

Decision and Report to the Communities of the Washington West Supervisory Union on the Advisability of forming a Unified Union School District

Report

[graylight reflects placeholder text requiring additional research and discussion]

I. Overview of the WWSU Schools

II. Vermont's Unique Education Funding System

a. Pupil Equalization

i. Weighting

ii. Lagged Effect

iii. Revenue determined by equalized pupil count, not tax base and rate, and not actual pupil count

iv. Non-linear relationship between local spending or savings and homestead tax rate

b. Historical Grant Programs; Efforts to Stabilize; Promotion of Mergers

III. Act 46

a. What it is—Opportunities to Modernize and Expand Offerings

i. An opportunity to re-imagine a more efficient and robust governance structure

ii. An opportunity to capture legislated incentives that minimize tax burden and maximize SU revenue relative to non-participating districts

iii. An opportunity to achieve stability through mass

iv. An opportunity to provide more diverse curricular and extra-curricular opportunities to small-school students

v. An opportunity to build a supervisory district consistent with local values

b. What it is not—Merger as a Necessary but Insufficient Condition for Reform

i. A self-contained plan for lasting cost control or property tax relief

ii. A guarantee of efficient operation at scale

- iii. A fix for broader economic pathologies, including
 1. Reliance on inherently regressive property taxation to achieve state-scale revenue equity
 2. Constrained supply affecting housing affordability
 3. Deficient IT infrastructure affecting development and labor mobility
 4. Demographic shifts, rural depopulation, population aging

IV. Cost-Benefit Conclusions and Recommendation

Articles of Agreement

Article 1: Necessary Districts

The Committee considers necessary to the establishment of the Unified Union District the affirmative consent of any combination of forming districts such that the union thereby created is responsible for the education of all prekindergarten through grade 12 students resident in the forming districts; operates a school or schools for that purpose; and has a minimum average daily membership of 900 in its first year of operation.

Article 2: Advisable Districts

The Committee considers advisable to include in the Unified Union District the school districts of Fayston, Moretown, Waitsfield, Waterbury/Duxbury Union, and Warren. Unanimous participation by all member districts of the Washington West Supervisory Union will result in fiscal incentives set out by 2015, No. 46, § 6, subsection (b), including favorable adjustments to homestead property tax rates and favorable adjustments to State-based revenue to member schools, thereby offering the maximum merger benefit to taxpayers and the resident students their tax dollars educate.

In the event the voters of one or more proposed member district(s) should reject merger pursuant to these Articles, those proposed member districts voting favorably shall be merged into a unified union education district; provided, however, that the resulting district must meet the conditions set out in Article 1 or no merger of any district will result.

Article 3: Grades Operated

The Unified Union District will provide pre-kindergarten through grade-twelve education to all students.

Article 4: New Schools and Proposed Renovations

Merger of the proposed member districts will not require construction of new schools within the Unified Union District.

To maximize beneficial use of existing physical infrastructure, near-term renovations will be required at the Harwood Union High School and the Warren Elementary School. Known renovation needs at the Harwood building include substantial improvements to science laboratories and auditorium facilities, at an estimated cost of _____. Known renovation needs at the Warren Elementary School building include substantial improvements to _____ at an estimated cost of _____.

The Unified Union District shall be responsible for necessary renovations to the buildings it operates, as determined by the Unified Union Board of School Directors.

Article 5: First-Year Transition Plan

Little centralized transition planning is necessary to ensure the orderly transportation of students, assignment of staff, and administration of curricula, because these functions already are centrally administered on behalf of the proposed member districts. The Unified Union District shall honor all existing contracts, collective bargaining agreements, and other legal obligations of the proposed member districts. The board of the Unified Union District shall make all subsequent decisions regarding transportation, staff, and curriculum subject to existing contracts, collective bargaining agreements, or other provisions of law

Article 6: Indebtedness of Proposed Member Districts

The indebtedness of proposed member districts is as follows (based upon 11/11/14 summary):

Proposed Member District	Indebtedness
Fayston Elementary	0
Harwood Union High School	830,112
Moretown Elementary	551,220
Waitsfield Elementary	0
Warren Elementary	52,532
Waterbury-Duxbury Union	3,525,000

Any and all operating deficits or surpluses of the forming districts shall become the property or obligation of the Unified Union District, effective July 1, 2017. Member districts holding surpluses or remaining reserve funds at the close of business on June 30, 2017, shall transfer all such funds to the Unified Union District.

