

# Minutes for the Tuesday, September 13, 2016 South Hero Act 46 PreK-8 Exploratory Sub-Committee Meeting at Folsom Education & Community Center

**Called to Order**

- Meeting called to order at 6:04pm by Melanie Henderson, Sub-Committee Chair

**In attendance**

Melanie Henderson, Jen Lyon, Bentley Vaughan, Board members; Melissa Hood, Tim Maxham, Kari Banas, Kris Bowser, Peter Bowser, Beth Curtis, Farryl Bertmann, Peter Seigfried

## Sub-Committee Discussion:

**Review Volunteers' Reports on Other Vermont Mergers**

Four people volunteered to research proposed mergers in other Vermont school districts. (Thank you to all volunteers!!) Melanie Henderson summarized their findings:

Kari Banas investigated the failed Orleans Central merger:

Region	Towns	Current	Proposed	Outcome	
Orleans Central	Orleans ID	Operates PreK-8	Operates PreK-8	Lake Region High (Operates 9-12)	Failed
	Irasburg	Operates PreK-8			
	Barton	Operates PreK-8			
	Brownington	Operates PreK-8			Interest in South Hero?
	Albany	Operates PreK-8			
	Glover	Operates PreK-8			
	Westmore	Tuitions PreK-8 (No restrictions)	Tuitions PreK-8 (Schools in merger only)	No	

- Arguments in favor:
  - Reduced beauracracy
  - Equal opportunities
  - Raise standards for all
- Arguments against:
  - Inheriting other towns' debt
  - Loss of local control and property value
  - Already taking advantage of group bargaining and bulk purchasing

Beth Curtis investigated the proposed Barre merger:

Region	Towns	Current	Proposed	Voter Opinions	Board Opinions	Vote	Interest in South Hero?
Barre	Barre City	Operates PreK-12	Operate PreK-12	~60% of survey respondents were positive	Neutral	November Vote	No
	Barre Town	Operates PreK-12					

- Arguments in favor:
  - Long-term savings and shared costs (contracts, bulk purchasing)
  - Centralization (Special Education, Facility Management)
- Arguments against:
  - Different cultures (Town and City)
  - Geographic coverage
  - Loss of local control, and all the “unknowns”

Melissa Hood investigated the failed Addison-Rutland merger:

Region	Towns	Current	Proposed	Outcome
Addison-Rutland	Orwell	Operates PreK-8	3 PreK-8 Schools  1 PreK-5 School  1 6-8 School	High School (9-12)
	Benson	Operates PreK-8		
	Fair Haven	Operates PreK-8		
	West Haven	Tuitions PreK-8		
	Castleton	Operate PreK-5 Tuition 6-8		
	Hubbardton			
				Failed
				Interest in South Hero?
				No

- Arguments in favor:
  - Improved quality and opportunity for all schools
  - Efficiency and flexibility
  - Taxpayer value and transparency
- Arguments against:
  - Orwell (specifically) loves their school, teachers, and programs as is
  - Loss of local control
  - Not huge tax savings

Jen Lyon investigated the failed Franklin Northeast merger:

Region	Towns	Current	Proposed	Outcome
Franklin Northeast	Montgomery	Operates PreK-8	Operate PreK-12	Failed
	Berkshire	Operates PreK-8		
	Bakersfield	Operates PreK-8		
	Richford	Operates PreK-12		
	Enosburg	Operates PreK-12		
				Interest in South Hero?
				No

- Arguments in favor: Tax benefit?
- Arguments against:
  - PreK-8 schools want to keep high school choice
  - Loss of local control and resentment of government overreach

## Conclusions:

- Of the PreK-8 schools studied, none are interested in exploring a merger with South Hero at this time.
- With the exception of Barre, all supervisory unions are very frustrated with the law and the State. They may be willing to participate in any (hypothetical) action to challenge the law as it's written.

## **Discuss the Georgia School Board Meeting on Sept. 6th**

On Sept. 6<sup>th</sup> at Georgia Elementary and Middle School, five people from South Hero attended Georgia's school board meeting (including Kris Bowser, Tim Maxham, Melanie Henderson, Jen Lyon, and Bentley Vaughan). After the meeting, the South Hero residents met informally with three members of the Georgia school board (Ben Chiappinelli, Carl Laroe Jr., and Fred Grimm) and the FWSU Superintendent (Ned Kirsch). The Georgia school board members were very welcoming, and Ben Chiappinelli in particular was positive and open regarding a possible merger with South Hero. We discussed that similarities of the educational philosophies held by our towns, and posed a few hypothetical questions:

