

TESTIMONY OF STEPHANIE SEGUINO

1. DO YOU HAVE AN ELECTED POSITION WITH THE BURLINGTON SCHOOL DISTRICT? WHAT IS IT PLEASE?

A: Yes, Burlington School Commissioner for Ward 6.

2. HOW LONG HAVE YOU HELD THIS POSITION? IN THIS CAPACITY, ARE YOU ALSO A MEMBER OF ONE OR MORE OF THE BOARD'S COMMITTEES? WHAT COMMITTEES DO YOU SERVE ON?

A: Elected to the Board in March of 2014. Currently serve on the School Board's Diversity and Equity and Ad Hoc Negotiations Committees and as Vice Chair of the Board. I am Chair of the Board's Negotiations Committee.

3. WHAT IS YOUR "REAL LIFE" POSITION? How long held?

A: Professor of Economics at the University of Vermont since 1995.

4. YOUR EDUCATIONAL BACKGROUND?

A: I have a Ph.D. in Economics from American University.

5. AS CHAIR OF THE BOARD'S NEGOTIATING COMMITTEE ARE YOU GENERALLY AWARE OF THE ISSUES THAT BRING THE DISTRICT AND THE BEA TO FACTFINDING?

A: Yes, in this capacity as well as a member of the Board's Finance Committee (that was recently folded into full Board responsibilities due to a shift to Policy Governance) that deals intimately with budgetary matters, I am aware of the issues.

6. WHAT DO YOU UNDERSTAND TO BE THE ROLE OF THE SCHOOL BOARD WITH RESPECT TO NEGOTIATIONS WITH THE BEA?

A: The board is the ultimate governing body for the District.

- It hires and evaluates the Superintendent
- It sets the governing policies and annual goals for the district for implementation by the superintendent and his or her administration
- It develops and approves the annual budget for submission and approval by voters.
- It approves the parameters for negotiations with the District's Unions

7. WHAT ARE THE OVERARCHING FINANCIAL GOALS OF THE BSD AS SET BY THE BOARD?

A: The Board's primary goals are accountability, sustainability, and transparency. By accountability, I mean that we are to reestablish the trust of the community in the Board's financial decisions (one aspect of which is to no longer run deficits), and by sustainability, I mean that we are committed to ensuring a high quality education for all of our students and fair compensation for teachers and other employees, in the context of the ability of the state and community to shoulder the burden of funding these costs now and into the future.

8. HAS IT BEEN NECESSARY FOR THE CURRENT BOARD TO MAKE SUBSTANTIAL COURSE CORRECTIONS WITH REGARD TO THE FINANCES OF THE DISTRICT? PLEASE EXPLAIN THE FINANCIAL CHALLENGES THE BOARD HAS FACED AND IS STILL DEALING WITH.

A: The Burlington School District has a substantial and worrisome achievement gap by socioeconomic status and language background that the Board is committed to eliminating.

Our ability to address that is constrained by the fact that we have lost several million dollars in federal funding in recent years, as well as over \$1M annual in PILOT funds from the City's utilities. Moreover, for three years in a row, the District was forced to make painful cuts in spending. This was in part to rectify prior deficits (discussed in more detail below), to adjust to loss of federal and PILOT funds, and more recently, due to legislative action that forced Districts statewide to limit spending increases. In addition to these challenges, the City and District have just completed a joint capital plan that uncovered \$55m in deferred maintenance and another \$10m in new repairs or renovations needed to create a physically inclusive environment to meet ADA guidelines. Finally, a recent state mandate to fund pre-K education has added to the district's budgetary pressures. This unfunded state mandate required the addition of \$335,000 to the FY18 budget, much of which will merely pass through the District to community preschool programs.

In 2014, the voters rejected the board's proposed budget after many years of budget increases and what we now know were rolling deficits. During that time, the budget increased at an annual rate of 8% per year in nominal terms; at the same time the rate of inflation averaged 2.3% annually. The main driver in the increasing size of budget was that increasing salary & benefits costs were generously supported by the taxpayers (while maintenance on infrastructure was deferred), but this generosity has peaked and left us in a weaker financial position that needed to be stabilized and strengthened.

These rolling budget deficits that led to a loss of voter confidence in the school district and a rejected budget in 2014 were in part a result of the substantial lack of financial controls on spending at the District sub-levels, and a lack of transparency affecting voter confidence. The District's budget had been merged with city government's until 2014, contrary to state law, and no separate audits on our budget had been conducted prior to 2014, further compounding lack of transparency and ability of the Board to manage finances.