Article 7: Real Property; Valuation; Manner of Transfer

The specific pieces of real property of proposed member districts and their approximate valuations, based upon 10/14/14 insurance valuations, are:

Proposed Member District	Real Property Location	Real Property Site Valuation
Fayston Elementary	782 German Flats Rd., Fayston	3,248,900
Harwood Union High School	458 Route 100, Moretown	30,162,969
Moretown Elementary	940 Route 100B, Moretown	3,811,100
Waitsfield Elementary	3951 Main Street, Waitsfield	3,578,800
Warren Elementary	296 School Road, Warren	3,992,600
Waterbury-Duxbury Union (Crossett Brook property)	5672 Route 100, Waterbury	11,128,400
Waterbury-Duxbury Union (Thatcher Brook property)	47 Stowe, Street, Waterbury	9,718,950

No later than June 30, 2017, the forming districts will convey to the Unified Union District all of their school-related real and personal property, for One Dollar, and the Unified Union School District will assume all capital debt associated therewith.

In the event that, and at such subsequent time as, the Unified Union District Board of Directors determines, in its discretion, that continued possession of the real property, including land and buildings, conveyed to it by one or more of the forming districts is incompatible with the responsible operation of the Unified Union District and its educational programs, the Unified Union District shall convey such real property to the town in which such real property is located, for the sum of One Dollar, subject to all encumbrances of record, the assumption or payment of all outstanding bonds and notes, and the repayment of any school construction aid or grants as required by Vermont law.

The conveyance of any of the above school properties shall be conditioned upon the town owning and using the real property for community and public purposes for a minimum of five years. In the event a town elects to sell the real property prior to five years of ownership, the town shall compensate the Unified Union District for all capital improvements and renovations financed by the Unified Union District prior to the sale to the town. In the event a town elects not to acquire ownership of such real property, the Unified Union District shall, pursuant to Vermont statutes, sell the property upon terms and conditions established by the Unified Union District Board of Directors.

In the event that, and at such subsequent time as, the Unified Union District determines that any real property, including land and buildings, conveyed to it by the Waterbury/Duxbury Union or Harwood Union High School, is incompatible with the responsible operation of the Unified Union District and its educational programs, the Unified Union District shall, pursuant to Vermont

statutes, sell the property upon such terms and conditions as established by the Unified Union District Board of School Directors.

Article 8: Allocation of Expenses

Until such time as the forming districts cease to exist by operation of law, capital and operating expenses of the Unified Union District shall be allocated among the forming districts in proportion to equalized pupils. Thereafter, capital and operating expenses of the Unified Union District shall be borne by the Unified Union District, managed in a Unified Union budget, and apportioned to taxpayers of the Unified Union District at a common rate determined by law.

Article 9: Board of School Directors; Representation

The Unified Union Board of Directors shall be composed of fourteen individuals elected, by the voters of the municipalities in which they reside, to serve staggered, three-year terms. Each municipality within the Unified Union District shall be guaranteed at least one resident representative. The number of representatives in excess of one derived from each municipality shall be determined on the basis of relative population within the Unified Union District. To the extent such allocation is insufficient to satisfy the proportional representation requirements of the Equal Protection Clause of the Constitution of the United States, votes shall be weighted as necessary to achieve more precise proportionality.

Article 10: Initial Directors; Terms of Office

The candidates for the new Unified Union District Board of Directors will be elected by Australian ballot on the date set out in Article 11 for presentation of these Articles to voters of each forming district pursuant to the provisions of 16 V.S.A. 706j(b). Nominations for the office of union school director representing any district/town shall be made by filing with the clerk of that school district/town proposed as a member of the union a statement of nomination signed by at least 30 voters in that district or one percent of the legal voters in the district, whichever is less, and accepted in writing by the nominee. A statement shall be filed not fewer than 30 nor more than 40 days prior to the date of the vote.

