

BOARD REPORT FROM SUPERINTENDENT NEASE TO THE HUUSD BOARD 1-4-17

Hello and Happy New Year!

As the New Year and second semester begin, I am reminded of how difficult and time consuming our work is together, but also how rewarding and gratifying because 1700+ students in grades PreK-12 are counting on us to get it right. We have merged and change is hard. Struggles and differences of opinion are to be expected along the way. I sincerely hope that we can have all the conversations needed in a way that debates the facts, defines the differences of opinions that we have, and moves us forward in our decision making process, without assigning motives and intentions to others ideas, beliefs and positions. The only way out is through, together as a team.

Over the holiday break, the Fayston Board met on 12/20 and then held an additional special meeting, wrote and sent a letter out to the HUUSD Board and wider community. My report here is a response to those meetings and publications. This report is meant to share with board members more detailed information, further clarify statements that I have made at board meetings or in reports, and to state the facts about and direction of our budget work as I understand it to be. Michelle and I are responsible for bringing the HUUSD Board all the information, data and best thinking from all six towns as you grapple with many tough decisions to be made.

From the perspective and understanding of your Superintendent, I respectfully ask you to consider the following:

We collaboratively developed a budget process together as administration and the HUUSD Board to create our first unified budget together at board meetings. All seven local budgets were shared from this fiscal year. HUUSD Board members, for the first time, became familiar with differences and inequities in our seven schools. Next, lists of asks/needs by each building, only some of which would require funding beyond this current fiscal year's dollar amount, were shared and discussed. The task was difficult. Much discussion and learning occurred. Michelle and I, after receiving more input from our principals, came back to the board with a synthesized, integrated version of those asks, settling most of the decision points, including an equitable, sustainable plan for both technology and maintenance. The HUUSD Board, including the Fayston reps, gave us accolades for this work. Michelle was charged with making these changes and continuing forward in the budget development process, using those figures, which of course differed from last year's individual budgets.

Next, we began looking at enrollment and staffing building by building. Michelle and I have studied the WWSU enrollment trends for 8 years together now. Every local board each year, while facing declining enrollment, studied staffing and contemplated or made cuts. My role as your Superintendent is to make recommendations. I did that and I will continue to, as that is my job. However, my recommendations will always be made while comparing and contrasting the data for all six town's taxpayers and all 7 school's needs, not by any one school in isolation. Ultimately, the board will decide after considering all the information. Final decisions have not been made.

The conversation at the Fayston board meeting and the letter do not simply disagree with my recommendations or take a counter position based on data. Both say that I am not holding up my promises to taxpayers and unfairly characterize my albeit undesirable recommendation as ineffectual and contrary

to the interest of students, a betrayal, questioning my motivation, all while proposing increases, as if somehow my work is irresponsible. At the meeting it is said "numbers are distorted to make us look like we are a problem and we are not". Our HUUSD Board is referred to as "knowing next to nothing" and our negotiations committee is called ridiculous in front of and with participation by a teacher who lives in Fayston but works in Waitsfield and is on the negotiating committee.

We are using almost the identical process in developing this HUUSD Budget as we have at each local board table all these years. I presented enrollment data and made recommendations based on standards and policies. Whatever increases have been suggested will be deliberated and decided upon by the HUUSD Board. Any increase I have recommended is based on my data and factual understanding of student need, like the new science curriculum. To characterize recommended increases, all of which came from our building principals/admin team, as not directly supporting the education of our students is simply untrue. Which ones fit this description and why? These recommended increases should not be related to staff reduction recommendations in that way. If we make a decision to reduce staff, it doesn't mean we agree to not spend any additional money elsewhere, such as to improve science instruction.

For the record, I have never characterized our schools as "excessively over staffed". I have already stated above what data points I used and the state comparisons that I shared in making recommendations. I have never "suggested repeatedly that the FES budget should offend board members from other communities and that teacher cuts should be made immediately".

I stand by my recommendations regarding three reductions because:

1). The on staff sub position is something I inherited eight years ago. None of the other SU schools, even the large ones, have an on staff everyday full time sub. Fayston could make it work because they were willing to pay for the position in the general fund of their budget, which did not affect anyone else's tax rate. Because the position was not a union position, and because FES has a clause not starting any benefits until an employee has worked at FES for two years, and because the position has usually changed over before becoming eligible to receive health and dental benefits, the FES board continued to find it affordable. The circumstances are different now. If this position remains, as soon as we have a ratified agreement this position will be eligible for benefits on top of a specified hourly rate moving the cost from approximately 21K to 41K. I do feel in addition to the cost, that this is an equity piece among the schools. I know of no other school in Vermont with an on-staff sub. I believe students at Fayston will be just fine using well established substitute teachers just like all our other schools and schools throughout the state.

2). I do believe that the first and second grades at FES can be combined for a class of 19 next year. We have many classes of 18-21 within all our schools, not just Waterbury/Duxbury. This recommendation is based on the Articles of Agreement promised voters, VT State Standards, and our very own policy on class size. According to the 12/6 data provided by Jean, only 7 1st graders are projected next year. This recommendation for a class of 19 is the same decision and same class size in the same grade level that the FES Board approved in its FY 2016 budget in order to bring a fiscally responsible budget to its local taxpayers. Why is my same recommendation so untenable now that we have a larger tax base? Classes of 19 have always existed in the Valley Schools. I also have participated in many conversations about concerns and difficulties with too small classes of 8 or 9, especially in Fayston, and how difficult parents find that to be. As I have said, if more students move in, another teacher can and will be hired.

3). I also continue to recommend a reduction of 1 grades 5/6 teacher in Warren; instead of three classes of 13 there would be two of 19 and 20. This is in total alignment with all other schools and Warren's long standing history. Again, this recommendation is also being made based on the HUUSD Articles of Agreement, the Study Committee Report, VT State Standards, and our Class Size Policy.

