

To: Mary E. Moran, Superintendent

From: Peter Amons, CFO

Date: September 8, 2009

Re: **Some Thoughts on Consolidation Incentives**

Current law enables unification of school districts into unified unions. However, there are apparently not enough incentives to make this happen. Also, current law does not allow for the beneficial legal dissolution of the underlying school districts to create truly efficient, integrated K-12 districts or to repurpose the former school boards.

Possible incentives to consolidating school districts (and their school boards into multi-town supervisory union boards) might include:

PROPERTY TAXES

Guarantee all towns/cities in the new merged SU/SD entity, all the same equalized tax rates (one cost per pupil) at the level of the lowest town before the merger for a period of 3 to 5 years with only an annual inflation adjustment.

Benefit: there would be no low cost districts which get their taxes boosted because they combined with higher cost districts. It gives the new SU/SD more time to downsize, less hectic disruption.

VOTING GOVERNANCE

New system based on population from each town with either a maximum 40% (or so) of seats from any single community, or, super-majority 80% (or so) requirements for passage of votes.

Benefit: Representative voting is retained but minorities protected. One vote per community regardless of population would be impractical.

SMALL SCHOOL PROTECTIONS

Allow new entities to build into their charters or consolidation agreements, if desired, that small schools have a 5 to 10 year time protection against closure or as long as their enrollment exceeds X number of children. These would be time or enrollment based formula protections. State, through legislation or Commissioner, must be able to over-rule such arrangements.

Benefit: Small communities fear the closure of their schools and decline consolidation opportunities because of that fear. Possibly the security of a specific timed protection plan is better than today's annual insecurity of whether the local school will stay open or not.

COMMISSIONER APPROVAL

The Commissioner of Education would need to have specific approval authority over voluntary consolidations to avoid Gerrymandered combinations that may not be geographically sensible or leave some communities orphaned.

Benefit: Local politics among communities could easily distort voluntary combinations. The Commissioner would need final approval authority over them to see that the welfare of the children and education quality and cost were best served.

REPURPOSING OF FORMER SCHOOL BOARDS

The 1,300 school board volunteers might remain, even as elected volunteers, to serve at school building level as community supporters of their schools and liaisons to parents and principals. Their focus would be on parental involvement with the education of their children, building closer principal/teacher/parent/student relationships and creating a stronger culture among parents to care about education and to participate in their student's achievement.

Benefit: A board focused on involving parents more closely with their children's coursework, teachers, and school activities would have a higher payoff to the kids than their charter today. A repurposing of the boards to become parent leaders attempting to change today's culture of too much television and video games for example and not enough reading might have a powerful effect on some students' achievement. Today lay boards struggle to manage principals, budgets, and hiring and firing with mixed success when such activities are considerably better handled by superintendents and professional educators. The current legal responsibilities of these isolated and independent school boards impede collaboration and integration among schools.

TRANSPORTATION AID

Current transportation aid (roughly 40% of transporting children to and from school) would be maintained, possibly enhanced.

Benefit: Integrating school districts into larger units may mean more busing because schools will eventually be consolidated and/or more children may be moving around within magnet high school systems. The cost of busing is often cited as the first impediment to school building consolidations.

CONSTRUCTION AID

Before construction aid was frozen, a 50% aid for consolidating schools was in force. Although seldom used, it should remain or be enhanced. Possibly a 75% aid level might be introduced specifically for the classroom addition component of a school building consolidation project.

Benefit: Some school combinations would require additional classrooms and some not, as declining enrollment has freed up capacity. In any event, construction costs are an impediment to school building consolidations.

PROPERTY OWNERSHIP, LEGAL STATUS, INDEBTEDNESS

Supervisory unions or the new consolidated school district (however the legal structure is done) would need to be able to own property and borrow money. All existing indebtedness of school districts, bonds and leases can be rolled into the SU or the newly consolidated school district, however it is defined. All ownership of property, land, buildings and equipment can be rolled into the new entity. There would be no concept of a municipality owning a school. Town or city charters would need to be overruled by the new organization.

Benefit: However it is legally implemented, in order to have a truly integrated, efficient, and centrally managed school system, the SU (or new entity) needs to have the power and authority to do business. Possibly the new entity is considered a "school district" or, SUs could be given new legal status. In any scenario, authority needs to be centralized.