297 Mayhew Turnpike Bridgewater, NH 03222

COMMITTEE MEMBERS

Terence Murphy Bridgewater Selectman

Patrick Moriarty Hebron Selectman

John Rescigno Groton Selectman

Erick Piper Bridgewater Representative

Jennifer Larochelle Hebron Representative

Virginia Parker Groton Representative August 22, 2023

Dear Kim, Joe and Steve.

We look forward to hosting you at the upcoming meeting.

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We look forward to hosting you at the upcoming meeting.

To facilitate Wednesday's Planning Team meeting and provide a framework for discussions, we have prepared a point paper outlining background points, our next steps contained in and dictated by the statute, and most importantly, potential common opportunities with the Newfound Area School District (attached).

Please know follow-on meetings-will involve sensitive information and negotiation on potential contracts for tuition agreements, superintendent services, infrastructure and transportation, and these discussions will be considered non-public.

Once again, we look forward to meeting with you as we organize to carry out the provisions of this statute.

Respectfully,

Respectfully,

Terence Murphy Bridgewater Selectman

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Background - Items to Discuss - Common Opportunities

Regarding the withdrawal of Bridgewater, Hebron and Groton from the Newfound Area School District and SAU No. 4

1. Background -- Legal Authority

The Governor recently signed HB 349 into law. This law is called enabling legislation. It grants legal authority to the Towns of Bridgewater, Hebron, and Groton to withdraw from the 7-town Newfound Area School District and establish a 3-town school district based on a K-8 model.

This authority is separate and distinct from the standard RSA 195 withdrawal process.

The creation of the new school district is contingent upon a majority vote in each of the 3 Towns at the 2024 annual town or special meeting. If voters approve, the effective operational date of the new school district is July 1, 2025.

This bill received widespread bi-partisan support in the legislature. It passed unanimously in both the House and Senate. All three state senators representing the 7-town Newfound Area School District (NASD) voted in favor and voiced strong support in committee hearings.

This bill also received overwhelming local support. Over 100 people from the three Towns attended both hearings and more than 350 citizens voiced their approval by signing in online in support of the bill.

Such widespread legislative and popular support confirms this excellent concept and a once-in-a-generation opportunity to improve education outcomes. Moreover, a smaller tight-knit school district allows greater voter input and control over education curriculum and costs, and shorter bus rides for Groton's students.

Next Steps.

The new law sets out a series of sequential steps over the next two years culminating in the July 1, 2025, operational date of the new school district.

The first step requires the Bridgewater, Hebron and Groton Select Boards to appoint a committee Planning Team to begin administrative planning for the new district "prior to the adoption vote" in 2024. **This Planning Team has been appointed**.

This Planning Team will begin 3-Town discussions on draft **Articles of Agreement** and a **capital budget** for the new school district. It will also begin preliminary discussions with the NASD on common opportunities like tuition agreements and superintendent services and transportation contracts.

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The next step takes place at the 2024 annual town or special meeting. After the vote by the 3 towns to adopt the provisions of this act, the State Board of Education issues a "certificate of withdrawal" from the Newfound Area School District.

Follow-on steps include a special election for a new 3-Town School Board and Budget Committee. The act requires new School Board members to organize promptly "to take any action necessary to carry out the provisions of this law."

Our vision is simple: we aspire to improve educational outcomes for our children with an innovative alternative to a traditional Middle School. We strive to do this by fulfilling the provisions of this act to establish a 3-Town school district and reconfiguring the Village District School to a K-8 model.

3. Elementary School Grades.

The responsibility of the current K-5 students in our towns will fall to the new Bridgewater-Hebron-Groton SAU. This will alter the availability of the BHVS for SAU4.

We understand that several valuable educational programs serving the community are currently utilizing the space specifically the pre-K and some special education programs. If we are able to construct a close cooperative model between the districts, we can envision the continuation of a lease arrangement for those programs.

4. Middle School Grades.

Our Planning Team is considering an expansion of the grades served at the Village District School to include Middle School grades. This transition to a K-8 may take place over several years. We understand the withdrawal of the middle school students from NASD will result in a loss of revenue.

During that transition, we are willing to consider a model that potentially preserves a significant amount ofthat revenue for the NASD. We are open to a proposal from the district to enter a trial 2–3-year middle school tuition agreement with the possibility of renewal by mutual agreement.

There are three benefits to NASD;

- external revenue source, not dependent on NASD tax revenue; which generally augments arguments for bond ratings in the event of a bond issue
- continuity in staffing; and
- continuity in the educational community at large, the immediate loss of a large number of students has an impact on, sports, clubs and activities as well as classroom contribution.

