

AGENCY OF EDUCATION
Barre, Vermont

TEAM: School Governance Team

ACTION ITEM: Will the State Board of Education find that the proposed formation of a new unified union school district by all current member districts of the **ADDISON RUTLAND SUPERVISORY UNION (ARSU)** is “in the best interests of the State, the students, and the school districts,” and will the State Board therefore vote to approve the attached report of the ARSU Study Committee?

SECRETARY’S RECOMMENDED ACTION:

That the State Board of Education finds that the proposed formation of a new unified union school district by the member districts of the Addison Rutland Supervisory Union is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b); and

That the State Board votes to approve the attached report of the ARSU Study Committee.

STATUTORY AUTHORITY: 16 V.S.A. § 706c; Act 46 of 2015

BACKGROUND INFORMATION: The ARSU Study Committee recommends creation of a unified union school district that will be its own supervisory district pursuant to the Accelerated Merger process and timeline created by Act 46, Sec. 6 (2015).

The ARSU consists of six towns/villages: Benson, Castleton, Fair Haven, Hubbardton, Orwell, and West Haven. There are seven active school districts within the ARSU, including two union school districts, and six publicly-operated schools. (There is also one inactive district, Castleton, that is a member of both union school districts.) Together with the supervisory union board, there are a total of eight governing boards.

The school districts educate their resident students in a variety of configurations:

- Elementary and Middle School:
 - Benson School District – operates EEE – grade 8
 - Fair Haven School District – operates EEE – grade 8
 - Orwell School District – operates EEE – grade 8
 - Castleton-Hubbardton Union School District #42
 - operates EEE – grade 5

- operates grades 6 – 8
 - West Haven School District – tuitions PK – grade 8
- High School:
 - Fair Haven Union High School District #16 – operates grades 9 – 12 (Benson, Castleton, Fair Haven, Orwell, and West Haven)
 - Hubbardton School District – tuitions grades 9 – 12

The combined average daily membership of all districts within the ARSU in FY2015 was 1,363.

The ARSU has a long history of collaborating to provide for the education of its students. In addition to the two union school districts, a variety of services and supports have been consolidated within the supervisory union including food service, curriculum, professional development, educator and support staff master agreements, and accounting and technology services.

The new unified union school district (New Unified District), to be known as the Slate Valley Unified Union School District, would provide for the education of all resident PK-12 students by operating one or more schools for each grade. If approved, the proposal would unify the existing school districts and their supervisory union into a single supervisory district responsible for operating three elementary-middle schools, one elementary school, one middle school, and one high school. It would replace the eight current governing bodies (7 districts plus SU) with one unified union board. All districts within the supervisory union are identified as “necessary” districts pursuant to 16 V.S.A. § 706b(b)(1), including the inactive Castleton School District.

If the New Unified District is created, elementary and middle school students residing in West Haven would attend the Fair Haven Grade School during the first year of the District’s operation. After the first year of operation, the new board of directors would be required to create a process to permit parents in each town to request that their student attend a different elementary school within the New Unified District. The ARSU Study Committee proposal states that a majority of Hubbardton students in grades 9-12 currently enroll in the Fair Haven Union High School. Hubbardton students enrolled in a different high school and for whom Hubbardton pays tuition during the 2016-2017 academic year would be “grandfathered” through June 30, 2020.

The New Unified District would be governed by an 18 member school board that would include at least one member from each town. The initial members would be nominated by and from the electorate of the individual towns, with the number to be nominated by a single town being closely proportional to the fraction the town population bears to the total population of the New Unified District as determined by the 2010 federal census. Election of board members would be by the electorate of the town to which the board seat was apportioned. The Articles include a requirement for recalculation of board membership following the release of each decennial census. At that time, the Board would also be authorized to consider the advisability of implementing a system of at-large voting.