- Ben Chiappinelli mentioned his discovery that if a town chooses to "Stand Alone" (meaning elects not to join a merger), the State will only take that decision under advisement. The school is still entered into the pool of unmerged schools. When the State starts building mergers in 2018, a "Stand Alone" school may still be merged against their will. He was concerned by that information, since it could result in Georgia being merged with a town that has a very different philosophy towards education.
- Kris Bowser asked about the likelihood of Georgia absorbing South Hero's middle grades into their school. Ben Chiappinelli said he didn't believe that Georgia had the capacity or desire to take on South Hero's middle grades. He did however float the idea of flexibility for individual students and families. (For example, if a South Hero parent works in Georgia, they may wish enroll their child there. The reverse would also be true; a Georgia family may wish to enroll their child in South Hero.)
- Jen Lyon asked them to discuss their preliminary investigation into building a high school. Ned Kirsch mentioned South Burlington's new sports infrastructure, and that although it's available to the FWSU students tuitioned to South Burlington, the infrastructure is not available to FWSU residents. He suggested that by building a high school, that tuition money could be invested in infrastructure that would benefit all FWSU residents. Ben Chiappinelli said that, based on their preliminary financial estimates, the cost of a high school would be comparable to the amount they spend on tuition. However, that cost comparison was based on a high school design from 50 years ago, with no specific building site. He acknowledged that a comparison based on a 21<sup>st</sup> century high school design with a specified building site could have a different outcome.
- Finally, Melanie Henderson offered to send Georgia the results of the Sub-Committee's research into the unmerged PreK-8 schools. Ben Chiappinelli thanked us enthusiastically for the data, and plans to modify it to reflect a Georgia perspective, before presenting it to the full FWSU board. He closed his email with: "I have enjoyed all my conversations with people from your town, and that more than anything makes me look forward to exploring this merger further."

**Discuss the Pros & Cons of our Practical Merger Options**

South Hero is separated from the rest of Vermont by both Lake Champlain *and* a wide swath of districts that have already merged. In addition, none of the distant regions we researched are interested in pursuing a long-distance merger with South Hero at this time. Consequently, our most practical merger options are limited to:

- Island PreK-6 merger
- Georgia/South Hero conventional merger (PreK-8)
- FWSU/SH Side-by-Side merger (with Georgia/South Hero forming the PreK-8 side, and Fletcher/Fairfax forming the PreK-12 side)
- "Stand Alone" option

All options have benefits and drawbacks; there are **no** perfect solutions. However, some drawbacks may be more palatable than others. We compared the pros & cons of each merger from an academic, social, and financial perspective.

**Academic, Social, & Financial Comparisons**

Options	Islands PreK-6	Georgia/SH PreK-8	FWSU/SH Side-by-Side	Stand Alone
<b>Pros</b>	<ul style="list-style-type: none"> <li>• Work with neighboring towns</li> <li>• More electives &amp; extracurriculars</li> <li>• Wider social pool</li> <li>• Approved structure                             <ul style="list-style-type: none"> <li>◦ Temporary tax incentive</li> <li>◦ Keep 3.5% "Hold Harmless" protection</li> <li>◦ Keep small schools grant</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Keep our 7/8 program</li> <li>• Keep 7/8 mentorship for K-6</li> <li>• Benefit from Georgia's STEM program</li> <li>• Approved structure                             <ul style="list-style-type: none"> <li>◦ Temporary tax incentive</li> <li>◦ Keep 3.5% "Hold Harmless" protection</li> <li>◦ Keep small schools grant</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Keep our 7/8 program</li> <li>• Keep 7/8 mentorship for K-6</li> <li>• Benefit from Georgia's STEM program</li> <li>• Approved structure                             <ul style="list-style-type: none"> <li>◦ Temporary tax incentive</li> <li>◦ Keep 3.5% "Hold Harmless" protection</li> <li>◦ Keep small schools grant</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Keep our 7/8 program</li> <li>• Keep 7/8 mentorship for K-6</li> <li>• Keep local control</li> </ul>
<b>Cons</b>	<ul style="list-style-type: none"> <li>• Bigger classes (less personalized instruction)</li> <li>• Lose our 7/8 program</li> <li>• Lose 7/8 mentorship for K-6</li> <li>• Must still meet Ed Quality stds for K-6</li> <li>• Higher tuition costs for ~30 additional students per year</li> <li>• <i>Must</i> add local STEM FTE</li> <li>• Must raise other towns' academic quality to South Hero's level</li> </ul>	<ul style="list-style-type: none"> <li>• South Hero would have a smaller voice</li> <li>• Georgia may consider building a high school</li> <li>• <i>May</i> need local STEM FTE</li> </ul>	<ul style="list-style-type: none"> <li>• South Hero would have a smaller voice</li> <li>• FWSU is considering building a high school</li> <li>• More school boards</li> <li>• <i>May</i> need local STEM FTE</li> </ul>	<ul style="list-style-type: none"> <li>• Must still meet the Ed Quality stds for K-8</li> <li>• State can still combine us with another town in 2019</li> <li>• Lose 3.5% "Hold Harmless" protection</li> <li>• Lose small schools grant</li> <li>• <i>Must</i> add local STEM FTE</li> </ul>

