

Dear Representatives on House General Committee,

I am writing regarding H63 that was introduced to the House Committee on General, Housing and Military Affairs.

As president of the Rutland City Board of School Commissioners I would like to take this opportunity to highlight the impact of statewide bargaining for school employees' health benefits on local school budgets. The proposed H63 is much more than a labor relations bill due to this impact. The cost of these negotiations has to be incorporated in local school budgets.

The increasing rate of healthcare cost is grossly outpacing any revenue source. Like most schools across the state, Rutland City Public Schools (RCPS) is estimating a decreased number of students. In response to the decrease in enrollment, RCPS administration has made responsible budget cuts equivalent to 10 full time employees. Our FY22 budget is down \$781,000 for compensation yet the cost of benefits rose by \$753,000. Our significant reduction in force provided a savings of \$28,000 or less than 0.1% of our \$57,981,000 budget. We believe we have made responsible cuts to our budget and if not passed on town meeting day, deeper cuts could have lasting effects on the quality and continuity of our programs. Each dollar spent on benefits is a dollar that is not available for other uses within the school district. RCPS school board is in a position of having to cut salary increases, reduce staff, and / or educational programming in response to unsustainable health benefit costs.

It is important for local school boards to not be liable for grievances associated with the negotiated benefits. There should be a process for grievances to be handled at a statewide level as the terms and conditions are no longer negotiated at the local level.

Due to the impact on local school budgets, the financial impact of the negotiated benefits needs to be reviewed. Last best offer proposals should be heard by arbitration panel and should be required to consider cost information and determine which of the two submissions most appropriately balances access to health care benefits and reasonable cost containment to ensure the financial sustainability of the benefits.

We cannot continue to fund rising healthcare cost on the backs of the local education systems. Since benefits and compensation are negotiated at different levels, staffing and programming cuts are all that is left for school boards to make up for the increased benefit costs. The impacts on the district and students are greater each year.

If you need any clarification or have any questions, please let me know.

Thank you for your service.

Be Well,
Alison Notte
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President of Rutland City Board of School Commissioners