A currently operating school building could be closed during the first four years of the New Unified District's existence only if approved by a majority of the electorate of the municipality in which the building is located. On July 1, 2021 and after, a school building could be closed if approved by a unanimous vote of the board members after holding public hearings, including at least one hearing in the town in which the building is located. If closed, the town in which an elementary or middle school building is located would have the right of first refusal and could purchase the property for \$1.00, provided that the town agreed to use the property for public and community purposes for a minimum of five years. In the case of property conveyed by the Castleton-Hubbardton Union School District, the property could be sold to both Castleton and Hubbardton who would be expected to reach a "mutual agreement regarding the use" of the property. The proposal includes provisions addressing use by the town for fewer than five years.

The proposal addresses additional items, including:

- Existing contracts, collective bargaining, and the transfer of employees would occur pursuant to the provisions of 16 V.S.A. ch. 53, subch. 3.
- The New Unified District would acquire the property and assume the indebtedness of the merging districts.
- The New Unified District would provide opportunities for local community members' involvement in policy and budget development.

The electorate of each potentially merging district will vote on April 12, 2016 whether to approve creation of the New Unified District. If the voters in each of the districts vote in favor of the proposal, then the New Unified District will begin operation on July 1, 2017. No new district is formed if any existing district fails to vote in favor of the proposal.

POLICY IMPLICATIONS: By enacting Act 46, the General Assembly declared the intention to move the State toward sustainable models of education governance designed to meet the goals set forth in Section 2 of the Act. It was primarily through the lens of those goals that the Secretary has considered whether the ARSU Study Committee's proposal is "in the best interests of the State, the students, and the school districts" pursuant to 16 V.S.A. § 706c.

The ARSU Study Committee anticipates that a unified governance structure would enable the New Union District to provide a greater array of arts and extracurricular offerings to all students, to ensure greater continuity of curriculum across schools and across grades, to consolidate action plans into one unified vision, to more strategically allocate resources, and to promote policy and program coherence.

See the Study Committee's Worksheet for an overview of other elements in the proposal that address the goals identified by Act 46, Section 2 and the potential for geographic isolation. In addition, a more detailed discussion of these elements appears in Appendix B to the ARSU Study Committee's report.

The ARSU Study Committee's proposal is aligned with the goals of the General Assembly as set forth in Act 46 of 2015 and with the policy underlying the union school district formation statutes as articulated in 16 V.S.A. § 701.

COST IMPLICATIONS: The ARSU already has centralized services and operations for special education, transportation, and other functions. In addition, the supervisory union includes two union school districts. Therefore, large initial savings from consolidation of services and operations are not to be expected because many of these savings have already been realized. The ARSU Study Committee was able to identify approximately \$300,000 in potential additional cost reductions over time related to "one maintenance position, one technology position, one nursing position, various special education staffing, and audit cost savings." The ARSU Study Committee's report anticipates other potential cost reductions resulting from the formation of a unified union through, for example, sharing staff among schools, class size management, and shared maintenance resources.

For more details, see the Study Committee's Worksheet and Appendix B to the ARSU Study Committee's report.

See also Act 46, Sec. 6 (2015) for cost implications to the State.

STAFF AVAILABLE:

Donna Russo-Savage, Principal Assistant to the Secretary, School Governance

Brad James, Education Finance Manager

Gregory Glennon, General Counsel

Bill Talbott, Chief Financial Officer

Study Committee Worksheet for All Phases of Voluntary Merger

Please submit this to the Agency with the Study Committee Report

Current Supervisory Union or Unions (list each)	Potentially Merging Districts Pursuant to 16 V.S.A. § 706b(b)(1)-(2) (list each)	Is the District:	
		Necessary	Advisable
Addison Rutland Supervisory Union			
	Benson School District	Yes	
	Castleton Hubbardton School District	Yes	
	Fair Haven School District	Yes	
	Fair Haven Union High School District	Yes	
	Hubbardton School District	Yes	
	Orwell School District	Yes	
	West Haven School District	Yes	
	Castleton School District	Yes	