5. High School Grades.

The Planning Team is also welcoming proposals for high school tuition agreements. As noted above, we understand that the withdrawal of our students will result in a loss of educational continuity and a

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loss of revenue for the NASD. We are willing to consider a model that potentially preserves much that revenue for the NASD.

To that end, we are open to a discussion with the NASD about a high school tuition agreement.

There are five benefits to NASD;

- external revenue source, not dependent on NASD tax revenue;
- continuity in staffing;
- maintenance of curricular breadth;
- a second, dependable revenue source for bonding/capital improvements;
- continuity in community.

6. Food Service, Curriculum, Transportation and other contracts.

Many of these contracts are multi-year and predicated on levels of utilization which may or may not be met after our exit. Depending on the outcome of the discussions in items number 3 and 4, the opportunity may exist for both SAUs to preserve preferential pricing based on combined volume.

7. Contracting for SAU Services.

Another common opportunity exists in the concept of contracting for SAU services. This model has been successfully used by the Middleton School District and provides revenue to the Governor Wentworth School District's SAU operations.

Our Team is entertaining discussions regarding various models for SAU Services. We are open to a proposal that would entail our new school district contracting with SAU 4 for SAU Services. This could yield the following potential benefits:

- Continuity in SAU staffing;
- Continuity in SAU revenue;
- Continued economies of scale;
- A Non-NASD revenue source;
- Opportunities for collaboration.

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Two Take-Away or Action Items

- 1. We're asking that you confirm the School Boards willingness to work with us to find common, mutually beneficial opportunities we've outlined in our discussion paper prepared for this meeting.
- 2. The next step would then be to provide us with points-of-contact so we can assign individual folks from our Team to enter discussions with you on items outlined in items 3 through 7 (or combinations thereof). The goal would be to develop DRAFT agreements prior to the adoption vote.

Note: examples of draft agreements:

- Elementary school special programs.
- Tuition agreements (Middle and High School).
- Food Service, Curriculum, Transportation, and other contracts.
- Contracting for SAU services.

NH House Bill 349 Establishing a Special Purpose School District for Bridgewater, Hebron, and Groton

BACKGROUND

The Bridgewater-Hebron Village District (B-HVD) is a separate political subdivision created by statute in 1997 and is comprised of the Towns of Bridgewater and Hebron. This statute authorized both towns to build the Bridgewater-Hebron Village School (B-HVS). Three elected commissioners oversee the school facility and grounds.

The Village District then constructed and continues to own, debt-free, the Bridgewater-Hebron Village School building, surrounding athletic fields, and furnishings. It leases the school to the Newfound Area School District (NASD or SAU4) for \$1.00 per year. Teachers, staff, and curriculum management are provided by the Newfound Area School District.

The school was built to alleviate overcrowding in SAU4 at a multimillion-dollar cost to the taxpayers of Bridgewater and Hebron in 1999. Since then, Bridgewater and Hebron have spent over \$8 million dollars in maintenance, repair, and capital improvements. Over the years, Bridgewater and Hebron students have been a minority among students attending the school. Children from other towns have always been welcome to attend and that hopefully will continue.

VISION AND GOAL

House Bill 349 before the legislature is designed to **expand on our legal status as a village district** and explore, **over a four-year period**, the establishment of a three-town special purpose school district. This is a multi-step process and the first step (after passage), is to hold a vote in Bridgewater, Hebron, and Groton to determine if our citizens want to establish a K-8 SAU. If our towns vote in the affirmative, then additional steps follow as outlined in the bill.

Our vision is to improve education outcomes for our children with an innovative alternative to a traditional middle school. **Our goal** is to reconfigure B-HVS to a K-8. Numerous studies have shown that the fewer number of transitions children make before high school the greater the improved student performance. In fact, all seven towns in Plymouth's SAU48 use the K-8 model.

Hill, NH also formed a separate school district after withdrawing from the Franklin School District. They operate their own elementary school and tuition into the Newfound Area School District for grades 7-12. Hill is a model for such a reconfiguration.

EXPANDING OUR SUCCESSFUL EDUCATION MODEL

The Bridgewater-Hebron Village School's education performance is outstanding and ranked among the top K-5 schools in the state. It is consistently performing in the top 20th percentile in the state for math and English. Reconfiguring to a K-8 allows us to continue our proven high academic standards with a coherent curriculum, effective instruction, strong leadership, results-based accountability, and sound discipline through the 8th grade.