### **Discuss the Possibility of a High School**

FWSU is considering building a high school (and Georgia may consider building one on its own). Consequently, the Sub-Committee discussed ways in which building a high school *may* be beneficial to South Hero. In FY 2016 (for example), South Hero budgeted \$945,131 on high school tuition (to public, private, and tech center/vocational schools). The total instructional budget for that year was \$2,025,297. There were 132 students in K-8, and 56 students in 9-12. Consequently, **we spent 47% of our instructional budget on just 30% of our students.** While South Hero values high school choice, we should be fully aware that choice comes at an additional cost.

If South Hero and FWSU were to build a high school, it could have the following advantages:

- 21<sup>st</sup> century design (meaning integrated technology and flexible, student-centered learning spaces)
- Exceptional academic program
- A culture founded on acceptance, inclusion, and respect
- Facilities available to all FWSU/SH residents
- Long-term reduced per pupil costs (once the initial cost of the building is paid off)

### **Next Steps**

- Kari Banas has volunteered to gather information from South Burlington high school on the preparedness of South Hero's students compared to other schools
- Kari Banas also volunteered to gather some information on South Hero's academic program in the middle grades
- Jen Lyon and Melissa Hood will gather information on our 9-12 receiving schools and tuitioning data
- Melanie Henderson will research the tax rate calculations used in the PreK-6 merger proposal for the Islands schools, and see if it can be adapted for a possible Georgia or FWSU merger
- If possible, Melanie Henderson will also meet with Georgia's STEM coordinator to get a better understanding of the STEM resources that South Hero would require in a possible Georgia or FWSU merger

### **Public Comments:**

- Tim Maxham clarified that the entire FWSU (Georgia, Fletcher, and Fairfax) are discussing whether to build a high school...not just Georgia. They will decide on Oct. 13<sup>th</sup> whether to put the high school on the ballot in March.
- Beth Curtis asked why the current BFA Fairfax high school is not being considered. Tim Maxham stated that it's too small for all of their kids.
- Jen Lyon stated that some in Georgia feel like they want a great high school to go with their great K-8.
- Melissa Hood stated that some Georgia parents at soccer games have mentioned their desire to keep K-8 and tuition 9-12.
- Beth Curtis asked whether a district with a high school can still send kids to other schools.

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- Kris Bowser answered that students who wish to attend a different high school (such as a technical/vocational school, or private high school) can apply to the school board. The school board can set a limit on the number of students tuitioned to other schools, and the receiving schools have to agree.
- Beth Curtis hoped that a FWSU/SH high school would offer all the same programming and sports that any other school offers.
- Kris Bowser stated that the cost of transportation is included in our tuition rate to South Burlington, and that Georgia receives transportation to South Burlington as well
- Beth Curtis asked whether families can request to tuition their 7 & 8<sup>th</sup> graders. Kris Bowser clarified that South Hero is not responsible for paying tuition until the 9-12<sup>th</sup> grades.
- Farryl Bertmann asked which high schools receive South Hero's 9-12<sup>th</sup> graders. (**Note:** We'll find that information for the next meeting.)
- Beth Curtis asked how tuitioning is done for Vermont Commons and other private schools. Kris Bowser explained that South Hero pays the state's announced allowable high school tuition, and then parents make up any difference in cost.
- Kris Bowser also clarified that South Hero doesn't pay tuition for strictly religious schools; only public (non-parochial) schools.
- Kris Bowser stated that when South Hero determines our own published tuition rates, we contact the state for support. She suggested checking the town report for an example calculation.
- Farryl Bertmann asked what the timing might be if FWSU/SH built a high school. Tim Maxham thought it would be at least 5 years.
- Farryl Bertmann asked if kids attending another high school at that time would be grandfathered into their existing school. Kris Bowser confirmed that they would.
- Peter Seigfried asked if it is financially beneficial to South Burlington and Essex to receive tuitioned students. Kris Bowser believes that it is.
- Farryl Bertmann asked if South Hero would have representation on a FWSU/SH high school board. Kris Bowser confirmed that we would have representation proportional to the populations of the towns.
- Peter Bowser asked what the four town populations are, and therefore what our proportional representation might be. (**Note:** We'll find that information for the next meeting.)
- Melanie Henderson pointed out that South Hero currently has no voice in how any of our students' high schools are run, and that a small voice would be better than none.
- Peter Bowser suggested that families can voice their displeasure with a school by "voting" with our dollars, and moving their child to a different school. Melanie Henderson agreed, but called that the "nuclear option", since the student would have to build new relationships at a new school. She stated that it would be nice to have some influence with the high school before having to take such a step.
- Melanie Henderson also remembered teachers voicing their frustration at the lack of feedback and performance data from the receiving high schools. She suggested that if FWSU/SH chose to build a high school, we might have a stronger and more direct line of communication and feedback.
- Melissa Hood confirmed that although she has access to her child's grades online, she must reach out to the high school for more details. Parent/Teacher conferences are not offered by default.