A read of both the HUUSD Articles of Agreement voted on by voters and the final report of the Study Committee will show that at no time were the voters ever promised that in year one of our merger nothing would change; that we agreed to bring forward the exact same budget, with the same staffing and other expenditures. In fact, it clearly states that we would immediately work to find savings, efficiencies, and work on student/teacher ratios. We actually promised taxpayers that we would find savings wherever we could and use those dollars wisely to add and improve programming for students while bringing more equity to all schools and improving student teacher ratios. If the HUUSD Board feels that other factors should make these determinations then don't accept my recommendations and let Michelle and I know the basis upon which you feel our recommendations should be made.

We needed to get started, to find a starting place. We agreed to have Michelle cost out a level services budget (transpose this year's budget and situation into next year's costs) rather than focusing on a dollar amount, such as a level funded money number or a percentage. We never agreed that budget changes would not occur or that our final budget would be level services. We made different decisions along the way, such as in maintenance and technology, and we will continue to do so until we have a final budget.

The Fayston Board misrepresented the information and decision made by the HUUSD Board regarding the Granville/Hancock bus. It was stated at the meeting that this decision was rushed, and that it was thought only 2 students thus far would be riding the bus which was going to cost 57K. A teacher was present and participating and shared that it sounded like a salary to her. I regret that she was misled. Please see the thorough report that I made to you in November. All existing tuition students were surveyed to determine ridership to then determine feasibility along with funding and state reimbursement. The HUUSD Board unanimously supported the bus, felt it was cost effective, and hoped that it would bring more students to SU schools, a desire strongly shared by the Fayston board. This is a new expenditure and would not be allowed based on the Fayston Boards definition of a level service budget.

I have included this data again from one of my previous reports. Also, all the Hancock and Granville parents were contacted by their SU about the bus and the possibility of sending their students to any of our schools. To date at the time of this writing, two additional students have been confirmed, both attending preK and K in Warren next year.

Granville Busing Request:

We have heard from parents from Granville and Hancock at a Warren Board meeting requesting that we send a bus route to Granville and Hancock for the students we receive on tuition. I agreed to do some preliminary cost projections. The HUUSD Board will need to decide whether to include this bus in the FY 18 budget. Michelle can prepare a full spreadsheet if you want to consider this in more detail. My numbers are rounded for the sake of easy analysis. Consider the following:

We have 21 students attending our schools from Granville/Hancock; Pre K = 3; Tuition is \$9276; K-6 = 15; Tuition is \$187,500; and 7-12 = 3; Tuition is \$48,000. Total Tuition in is \$244,776 for 21 students.

These students attend now without you incurring any additional cost. We surveyed all these families. Fifteen indicated they would definitely ride the bus, with 3 maybe. Would a bus bring in more students on tuition?

The annual cost of a bus route would be approximately \$57,000. Transportation Aid is 43% and would start to be received after 2 years. So, without aid for the first 2 years the cost would be approximately \$2741/student tuitioned to HUUSD. After the aid is received, the cost would be approximately \$1562/student. If more students tuitioned in and rode the bus, the cost per student would go down. In essence, a bus route will cost you about 3 tuitions.

I have not done any research to find out if it would be legal for you to charge a fee paid directly by the parents to offset the amount of debt you would incur not covered by transportation aid.

Transportation is not required to be provided. Many SU's provide transportation to other locations outside of their boundaries to attract tuition students. If you chose to provide transportation and it later became cost prohibitive, you could stop providing it.

I regret that our team is here. I regret that I need to follow up on statements made in a way that is uncomfortable for all of us. Discourse that feels attacking, offensive and assigns motives will tear apart this otherwise strong team. Disagreeing and taking counter positions can and will happen, and needs to do so respectfully and with the understanding that we are all working hard and doing the very best we can. We all care deeply about all of our schools. At the same time we are acutely aware of our challenges. It will be a long road and a "tough bridge to cross" to get to the other side and to realize the goals set by the study committee and Articles of Agreement. This work is messy in uncharted territory and not for the weak for sure.

A Superintendent of Schools and the CFO take direction from the board as a whole. If we have miss-stepped during this initial unified budget development process tell us that. Define the direction you want us to take. Develop a budget template with the steps clearly defined that will work for you as we develop and present first run budgets for next year. I am sure we can all agree that the topic of staffing and possible staff reduction will be very difficult to have every year. If the board as a whole has problems with this year's recommendations being made, then I strongly suggest getting right to work on revising our existing state required policy on class sizes.

So, now we all must take a step back and breathe. It appears that our well running train has jumped the track. There is no doubt that it will take us all to get it back on course. It is going to take compromise. There will be perceived gains and losses, differences of opinions and really tough decisions. We are all in this together and can't get to the other side if we "fight" professionally, engage in turf wars, cherry pick our gifts and successes without acknowledging are challenges, long for the status quo, and do not return to the agreements we made and the understanding we had during the study committee that there will be necessary tradeoffs along the way.

I feel so pleased to be working with all of you. We are a terrific team capable of so very much. It's all on us; Pre K-12, 6 communities and seven campuses. I have been with you eight years now and my motivation remains the same; striving for the very best for all students from Waterbury to Warren by making our already great schools even greater and more relevant, while being fiscally responsible to the

taxpayers in all 6 towns. I know that we will disagree from time to time, especially through this transition, but I hope you know me well by now and do not doubt my motivation to succeed for all these kids regardless of how tough the going gets. I sincerely look forward to seeing you all tonight and working through this. All feedback on this report, my thoughts and positions are welcome. Please do not hesitate to give me a call if you would like to chat.

Respectfully.

Brigid