Type of Merger	
<i>Please refer to the related eligibility worksheets to determine baseline eligibility for each merger type.</i>	(column reserved for agency use)
<input checked="" type="checkbox"/> Accelerated Merger (Act 46, Section 6)	
A Regional Education District (RED) or one of its variations (Act 153 (2010) and Act 156 (2012)) <ul style="list-style-type: none"> <input type="checkbox"/> RED (Act 153, Secs. 2-3, as amended by Act 156 , Sec. 1 and Act 46, Sec. 16) <input type="checkbox"/> Side by Side Merger (Act 156 , Sec. 15) Districts involved in the related merger: _____ <ul style="list-style-type: none"> <input type="checkbox"/> Layered Merger (Union Elementary School District) (Act 156, Sec. 16) <input type="checkbox"/> Modified Unified Union School District (MUUSD) (Act 156, Sec. 17, as amended by Act 56 (2013), Sec. 3) 	
<input type="checkbox"/> Conventional Merger – merger into a preferred structure after deadline for an Accelerated Merger (Act 46, Section 7)	

Dates, ADM, and Name	
Date on which the proposal will be submitted to the voters of each district (16 V.S.A. § 706b(b)(11)): April 12, 2016	
Date on which the new district, if approved, will begin operating (16 V.S.A. § 706b(b)(12)): July 1, 2017	
Combined ADM of all “necessary” districts in the current fiscal year: 1363.97	
Proposed name of new district: Slate Valley Unified Union	

Please complete the following tables with **brief, specific** statements of how the proposed union school district will comply with the each of the listed items. Bulleted statements are acceptable.

The Proposed School District is in the Best Interest of the State – as required by 16 V.S.A. § 706c		
<p><u>Goal #1:</u> The proposed union school district will provide substantial equity in the quality and variety of educational opportunities.</p> <p><i>Act 46, Sec. 2(1)</i></p>	<ul style="list-style-type: none"> • Establish common goals for all students • One action plan common to all • Flexibility of programs • Maximizing resources • Better coordination of programs • Easier scheduling 	
<p><u>Goal #2:</u> The proposed union school district will lead students to achieve or exceed the State’s Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly.</p> <p><i>Act 46, Sec. 2(2)</i></p>	<ul style="list-style-type: none"> • Centralized curriculum throughout the new district • Continuity across all grade levels • Professional development that is intensive, ongoing, focused on improving classroom instruction • Accountability for all 	

<p><u>Goal #3:</u> The proposed union school district will maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff.</p> <p><i>Act 46, Sec. 2(3)</i></p>	<ul style="list-style-type: none"> • Staff flexibility based on licensure, skills, training and talents • Student Teacher ratio consistency through one policy for all • More opportunities for students • 1 board vs. 8 boards • 1 audit vs. 8 audits • 1 tax rate across all communities • 1 budget vs. 8 budgets • Shared maintenance resources 	
<p><u>Goal #4:</u> The proposed union school district will promote transparency and accountability.</p> <p><i>Act 46, Sec. 2(4)</i></p>	<ul style="list-style-type: none"> • Streamline data systems • Focus on enrollment trends, graduation rates and other trends • Use of data for instructional and resource allocations • A single 18 member board representing all communities 	
<p><u>Goal #5:</u> The proposed union school</p>	<ul style="list-style-type: none"> • Provides for tax incentives for 5 years • Greater predictability and stability in the future. 	

<p>district will deliver education at a cost that parents, voters, and taxpayers value.</p> <p><i>Act 46, Sec. 2(5)</i></p>	<ul style="list-style-type: none"> • Economies and efficiencies of scale in operations • One budget and one tax rate for all • Lowers the possibility of exceeding the excess spending threshold 	
<p><u>Regional Effects:</u></p> <p>What would be the regional effects of the proposed union school district, including: would the proposed union school district leave one or more other districts geographically isolated?</p> <p><i>Act 46, Section 8(a)(2)</i></p>	<ul style="list-style-type: none"> • For us it would unify all separate entities into one • Focus will be what is best for all our students PreK to 12 • All Schools would still be in the same geographic location as they are • No schools will be left isolated 	

<p align="center">Articles of Agreement – as required by 16 V.S.A. § 706b(b)(3) - (10)</p>		
<p>(3) The grades to be operated by the proposed union school district</p>	<ul style="list-style-type: none"> • The new unified union proposes to offer PreK to 12 education with no need to pay tuition for any students. 	