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- Kris Bowser said that one of the Islands' Act 46 Study Committee goals was to strengthen the transition to off-island schools for our students. She feels that feedback from the receiving high schools should improve under the new Superintendent. She also mentioned that we have a new curriculum coordinator at the SU level.
- Melanie Henderson suggested that we ask FWSU to put the following statement into Article 1 of the merger (the binding clause): "Any proposal to change the operating structure of a school must be (1) approved by a majority of the board members and (2) approved by a majority vote of the electorate of the town in which the building is located."
- Melissa Hood noted that this wording is similar to language written into several merger proposals for the approval of closing a school building.
- Kris Bowser stated that we would have to convince FWSU to put such a clause into Article 1, and that the State may not approve it. She pointed out that such language could be put into other articles, but that they are non-binding, providing only guidance to the new school board.
- Kris Bowser said that the Education Quality standards focus mostly on grades 7 & 8, and less on K-6.
- Farryl Bertmann stated that Vermont's "middle school" starts in 5th or 6th grade. The VT State Middle School website was down, preventing confirmation.
- Kris Bowser mentioned that South Hero's programming would have to be brought up to Georgia's standards, and that cost would be absorbed into a combined budget. As a result, she felt the costs estimated in the Pros & Cons tables were misleading. (**Note:** those estimated costs have now been removed. We will attempt to replace them with more representative tax rate comparisons.)
- Beth Curtis asked if taxes would stay the same if South Hero chose the "Stand Alone" option. Bentley Vaughan responded that we would either have to raise taxes or cut programming.
- Kris Bowser explained that only ~\$221,000 could be removed from the budget without touching staff. If we tried to make up for the loss of the small schools grant and "Hold Harmless" protections by raising taxes, we would exceed the spending threshold, and be penalized further.
- Kris Bowser said that the spending threshold will just keep increasing, and not level out.
- Beth Curtis asked if the State has any expectation of when the towns would start to realize savings from improved operational efficiencies. Any merger will be complex (and therefore expensive), and savings won't happen immediately.
- Kris Bowser says that the State wants us to realize efficiencies, but doesn't actually expect our taxes to go down.
- Kris Bowser also said that the State is offering incentives and "disincentives", but isn't likely to allow exceptions to the law.
- Kris Bowser suggested that the Sub-Committee review the budgets of South Hero and FWSU/Georgia more closely, to determine the risk of Georgia absorbing our middle schoolers. She is concerned that, from a budgeting perspective, it would make more sense for Georgia to take on our middle-schoolers than to duplicate their programming at South Hero. She wants the risk to be well-understood and then made clear to the South Hero voters.

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- Bentley Vaughan asked whether talks have stalled between Isle La Motte/North Hero and South Burlington. Tim Maxham mentioned that South Burlington is considering rearranging their entire structure.
- Kris Bowser responded that both the Islands merger and South Burlington's restructuring are moving forward, but that if the Islands vote fails, the two Island towns still plan to approach South Burlington. They are willing to give up school choice.
- Bentley Vaughan and Kris Bowser confirmed that if the Islands Study Committee attempts to return to a PreK-8 merger structure, Isle La Motte and North Hero will remove themselves from the Study.
- Peter Bowser's impression at the first Act 46 meeting with Mitzi Johnson and Bob Krebs was that the State wanted an Island merger.
- Kris Bowser stated that Alburgh won't benefit from a K-6 merger with the Islands, since their taxes will increase. Alburgh asked the State whether they could combine with a NY state district, but was told that that would literally require an act of Congress. Alburgh is considering a merger with Swanton, but Alburgh's students score higher academically than their closest neighbors. They are still struggling, and hoping the State will allow them to take the Stand Alone option.
- Kris Bowser also stated that Alburgh's situation is very different from South Hero's, and their budget and academic philosophies are also very different.
- Farryl Bertmann thanked the Sub-Committee for the work we've done, and for the clear and transparent communication.
- Melanie Henderson voiced her opinion that although the Islands PreK-6 proposal is a legitimate merger, she is willing to gamble that an even better merger can be achieved. She felt that Georgia (and/or FWSU) is worth the risk. Melissa Hood agreed.

### **Adjournment**

- Meeting was adjourned at 7:30pm by Melanie Henderson

### **Next Meeting Date:**

- TBD, based on progress of school board members

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Melanie Henderson

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Bentley Vaughan

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Jen Lyon