



St. Johnsbury School District
161 Western Avenue, Suite 2, St. Johnsbury, VT 05819
Dr. Brian G. Ricca, Superintendent



Jodie Elliott, Director of Learning Design
Kara Lufkin, Director of Student Support Services

Sharma Gencarelle, Director of Early Education
Jody Oliver, Director of Finance

March 5, 2021

Senator Brian Champion, Chair
Senator Cheryl Hooker, Vice Chair
Senator Andrew Perchlik
Senator Virginia "Ginny" Lyons
Senator Thomas Chittenden
Senator Joshua Terenzini
Senator Joe Benning
Senator Jane Kitchel

Dear Senators,

Thank you for your public service in the State of Vermont.

H.81 is a bill addressing statewide bargaining for public school employees' health care benefits that is currently being considered by the Senate.

H.81 as passed by the House eliminates the requirement that premium responsibility percentages and out-of-pocket expenses for each plan tier must be the same for all participating employees. The Joint Fiscal Office estimated the cost of only the premium responsibility change in this memo (likely understated because it relies on 2019 data). In order to understand the full financial impacts of the changes proposed in H.81, the Committee should require a formal fiscal note based on the most recent data.

The fiscal impacts of the above major change were not considered by the Senate last year and must be counterbalanced with language requiring statewide bargaining to balance appropriate access to health care benefits with reasonable cost containment to ensure the financial sustainability of the plan.

In the budget we are preparing for FY22, \$1,061,376.00 is dedicated to health care. This represents 4.5% of our total budget and that number has been climbing by approximately .5% in the past three years.

- In the proposed FY22 budget, health care represents 13% of the overall increase.
- Finally, the cost of healthcare is approximately 58% of the compensation for our teachers and our support staff. 58% represents an average of the two employee groups.

None of these numbers are sustainable.

Every child who walks through our doors will leave prepared to realize their dreams for the future.

Please amend Section 6 of H.81 by adding the following language to 16 V.S.A. Section 2015(b)(3)(B) (new language is in bold):

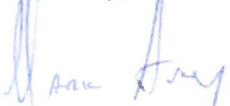
*In reaching a decision, the arbitrator or arbitrators shall **determine which of the two submissions most appropriately balances appropriate access to health care benefits and reasonable cost containment to ensure the financial sustainability of the plan.** The arbitrator or arbitrators shall also give weight to the evidence, documents, written material and arguments presented, as well as the following factors:*

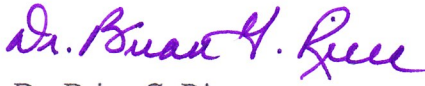
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*(vi) **the actuarial value of the health benefits for the full term of the award proposed by each party as compared to health plans available through Vermont Health Connect; and***
*(vii) **the percentage increase or decrease in education spending that is likely to occur under either party's proposal for the full term of the award as compared to overall economic growth for the State of Vermont.***

Please enter this letter into the written testimony of the Senate Education Committee and post it on the Committee's website.

Gratefully,


Mark Avery, Chair
Board of School Directors


Dr. Brian G. Ricca
Superintendent of Schools

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