<p>The grades, if any, for which the proposed union school district shall pay tuition</p>	<ul style="list-style-type: none"> • None 	
<p>(4) The cost and general location of any proposed new schools to be constructed</p> <p>The cost and general description of any proposed renovations</p>	<ul style="list-style-type: none"> • None needed at this time 	
<p>(5) A plan for the first year of the proposed union school district's operation for:</p> <p>(A) the transportation of students (B) the assignment of staff (C) curriculum</p> <p>The plan must be consistent with existing contracts, collective bargaining agreements, and other provisions of law, including 16 V.S.A. chapter 53, subchapter 3 (transition of employees)</p>	<ul style="list-style-type: none"> • (A) Currently there is one transportation company for the whole district. That will continue under the new unified district • (B) Assignment of staff will be by licensure and seniority per the current master agreement. Per the articles of agreement collective bargaining will commence within 90 days of the establishment of the new board. • (C) Curriculum will be continuous and centralized. Currently all curriculum is housed on a central data share for easy access. Curriculum is aligned to the common core standards. 	

<p>(6) The indebtedness of the proposed merging districts that the proposed union school district shall assume.</p>	<ul style="list-style-type: none"> • Fair Haven Grade School is currently the only school that has debt to bring forward. It totals \$864,665 from a previous heating and ventilation project. The annual payment for Fair Haven’s debt would be approximately \$100,000 (including principal and interest) which would decrease each year. It would result in an estimated ¾ of a cent on the unified union tax rate or approximately \$7.80 on a home valued at \$100,000. 	
<p>(7) The specific pieces of real property owned by the proposed merging districts that the proposed union school district shall acquire, including:</p> <ul style="list-style-type: none"> * their valuation * how the proposed union school district shall pay for them 	<ul style="list-style-type: none"> • The insured value of the properties are as follows: • Fair Haven TSD School \$10,684,400 • Fair Haven TSD Cottage Street Building \$121,900 • Castleton Village School \$4,110,100 • Castleton Elementary School \$11,953,300 • Fair Haven Union High School \$16,611,600 • Benson TSD School \$4,429,600 • Orwell TSD School \$2,991,100 • Orwell Town Hall \$730,100 • Orwell Bus Garage \$119,400 • No later than June 30, 2017, the forming districts will convey to the union 	

	<p>school district all of their school-related real and personal property, for one dollar, and the union school district will assume all capital debt associated therewith.</p>													
<p>(8) The allocation of capital and operating expenses of the proposed union school district among the proposed member</p>	<ul style="list-style-type: none"> • Capital and operating expenses will be part of the new unified union. 													
<p>(9) Consistent with the proportional representation requirements of the Equal Protection Clause, the method of apportioning the representation that each proposed member town shall have on the proposed union school board</p> <ul style="list-style-type: none"> * no more than 18 members total * each member town is entitled to at least one representative * <i>see also</i> 16 V.S.A. § 706k(c): one or more at-large directors * <i>see also</i> 16 V.S.A. § 707(c): weighted voting 	<ul style="list-style-type: none"> • The new unified union will use proportional representation with 18 members. • 2 Benson • 7 Castleton • 5 Fair Haven • 1 Hubbardton • 2 Orwell • 1 West Haven 													
<p>(10) The term of office of directors initially elected, to be arranged so that one-third expire on the day of each</p>	<table border="0"> <thead> <tr> <th></th> <th>Year 1 Terms</th> <th>Year 2 Terms</th> <th>Year 3 Terms</th> </tr> </thead> <tbody> <tr> <td>• Castleton</td> <td>3</td> <td>2</td> <td>2</td> </tr> <tr> <td>• Fair Haven</td> <td>3</td> <td>1</td> <td>1</td> </tr> </tbody> </table>		Year 1 Terms	Year 2 Terms	Year 3 Terms	• Castleton	3	2	2	• Fair Haven	3	1	1	
	Year 1 Terms	Year 2 Terms	Year 3 Terms											
• Castleton	3	2	2											
• Fair Haven	3	1	1											

