

House Education Committee Testimony

To: The Vermont House Education Committee
Testimony on Act 46, and the AGP
January 6, 2016

From Bruce Labs, Superintendent of Schools, Orange Windsor Supervisory Union,

I want to speak to you today as a practicing superintendent in a Supervisory Union in Central Vermont that has been working on changing, even before Act 46 was passed last spring. On July 1st the two Supervisory Unions of Orange Windsor, and our neighbor Windsor Northwest will officially come together into a new entity called the White River Valley Supervisory Union. On this date we will consist of the towns of Bethel, Chelsea, Hancock, Granville, Rochester, Royalton, Sharon, Stockbridge, Strafford and Tunbridge. We will have ten towns, 11 budgets, eight schools, all kinds of grade configurations, and two non operating towns and, oh by the way, 41 school board members. This is the central part of the state, what I call, Real Vermont. It is populated with hard working Vermonters who care deeply about their schools and especially the kids in them. We don't have a lot of money and we don't get a lot of tourist or shoppers. However, we do grow our fair share of law students. It is not a wealthy part of the state and it is a place where people are thrifty and thoughtful with the precious resources they have.

I want you to understand that nothing comes quickly or easily in our region. This merger that we are currently involved in was approved last January and has been talked about for probably ten years. We, on the Orange Windsor SU side, have just finished negotiations on a new teacher contract that took two and a half years to negotiate and have five of the Orange Windsor districts merged in to one agreement. I personally sat in on only one year of that process

and let me tell you how exhaustive a process that was for all of us. So let me make some points to you about the current state of the Allowable Growth Provision and Act 46 as it applies to the districts that I currently represent.

The impact on my districts of Act 46 – I would sum this up by saying that we have done a pretty good job of having our board members understand what it is and why it was created. We are currently in the process of informing our public about it because we don't want to do this on Town Meeting Day. We want the voters to understand the law before we get to the meeting. I would tell you that, we get why this law was created. In our two SUs we have already realized a savings of \$540,000.00 by down sizing personal and bulk buying, combining transportation, and realizing special education savings. We expect there will be more. The SU's combined budget is down about 7% this year.

Allowable Growth- I wonder if you understand that we have no possible way of dealing with health insurance and multi-year negotiated agreements i.e. teachers contracts with this imposed cap. This is a huge part of our budgets that we cannot manipulate once these multi-year contracts are approved. There is little else that we can fit in our budgets besides expensive benefit and pay increase. As I told you earlier, it took two and a half years to settle our teacher contract. We could not make the cuts to the program that allowable growth was supposed to act on and still fulfill the teacher's multi-year contract agreement. Allowable growth caused Chelsea and Strafford to cut large sums in order stay under the caps. Chelsea had to cut over \$90,000.00 to stay under the cap and Strafford had to take \$97,000.00 from a tuition reserve, which depleted the funds. I don't know what they will do next year. These are not wealthy districts and they are not towns that are wasteful in what they spend on education. In Royalton and Sharon the board had to be very thoughtful of how the budget. They had to put off some of the quality

improvements that they wanted to do in order to stay under the cap. In Tunbridge they were fine this year only because they found some savings. I am sure next years budget preparation will be a different story in Tunbridge.

I want to ask you to please consider giving some relief to us on the Allowable Growth Provision considering that we need time to plan for its impact because it competes with costs we can't control i.e. salaries and health insurance. This relief can't come quickly enough. My boards approved two budgets last night and one will be approved tonight. We will do two more next week. Budgets are being posted and warnings are being signed now. None of my five districts are Australian ballot districts so if some relief was approved we could act from the floor to restore some money. In the future if you want impose a cap please consider a phase in because of multi year teacher's agreement and health insurance changes.

I want to thank you for listening to me today. I hope you will consider some relief from the allowable growth provision. Some effort is necessary for our students to enjoy quality programing for this next year. I hope you will do this for them.

Oh, one more thing. Has anyone seen our extended preschool grant funds? They were approved and promised last June and we have had to foot the bill for the costs of preschool for the last six months without this money. Could someone find out where that money is get it to us please? I am glad for the preschool mandate, but it is hard to budget for it without help.