Pursuant to the provisions of 16 V.S.A. § 706j(b), elected directors shall be sworn in and assume the duties of their office. The terms of office for directors elected at the March 1, 2016 election shall be one, two, or three years, respectively, less the months between the date of the organizational meeting of the school district, when the initial Directors will begin their terms of office, and the date of the annual meeting of districts established by 16 V.S.A. § 796j. Thereafter, terms of office shall begin and expire on the date of the Unified Union District's annual meeting. In the event the Unified Union District's annual meeting precedes Town Meeting Day, the Directors' terms shall expire on Town Meeting Day.

Article 11: Submission to Voters

The proposal forming the Unified Union District as specified in these Articles will be duly warned and presented to the voters of each forming district on May 3, 2016. The vote shall take place by Australian ballot.

Article 12: Commencement of Operations

Upon an affirmative vote of the electorates of the school districts, and upon compliance with 16 VSA §706g, the Unified Union District shall have and exercise all of the authority which is necessary in order for it to prepare for full educational operations beginning on July 1, 2017.

The Unified Union District shall, between the date of its organizational meeting under 16 VSA § 706j and June 30, 2017, develop district policies; adopt curricula, educational programs, assessments, and reporting procedures compatible with State Education Quality Standards; prepare for and negotiate contractual agreements; set the school calendar for Fiscal Year 2018; prepare and present the budget for Fiscal Year 2018; prepare for unified union annual meeting(s); and transact any other lawful business that comes before the Board; provided, however, that the exercise of such authority by the Unified Union District shall not be construed to limit or alter the authority or responsibilities of the school districts of Fayston, Harwood Union High School, Moretown, Waitsfield, Warren, and Waterbury-Duxbury Union.

On July 1, 2017, when the Unified Union District becomes fully operational and begins to provide educational services to students, the forming districts shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business not assigned to, or subsumed by, the Unified Union District under these articles and state law. Such business shall be completed as soon as practicable, but in no event later than December 31, 2017.

Article 13: Votes Taken by Australian Ballot

Votes on the Unified Union school district budget or public questions shall be by Australian ballot and comingled.

Article 14: Transitional Continuity for Resident Students

For at least the first year that the Unified Union District is fully operational, students will be entitled to attend elementary school and middle school according to their town/district of residence. With parental consent, the Board of School Directors may adjust student enrollment between July 1, 2017 and July 1, 2018, based upon individual student circumstances and needs of the Unified Union District.

After July 1, 2018, the Board of School Directors may adjust school attendance boundary lines and school configurations within the Unified Union District.

Article 15: Choice

As soon as practicable, but in no event later than July 1, 2018, and to the fullest extent practicable, the Unified Union District shall offer intra-district choice to the families or guardians of students matriculating in grades for which the Unified Union District operates multiple buildings. Choice may be limited only where necessary to the legitimate operational needs of the Unified Union District. Policies respecting choice shall consider transportation, socio-economic equity, proximity to the selected building, unity of siblings, and the capacities of receiving schools and sending schools.

Article 16: Local School Councils

For each operating school building within the Unified Union District, the Unified Union Board shall make provisions for the establishment and recognition of a volunteer council consisting of persons suitably interested in the local affairs of the school building and its students, each to serve at the pleasure of the Board. If staffed by an adequate number of volunteers, a council shall hold public meetings concerning school affairs at the local building not less frequently than monthly. If staffed by an adequate number of volunteers, a council shall make a quarterly written report on local school affairs to the Unified Union Board, including within that report a summary of the meetings within the quarter and an assessment of the health of the school and any policies or programs recommended to the Unified Union Board to enhance the efficiency, educational efficacy and equity, or environment within the local building. Councils shall have advisory authority only; however the Unified Union Board may, in its discretion, designate a council a subcommittee for the purposes planning, investigating, administering, or mediating any matter of unique concern to a local building or community within the Unified Union District.

Article 17: School Closure Protection

The Unified Union District shall not close any schools within its boundaries during the first four years it is fully operational and providing educational services, unless the electorate of the town in which the school is located consents to closure. Thereafter, an affirmative vote of two-thirds of the full weighted votes of the Board of Directors shall be required to approve the closure of a school. Prior to holding a vote on whether to close a school, the Board shall hold at least three public hearings regarding the proposed school closure. At least one of the public hearings shall be held in the community in which the school is located. If after conducting public hearings, the Board of Directors intends to vote on whether to close a school, it shall give public notice of its intent to hold a vote on whether to close a school, stating the reason for the closure, at least ten days prior to the vote.