<p>annual meeting of the proposed union school district, beginning on the second annual meeting, or as near to that proportion as possible</p>	<ul style="list-style-type: none">• Orwell 0 1 1• Benson 0 1 1• Hubbardton 0 0 1• West Haven 0 1 0	
<p>Any other matters that the study committee considers pertinent, including whether votes on the union school district budget or public questions shall be by Australian ballot</p> <p><i>(please list each matter separately)</i></p>	<ul style="list-style-type: none">• Vote will take place on Tuesday, April 12, 2016 by Australian ballot in each community with the same voting hours.	

SLATE VALLEY
UNIFIED UNION DISTRICT
FINAL REPORT
AND
ARTICLES OF AGREEMENT

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ACT 46 STUDY COMMITTEE MEMBERS

Alyson Eastman	Orwell School Board Member and ACT 46 Study Committee Chair
Glen Cousineau	Orwell School Board Member
Amy Munger	Benson School Board Member
Eric Shaw	Benson School Board Member
David Carrabino	Fair Haven School Board Member
Michael Bache	Fair Haven School Board Member
Lauritz Rasmussen	Fair Haven Union High School Board Member representing Fair Haven
Roy Eckler	Fair Haven Union High School Board Member representing Fair Haven
Timothy Smith	Castleton Hubbardton School Board Member representing Castleton
Julie Finnegan	Castleton Hubbardton School Board Member representing Castleton
Toni Lobdell	Castleton Hubbardton School Board Member representing Castleton
Jeff Breslen	Fair Haven Union High School Board Member representing Castleton
Thomas Spangenberg	Castleton Hubbardton School Board Member representing Hubbardton
Richard Wilson	West Haven School Board Member

ACT 46 STUDY COMMITTEE CONSULTING STAFF

Ronald Ryan	Superintendent of Schools for Addison Rutland Supervisory Union
Laura Jakubowski	Director of Finance for Addison Rutland Supervisory Union
Christopher Cole	Information Technology Coordinator for Addison Rutland Supervisory Union

Minute Taker

Patricia Davenport

ACT 46 STUDY COMMITTEE LEAD EDUCATION CONSULTANT

Stephen Sanborn

ACT 46 STUDY COMMITTEE LEGAL SUPPORT

Christopher Leopold, Attorney

EXECUTIVE SUMMARY OF ADDISON RUTLAND SUPERVISORY UNION STUDY COMMITTEE

Once the legislative session ended in May of 2015 and H.361/ACT 46 became law, the board members representing the various towns of Benson, Castleton Hubbardton, Castleton, Fair Haven, Hubbardton, Orwell and West Haven suggested at a supervisory union meeting held in June 2015 that Superintendent Ryan provide more specific information on the details of the new law by inviting down some people from the state to a special supervisory union board meeting held on July 22, 2015 to review the details of ACT 46 including its formal process and next steps with the Supervisory Union Board. Nicole Mace, Executive Director for the Vermont School Boards Association and Brad James, Education Finance Manager for the Agency of Education were present to do a formal presentation to the board. Based on the presentation given, questions posed at that meeting and the discussion from the Supervisory Union Board members, they all agreed that each individual board would call a special meeting on the same night in the same place to formally review ACT 46 again and then decide by each individual board whether they wanted to form a study committee, appoint the appropriate proportional board representation and establish a budget.

A special meeting was then held on August 12, 2015 for the Benson, Castleton Hubbardton, Fair Haven, Hubbardton, Orwell and West Haven School Districts. Each board unanimously voted to support the formation of an ACT 46 Study Committee, appointed proportional board representation and established a budget for the committee. The first meeting of the Study Committee commenced on August 31, 2015. Over the next four months the study committee heard presentations from the Superintendent, Director of Finance, Curriculum and Staff Development Coordinator, Information Technology Coordinator and Director of Special Services. The Study Committee reviewed and examined potential cost estimates, tax incentive impact, and educational benefits. The study committee worked on articles of agreement, consulted with legal counsel and discussed various scenarios about how they would impact their individual towns along with the new unified union district board.