Whether true or not, the public believes that prior Boards spent without regard to running surpluses or deficits. This board has been very conscious of its fiduciary responsibility to live within its means.

9. HAS A PART OF THE CHALLENGES FACING THE BOARD BEEN THE NEGOTIATION OF A SUSTAINABLE CONTRACT FOR THE 2017-18 SCHOOL YEAR WITH THE UNION THAT REPRESENTS THE DISTRICTS TEACHERS?

A: Yes. Teacher compensation is by far the largest District expenditure. Until this contract is settled, we are unable to responsibly plan for educational enhancements and programs to improve the quality of educational services.

In negotiating a contract with our teachers, the Board must not only reach a settlement that is within the District's current economic means, it must also reach a settlement that is affordable in future years. If it is unknown whether a negotiated contract will be affordable in the future, the Board would be irresponsible to believe that it will have the future economic resources to afford educational enhancements or programs to improve the quality of education. Thus, without a sustainable contract, the Board cannot install such educational enhancements and programs to improve the quality of educational services and the District, as a whole, suffers.

Successfully negotiating such a sustainable contract with the union that represents the District's teachers, however, has been a challenge. It is a goal, though, that this Board has committed itself to. Any negotiated contract must be sustainable.

10. AT THE PRESENT TIME DO SUBSTANTIAL DIFFERENCES BETWEEN THE POSITION OF THE BOARD AND THE POSITION OF THE TEACHERS' UNION REMAIN UNRESOLVED?

A: Yes, we are far apart on proposed salary increases, health insurance changes, as well as a number of other aspects having monetary and operational consequences.

11. SHOULD THESE DIFFERENCES BE INTERPRETED TO IMPLY ANY LACK OF RESPECT FOR THE DISTRICT'S TEACHERS AND THE WORK THEY DO?

A: No, not at all. We have the greatest respect for our teachers and the work they do. The Board is convinced we can provide fair compensation and working conditions for our teachers but we have to be on a more sustainable path that meets the needs of our children and the community's ability to shoulder these costs.

12. WHAT IS THE BOARD'S GOAL WITH REGARD TO THIS ROUND OF TEACHER NEGOTIATIONS?

A: Our primary goals are increased operational efficiency and economical affordability on a sustained basis while still paying regionally competitive compensation, and delivering a robust educational curriculum to meet the needs of our very unique student body.

13. WHAT IS THE BOARD'S POSITION RELATING TO TEACHER COMPENSATION?

A: The District's voter-approved FY18 Budget allows for a sustainable 1.5% increase in spending for all of the District's employee contracts (including the teachers). This amount was budgeted with the expectation that some alterations to the Contract benefitting the District could be obtained in exchange for this increase. Unfortunately, as of now, no agreed upon alterations benefitting the District have been reached.

During mediation, the Board last supposed a 1.75% increase in FY18 and a 2.0% increase in FY19 (inclusive of step in both years), or \$1,241 increase per teacher in the first year and \$1,469 increase in the second year.

This supposal was contingent upon the implementation of the Board's health insurance proposal, the Board's operational proposals, and the amendment of Section 18.3 as proposed by the Board.

The Board was able to make this compensation supposal because of the savings that would be incurred from the District's health insurance proposal and the operational and contractual changes that the Board believes will benefit the District's students.

The Board believes that this compensation supposal allows the Board to remain regionally competitive. Also, this salary offer keeps the rate of compensation growth to a sustainable level, so that the District can afford to make investments in educational enhancements and programs and to our school buildings, particularly the high school.

The Board further notes that the national publication "Education Week" recently ranked Burlington as #8 in the country (#1 in New England) for the best places to live for teachers. In part, this ranking reflects the fact that Burlington teachers earn over 60% more than average Burlingtonian. Accordingly, the Board believes that the Burlington School District is a desirable place to work for teachers.

14. IS THE BOARD PROPOSING OPERATIONAL CHANGES TO BE IMPLEMENTED BY MEANS OF CHANGES TO THE COLLECTIVE BARGAINING AGREEMENT IN THIS ROUND OF NEGOTIATIONS? IF SO, WHAT CHANGES HAVE BEEN PROPOSED BY THE BOARD AND WHY?

A: The primary goal is the recovery of minutes of the teacher duty day that are not subject to assignment and thus achieve greater productivity from the teacher corps within the context of the existing work day and work span. The Board believes that by adopting changes that result in greater efficiency, the education that the District provides to its students will be enhanced. Our opening outline and the affidavit of Superintendent Obeng speak to these proposals more specifically.

