presence of two excellent ski resorts.

I would like to give you just one example of our challenge. After advertising for two teacher positions in Mad River Valley schools and receiving very few applications due to the national teacher shortage, we extended an offer in early April to two exceptional out-of-state teachers who are married. After spending four months searching unsuccessfully for housing, that couple informed me in July that they were not able to move to Vermont due to the low inventory of available homes as well as the high cost of what few properties were on the market, many of which eventually sell as cash transactions.

Both school principals and I had to scramble to temporarily fill both classrooms in the late summer. One is staffed this year by a reading intervention teacher. The other is staffed by an educator who originally intended to retire from education. As a district and as a state, we cannot afford to take draconian measures that involve laying off staff. A slow and steady transition is absolutely necessary.

In closing, Act 127 and the complexities of Vermont school funding are incredibly challenging to understand as an experienced superintendent, let alone to most members of our community who are not immersed in the details. School district boards and superintendents are working very hard to contain costs while providing good education during the most challenging period that public schools have faced during my 33-year career. Any public narrative to the contrary will make an already difficult job even more challenging.

Thank you for your consideration.