At a warned committee meeting on Monday, November 23, 2015 the Study Committee finished the "Articles of Agreement" and voted to accept the "Articles" on a 12 yes to 1 no vote. The final report was approved to send to the Vermont Agency of Education. The Committee looks forward to present its report to the Vermont State Board of Education on January 19, 2016.

Based upon a strong history of collaboration and trust with our board members, administration and staff there has been a lot of work completed in our current system structure regarding centralization of services. In our current system we have already centralized transportation, teacher's agreement, support staff agreement, food service, special education services, curriculum, professional development, as well as accounting and technology services. Therefore, it makes sense for our communities to join together as one unified union school district to support the best interests of our students. Our study committee believes the formation of a unified school district for pre-Kindergarten through grade 12 would only enhance the overall quality of education for the students in our six communities. It would allow us more flexibility for students, staff, programming, athletics and the arts. All students will have access to a rich array of high quality learning opportunities within an aligned PK – 12 education system. The creation of a unified union school district would allow West Havens' Pre-K to 8 students to attend the Fair Haven Grade School for the first year of operation. The Board of School Directors shall adopt a school policy providing a process for parents or guardians to request that their child attend another elementary school within the union school district. Hubbardton students in grade 9-12 currently have school choice; however the majority of 9-12 grade students in Hubbardton attend Fair Haven Union High School. Under a new unified union school district, all Hubbardton students would have to attend Fair Haven Union High School. Hubbardton students who are currently attending other schools at the time of this unified union school district transition would be grandfathered and allowed to finish in the current school they are attending. All students in grades 9-12 will have access to public high school choice through Vermont's public high school choice system. Each community feels that schools are the heart of the community and values and supports quality public education for their students. Overall, the creation of a unified school district would strengthen the quality and opportunities, it would promote achievement of high standards, and it would create efficiencies and flexibility, provide taxpayer value and promote transparency and accountability.

There would be tax reductions in each community with some towns like West Haven and Hubbardton seeing significant tax rate reductions. These tax reductions would occur over the first five years after the formation of the new unified union school district.

Articles of Agreement

The Study Committee recommends that the following Articles of Agreement be adopted by each necessary school district for the creation of a pre-kindergarten through Grade 12 unified union school district to be named **Slate Valley** Unified Union School District, hereinafter referred to as the “Unified Union School District” or “Union School District”.

Article 1

The School Districts of Benson, Castleton, Castleton-Hubbardton Union School District, Fair Haven, Fair Haven Union High School District, Hubbardton, Orwell, and West Haven are necessary for the establishment of the Slate Valley Unified Union School District. The above referenced school districts are hereinafter referred to as the “forming districts”. There are no additional school districts being recommended at this time.

If all of the forming districts vote to approve the merger, the Slate Valley Unified Union School District will commence full educational operations and services on July 1, 2017 under the provisions of Act 46.

Article 2

The Union School District will provide pre-kindergarten through grade twelve education to all of the students in the Union School District.

Hubbardton students enrolled or attending a public or approved independent high school (grades 9-12) during the 2016-2017 school year at the expense of the Hubbardton School District as tuitioned high school students shall be “grandfathered”. Such tuitioned students shall be permitted the option to continue to attend the same public or approved independent school as tuition students from the Union District. Except as specifically approved by the Union District’s Board of School Directors, and consistent with the state law, the tuitioning of “grandfathered” high school students shall cease on June 30, 2020.