This educational approach has proven to pay-off in the primary grades. Establishing a K-8 school will allow more effective local control and extend that academic pay-off for an additional three years through 8th grade. Moreover, this approach will allow us to better manage educational costs, and most importantly, give parents an innovative alternative to traditional middle schools.

WHY NOW?

Our citizens and parents overwhelmingly desired to establish a K-8 within the Newfound Area School District in 2013. Then, as now, we wanted to improve student outcomes by reconfiguring B-HVS to K-8.

The 2013 reconfiguration process never moved forward, primarily based on concern about the financial impact on the Town of Groton and the potential of limited attendance. But today, that situation has changed, and now, with Groton in the mix, establishing our own school district with a K-8 school may be a viable option if our voters so choose.

Moreover, today parents are becoming more engaged in educational outcomes for their children. There's a growing trend toward alternative education options to include Freedom Accounts, education tax credits for scholarships, charter schools, open enrollment, school choice, home schooling and, in our local case, a trend toward the public K-8 model.

Currently SAU4 is considering reconfiguring elementary school education in the Newfound Area School District. School building consolidation is being actively discussed and B-HVS will not be exempt from those discussions. It's possible B-HVS could be closed by SAU4 in the coming years.

Given this climate, we now have a unique opportunity to explore options and find creative solutions to long-standing challenges. It's important to take our time and thoughtfully think through these issues: the bill before the legislature poses no risks and gives us the authority and the time (four years) to thoughtfully explore options.

MYTHS AND FACTS

Myth: This bill is simply a way for Bridgewater, Hebron, and Groton to save money and keep taxes low.

Fact: Not true. Constructing an addition to B-HVS for K-8 classrooms; hiring additional teachers and support staff; and entering into tuition agreements for sports, extracurricular activities and high school all come with attendant start-up costs. The citizens of Bridgewater, Hebron, and Groton will foot this bill (excluding the capital costs paid for by B-HVD). Fortuitously, the school was originally constructed with sufficient plumbing and HVAC to accommodate future expansion but there will be new start-up expenses.

Myth: This bill will cause major disruption throughout the Newfound Area School District.

Fact: Not true: We would seek to stay closely aligned with SAU4 and work cooperatively with the Newfound Area School District to support quality education for our children. We would support space-based reciprocal enrollment for grades K through 8 and consider service contracts for administrative services and a tuition agreement for high schoolers. By inviting students from other towns to attend, we would be offering parents a choice between a traditional middle school and a K-8 program. We would seek a cooperative relationship.

Myth: This bill will increase costs to the Newfound Area School District.

Fact: Unlikely. The current student count of Bridgewater, Hebron, and Groton accounts for about 15% of the student body and the corresponding budget contribution is roughly 16%. We estimate that the reduction in middle school expenses coupled with SAU4 gains in tuition and administrative revenue would result in little to no fiscal impact to SAU4.

Myth: This bill will cost the Newfound Area School District jobs and adversely affect teachers.

Fact: Not true. This bill will create jobs – not reduce them. The legislation contains a provision for job offerings with a transfer of pay, benefits, and pensions to current teachers and staff. We will likely need to hire several additional teachers for 6-8th grades. Service contracts and tuition agreements would also support maintaining current staffing levels at SAU4.

Myth: There is no provision for sports and extracurricular activities for grades 6-8.

Fact: Not true. This is a critical component of modern education. Our intent is to provide these same opportunities via tuition agreements with a larger district. We recognize this is important, but not at the expense of a better educational opportunity.

Myth: This bill will mandate we leave the district.

Fact: Not true. This bill gives us a streamlined option to create our own district. We have four years to research and determine if this is the best choice for our towns and our children before the authority in the bill expires. In the end, our voters will decide.

Myth: We have no experience in running a school district.

Fact: Not entirely true. There are multiple components to running a district. From a facilities perspective we have operated and maintained the school for 22 years. Many of our citizens have been involved at multiple levels in school districts including a former NH State Commissioner of Education. We have a deep pool to draw from. We would seek to outsource functions that would require special expertise or need economies of scale. This is why the bill contains a four-year planning provision.

In summary: Let's be clear: we as citizens have a responsibility to provide for our children's public education. We should take advantage of this unique opportunity to explore options and find creative solutions to long-standing educational challenges.

Again, House Bill 349 poses no risks and gives us the authority and the time (four years) to thoughtfully explore options.

HB-349 text: https://www.gencourt.state.nh.us/bill_status/billinfo.aspx?id=282&inflect=2

HB349

Bill Details

Title: relative to a special purpose school district for Bridgewater, Hebron, and Groton.