15. CHANGES HAVE BEEN MADE ON A STATE-WIDE BASIS TO THE HEALTH CARE PLANS THAT TEACHERS ARE OFFERED THROUGH THE VERMONT EDUCATION HEALTH INITIATIVE (“VEHI”). THE PLANS CURRENTLY OFFERED TO VERMONT TEACHERS WILL NO LONGER BE AVAILABLE AS OF JANUARY 1, 2018. WHAT IS THE BOARD PROPOSING IN RELATION TO THE NEW HEALTH CARE PLANS AND WHY?

A: Our Executive Summary and the testimony of Nathan Lavery speak to the Board’s proposal on health insurance more specifically. Essentially, the Board sees an opportunity to incur savings and provide a nearly identical array of medical services as are covered by the health insurance plan currently in effect. For years, the cost increases in health care insurance have been astronomically high. The District and its employees have been forced to pay greater and greater premiums, to the detriment to other educational programs and building maintenance. With this one-time decrease in the cost of health care benefits as a result of the new plans this year, the District has the opportunity to apply some savings to areas of high need, such as funding the programs and maintenance that it has had to defer over the past many years that astronomical health insurance increases have occurred.

The Board recognizes, however, that teacher health insurance has received much attention and discussion in the Vermont Legislature during the current Legislative session and that the outcome of these discussions is unknown at this point. If the Board is able to achieve savings here, and is able to reach agreement with the BEA on its operational proposals, some portion of those savings could be used for teacher salaries. In fact, the Board’s most recent compensation supposal utilizes some of the savings achieved from the switch to the new VEHI health insurance plans. However, if these savings are unavailable to the District, the Board would be unable to advance compensation supposal it has made.

16. DOES THE BOARD FOLLOW A LONG AND THOUGHTFUL PROCESS INVOLVING EXTENSIVE OPPORTUNITY FOR PUBLIC

INPUT IN THE DEVELOPMENT OF ITS ANNUAL BUDGET? PLEASE EXPLAIN THE PROCESS IT FOLLOWS.

A: Yes, the Board first develops annual goals with the superintendent, based on a detailed strategic plan that has been thoroughly vetted district-wide. The superintendent then seeks parent, teacher, and community input into these goals in numerous venues and on this basis, develops a draft budget for the Board to review. We seek public comment, with the superintendent making adjustments to the budget in response to that input from the community and the committee. A final budget is then proposed to the Board, again with numerous opportunities for public input into the budget. We then vote on the proposed budget, and with final adjustment, it goes to a vote by the citizens of Burlington on Town Meeting Day.

17. DOES THE PROCESS ALSO REQUIRE THE OPPORTUNITY FOR INPUT BY THE CITY'S ELECTED MAYOR AND CITY COUNCIL BEFORE ITS SUBMISSION TO THE VOTERS?

A: Before there is a final vote, there is an opportunity for review by the Mayor and City Council. They do not have control over the budget but they do have the opportunity for input as per the City Charter, and that broadens public input into the budget.

18. CONSEQUENTLY, DOES THE DEVELOPMENT OF BSD'S ANNUAL BUDGET REQUIRE A LARGE DEGREE OF DELICATE BALANCING OF OFTEN COMPETING LEGITIMATE INTERESTS? PLEASE EXPLAIN WHY THIS IS SO.

A. Yes, we have four forces shaping the final budget. First and foremost is student needs. In that regard, we seek to meet the needs of *all* of students, paying particular attention to closing the achievement gap among our students. The goal of meeting student needs is addressed in the budget within the context of three constraints – teacher compensation (our largest budget item), legislative mandates, and the ability of the community to bear the burden of these costs.

19. IN YOUR OPINION AS A BOARD MEMBER, IS IT IMPORTANT THAT THE COMPENSATION PAID TO BSD'S TEACHERS BE KEPT IN APPROPRIATE BALANCE WITH COMPENSATION BEING EARNED BY THE CITY'S TAXPAYERS/VOTERS? WHY DO YOU BELIEVE THIS TO BE SO?

A: Yes, the ability of the community to pay must be weighted heavily. Our failure to do so undermines support for public education, and so we have to think not just of this year but also the long run. If we continue to offer salary increases that exceed the cost of inflation and wage growth of regular citizens, we will lose public support. So, our lens has to take into view this larger landscape.