Sponsors: (Prime) Ladd (R). Cordelli (R), Innis (R). Ruth Ward (R)

LSR Number: 23-0279

General Status: SIGNED BY GOVERNOR

Chapter Number: 190

House:

Committee: Education Due Out: 3/16/2023 Status: CONCURRED

Senate:

Committee: Education Floor Date: 5/11/2023

Status: PASSED/ADOPTED WITH AMENDMENT

CHAPTER 190 HB 349 - FINAL VERSION

05/11/2023 1437s

2023 SESSION

23-0279 10/08

HOUSE BILL 349

AN ACT relative to a special purpose school district for Bridgewater, Hebron, and Groton.

SPONSORS: Rep. Ladd, Graf. 5; Rep. Cordelli, Carr. 7; Sen. Innis, Dist 7; Sen. Ward, Dist 8

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COMMITTEE: Education

ANALYSIS

This bill allows the establishment of a special purpose school district for the towns of Hebron, Bridgewater, and Groton to form a new multi-town single school district.

Explanation: Matter added to current law appears in bold italics. Matter removed from current law appears [in brackets and struckthrough.] Matter which is either (a) all new or (b) repealed and reenacted appears in regular type. 05/11/2023 1437s 23-0279 10/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to a special purpose school district for Bridgewater, Hebron, and Groton.

Be it Enacted by the Senate and House of Representatives in General Court convened:

190:1 Establishment of Special Purpose School District.

I. Having established by law in 1997 a special purpose village district to construct, own and maintain a public school facility; and having already built and owned outright with no debt the Bridgewater-Hebron Village School (K-5) whose maintenance and capital costs are paid for by the towns of Bridgewater and Hebron and overseen by 3 elected commissioners; and notwithstanding any other provision of law to the contrary, the towns of Bridgewater, Hebron, and Groton are hereby authorized to withdraw from the Newfound Area School District and establish a public school district comprised of the geographical limits of the aforementioned 3 towns. Subsequent to formation, the school district shall operate in accordance with the provisions contained in RSA 194 and except as modified herein, the laws pertaining to operating a newly formed cooperative school district as set forth in RSA 195 and operating school administrative units as set forth in RSA 194-C. The new district shall be named the Bridgewater-Hebron-Groton Special Purpose School District, or such other name as is subsequently approved by the elected school board of the district. The creation of this new public school district shall be contingent upon a majority vote in each of the 3 towns at their 2024 annual meetings, adopting the provisions of this act; whereupon the effective operational date of this district shall be July 1, 2025.

II. The state board of education shall issue a certificate of withdrawal from the Newfound Area School District after the initial vote by the towns to adopt the provisions of this act. A special meeting of the voters in the withdrawing district for the election of board members and officers shall be held at a time set by the state board of education after consultation with the selectmen of the 3 towns. The warrant for this special meeting shall be proposed by the selectmen of the 3 towns, approved by the state board of education and signed by the commissioner of the department of education, shall provide for the election of officers in the newly created school district. The commissioner of education shall have authority to appoint such officers pro tem as may be necessary pending the district special meeting held to elect officers. In addition, the special meeting shall have the same power and authority as an annual meeting to raise and appropriate money, but it may defer the process of adopting a budget for the first operational fiscal year until the next annual meeting or such annual meeting as may be appropriate for adoption of a budget for the first operational fiscal year. The school district officers elected at said meeting shall take office and organize promptly such that they carry out the duties of their office and take any action necessary to carry out the provisions of this law. The initial board shall consist of 3 elected members, with one member from the town of Bridgewater, one member from the town of Hebron, one member from the town of Groton. The initial term of the member from Bridgewater shall be for a 2-year term, with the other initial members and all subsequent members serving 3-year terms.