20. AS A BOARD MEMBER DO YOU BELIEVE THE BOARD IS MAKING AN EXCESSIVE FINANCIAL COMMITMENT TO THE NEEDS OF ITS NEW AMERICAN STUDENTS? PLEASE EXPLAIN WHY NOT.

A: No, the share we spend on New Americans is not out of proportion to other areas we spend on.

Our most fundamental obligation is the provision of high quality education to *all* of our students. That is our moral responsibility and it is in the best interests of our City. That is because those who do not do well in school are the least likely to leave the community. If we do not address their needs in school, we as a community will pay the cost of having to educate them well in other ways in the future.

Our expenditures on ELL students and more generally, high needs students, including those with disabilities and US born groups who are disadvantaged, reflects the board's mission statement announced in 2011:

“In the Burlington School District in the next five years we seek to significantly reduce race/ethnicity, class, ability, sex/gender,

and sexual orientation as predictors of academic performance, discipline, and co-curricular participation.”

Our diversity efforts to ensure a healthy school climate and close the achievement gap not only reflect board policy. As a country based on immigrants, it also reflects our best American spirit of providing assistance to all students – US born, new Americans, and to all disadvantaged groups, including those with disabilities. To suggest we should not be addressing this broad spectrum of needs is a misrepresentation of what public education in America is and should be about.

It isn't just our moral obligation and Board policy. It is also a legal obligation. For example, three years ago the BSD was investigated by the federal government in relation to the adequacy of educational services for New Americans. More recently, we have been under scrutiny at BTC in regards to hiring practices, to ensure they are consistent with the needed affirmative hiring practices ensure employment opportunities for non-white teachers.

Failure to support equity and inclusion in the district is and has been costly. Complaints and grievances have been filed in recent years, and in one particular case, the settlement included the hiring of staff to provide equity/diversity services. We thus have been obligated by those settlements to provide equity/diversity services.

21. SIMILARLY, DO YOU BELIEVE THE DISTRICT IS ALLOCATING TOO MANY RESOURCES TO THE NEEDS OF INCREASINGLY DIVERSE POPULATION OF AMERICANS OF COLOR? WHY NOT.

A: No. My answer would be the same for ELL students. Moreover, these investments do not just benefit students of color – they benefit all students who will go out into an increasingly diverse world stage. We would be doing our students a disservice if we continued to deliver a traditional educational curriculum that embodies yesterday's thinking and pedagogy. The investment of resources to revamp educational delivery is

intended to reform our educational system in Burlington, not just bring parity for one non-white group or another.

Moreover, our investments thus far have not been sufficient to close achievement gaps and group differences in drop out and graduation rates.

For example, while 84% of non-FRL (Free and Reduced Lunch) students score proficient or better on the SBAC reading exams in 2014-2015, only 30.6% of FRL students scored similarly.

Regarding our students on IEP's and those not on IEP's, 13% compared to 63% achieved proficiency on SBAC exams that year. In terms of New Americans relative to the remainder, 8.3% compared to 63.2% scored proficient or better.

Our four-year graduation rate for non-FRL students is 93% compared to 70% for FRLs, and for those on IEPs, 50%.

22. SIMILARLY TO THE UPKEEP OF ITS NEIGHBORHOOD SCHOOLS AND ITS HIGH SCHOOL?

A: No, we just received a capital needs assessment and 10-year plan, which shows we will need \$55 million just to catch up on deferred maintenance. That deferred maintenance resulted from the board instead choosing to fund salaries unsustainably. We can no longer afford to do that. Further, neighborhood schools remain a high priority of our citizens.

23. DO YOU BELIEVE THAT BSD IS BURDENED WITH TOO MANY ADMINISTRATORS?

A: No, in reality, there are not enough to manage the district as sufficiently as it should be managed. The district's staff is overstretched such that they are at times not able to respond in a timely manner to complaints, be they from teachers about harassment by other teachers, or complaints filed by students about maltreatment by teachers or

administrators. This has a negative effect on school climate, teacher morale, and most importantly, student learning.

Moreover, we have cut several administrative positions in the last several years, for example, the Assistant Superintendent of Operations, Director of Diversity Education, and the HR director positions. In this most recent budget, \$150K (a roughly 3% reduction across operational budgets (i.e. not wages and benefits)) was cut from central office.

24. DOES THE BSD BOARD OBJECT TO PAYING ITS TEACHERS REGIONALLY COMPETITIVE COMPENSATION AND HEALTH CARE BENEFITS?

A: Quite the contrary, we believe that this goal has been met and can continue to be met through BSD's proposals.