- III. The elected school board for the Bridgewater-Hebron-Groton Special Purpose School District shall have the responsibility and authority granted to a school board of a cooperative school district. It shall have the responsibility to effectuate plans and policies for the ensuing operation of the district, hold the necessary budgetary hearings and if not adopted at the special meeting, propose the initial operating budget to the legislative body of the created district at an annual meeting of the district to be held in the same manner as an operating school district under RSA 195, RSA 197, and RSA 198 for adoption of an operating budget for the fiscal year commencing on the effective date of operation. This annual meeting shall have the same power and authority as the annual meeting of a fully operating school district including, but not limited to the raising or appropriating money for the ensuing fiscal year.
- IV. The school district may rent or lease a facility from the Bridgewater-Hebron Village District and notwithstanding any law to the contrary, may, subject to any state design, safety, and space requirements, vote to expand the grades served by a school within the district up to twelfth grade. The Bridgewater-Hebron Village District shall give priority in any lease or rental agreement to the students within the Bridgewater-Hebron-Groton Special Purpose School District. The school district may educate students in grades 9 and above outside the district pursuant to tuition agreements. The school district may make all other contracts necessary to carry out the purposes of a public school district, and may exercise any other power conferred upon single school districts under RSA 194:2, RSA 194:3 and any other applicable laws. The department of education shall work collaboratively with the new district to ensure that grant funds and adequacy aid are properly allocated to the Bridgewater-Hebron-Groton Special Purpose School District.
- V. On and after its establishment, the Bridgewater-Hebron-Groton Special Purpose School District shall be deemed to be a duly organized school district for purposes of its eligibility to apply for and receive all forms of aid, grants, and guarantees with respect to the school building including, but not limited to, school building aid under RSA 198 and the state guarantee of bonds or notes under RSA 195-C. The amount of school building aid shall be based on the calculations applicable to a cooperative school district comprised of the 3 towns. The operating costs and any capital outlay costs for the district shall be apportioned between the 3 towns in accordance with the following formula:
- (a) One hundred percent of all such costs shall be apportioned on the basis of the average daily membership from each town for the preceding year; or
- (b) Such other formula as is recommended and proposed by the school, adopted by majority vote of the district meeting, and approved by the state board of education.
- VI. This act shall be construed to authorize such school district to staff and operate such school district, to otherwise provide public education to any pupil, to exercise any other power reserved to school districts. The district is granted such powers as are expressly stated in this act or necessary by implication to effectuate the purposes authorized by this section. In addition, the Bridgewater-Hebron-Groton Special Purpose School District shall seek to offer employment opportunities to the existing public school staff and faculty in the same manner as the pre-existing district. Further, the Bridgewater-Hebron-Groton Special Purpose School District shall work closely with the Newfound Area School District to offer parents school choice and to accommodate students already enrolled in the new district's school.
- VII. Upon the adoption of this act by all 3 towns, the towns in the Bridgewater-Hebron-Groton Special Purpose School District shall be deemed to have effectuated withdrawal from the Newfound Area School District on July 1, 2025, subject to any obligations set forth in RSA 195:27. The newly formed school board may enter into long and short-term tuition agreements with the Newfound Area School District or any other public school district, public academy, or school pursuant to RSA 193:3, VI for the education of those resident students in middle or high school who enroll in the Bridgewater-Hebron-Groton Special Purpose School District and may also vote to build additions or a separate school.
- VIII. Upon adoption of this act by all 3 towns at their 2024 annual school meetings, the Newfound Area School District board members and budget committee members representing Bridgewater, Hebron, and Groton may continue to serve until July 1, 2025. They may participate in matters involving the operation of the Newfound Area School District during the 2024-2025 fiscal year. However, such board members shall be disqualified from voting on any matters involving the proposed budget for the 2025-2026 fiscal year, or any matters involving capital improvements to the Newfound Area School District, or on any contractual agreements with other school districts or towns. Because the Bridgewater-Hebron-Groton Special Purpose School District will be holding its own annual meeting, the voters of Bridgewater, Hebron and Groton shall be disqualified from participating in the 2025 annual meeting of the Newfound Area School District. Likewise, upon the passage of this act, the towns of Bridgewater, Hebron, and Groton shall not be liable for subsequent borrowing by the Newfound Area School District unless they fail to adopt this act at their 2024 annual meetings.
- IX. Notwithstanding the provisions of RSA 195:30 and RSA 194-C:2, the newly formed district shall be deemed to have withdrawn from School Administrative Unit Number 4, as of the specified effective operational date of the Bridgewater-Hebron-Groton Special Purpose School District, and shall be its own school administrative unit with a number assigned by the department of education and may provide for superintendent services in accord with those options available to single school districts, including contracting for such services. The unassigned fund balance of the SAU shall be allocated between the two districts as of June 30, 2024, in accord with the apportionment percentages of the Newfound Area School District budget for the prior fiscal year. The newly formed district may enter into agreements with Newfound Area School District regarding the disposition of school administrative unit assets and liabilities.
- X. The select boards of the towns of Bridgewater, Hebron, and Groton may appoint such committees and engage in such study as they deem appropriate in planning for the new district prior to the adoption vote. However, if the select boards of the 3 towns wish to proceed further with this legislation they shall warn the question of adoption of this act for the 2024 annual meeting of the legal voters residing in the towns to see if they will vote to adopt the provisions of this act and create the new school district.

190:2 Effective Date. This act shall take effect upon its passage.

Approved: August 04, 2023 Effective Date: August 04, 2023