Article 3

The Union School District School Board will comply with 16 VSA Chapter 53, subchapter 3, regarding the recognition of the representatives of employees of the respective forming districts as the representatives of the employees of the Union School District and will commence negotiations pursuant to 16 VSA Chapter 57 for teachers and 21 VSA Chapter 22 for other employees. In the absence of new collective bargaining agreements on July 1, 2017, the School Board will comply with the pre-existing master agreements pursuant to 16 VSA Chapter 53, subchapter 3. The School Board shall honor all individual employment contracts that are in place for the forming school districts on June 30, 2017 until their respective termination dates.

Article 4

No new school buildings are necessary to, or proposed for the formation of, the Union School District. The Union School District shall not close any schools within its boundaries during the first four years it is fully operational and providing educational services. Thereafter, a unanimous vote of the Board of Directors present 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 (3) public hearings regarding the proposed school closure. At least one (1) 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.

Article 5

The Union School District School Board shall determine, in accordance with state and federal law, the transportation services to be provided to students in the Union School District.

Article 6

The forming districts of the Union School District recognize the benefits to be gained from establishing district-wide curricula as well as their obligation to do so, and to otherwise standardize their operations on or before July 1, 2017.

Article 7

Any and all operating deficits and/or surpluses of any of the combining/forming districts shall become the property, and/or the obligation of the Union School District, effective July 1, 2017. Those member districts with surpluses or remaining reserve funds at the close of business on June 30, 2017, will transfer all such funds to the Union School District. All reserve funds transferred to the Union School District will be utilized for the established purposes of said funds unless otherwise determined through appropriate legal process. The forming school districts will transfer all endowments, or other restricted accounts, including scholarship funds or other special funds held on June 30, 2017 to the Union School District which shall use all such funds in accordance with their established purposes.

Article 8

The Union School District School Board will assume ownership and operate existing school facilities commencing July 1, 2017. No later than June 30, 2017, the forming districts will convey to the Union School District all of their school-related real and personal property, for One Dollar, and the Union School District will assume all capital debt associated therewith. The Union School District recognizes the long term financial investments and community relationships that each town has with its school building(s). The Union School District will encourage appropriate use of the building by the students and community according to the policies and procedures of the Union School District as overseen by the building administrator.

In the event that, and at such subsequent time as, the Union School District Board of School Directors determines, in its discretion, that any of the real property, including land and buildings, conveyed to it by one or more of the forming districts is or are unnecessary to the continued operation of the Union School District and its educational programs, the Union School District shall convey such real property, for the sum of One Dollar, and 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, to the town in which it is located. In the case of any real property, including land and buildings, conveyed to it by the Castleton-Hubbardton Union Elementary School or the Castleton-Hubbardton Village School, the Union School District shall convey the property to the towns of Castleton and Hubbardton. In such instance, the towns of Castleton and Hubbardton shall reach a mutual agreement regarding the use of said properties and/or buildings.

The conveyance of any of the above school properties shall be conditioned upon the town owning and utilizing 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 Union School District for all capital improvements and renovations completed after the formation of the Union School District and prior to the sale to the town. In the event a town elects not to acquire ownership of such real property, the Union School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Union School District Board of School Directors.

In the event that, and at such subsequent time as, the Union School District determines that any real property, including land and buildings, conveyed to it by the Fair Haven Union High School District is or are unnecessary to the continued operation of the Union School District and its educational programs, the Union School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Union School District Board of School Directors.

Article 9

A forming town districts' representation on the Union School District Board of School Directors will be closely proportional to the fraction that its population bears to the aggregate population of all forming school districts in the Union School District. Initial Union School District School Board composition is based upon the 2010 Federal Census, and shall be recalculated promptly following the release of each subsequent decennial census. At such time the Union School District School Board may also evaluate and consider the advisability of implementing a system of at-large voting for school directors.

The number of board members from each forming school district shall be determined by dividing the population of the town or village by one eighteenth of the total population of the aggregate population of the village and towns within the Union School District.

At no time will a town/village corresponding to a pre-existing member school district have less than one board member with a weighted vote of one on the board of school directors. Subject to the previous sentence, each proportionality calculation shall be rounded to the nearest whole number.

The initial membership on the Union School District Board of School Directors will be as follows:

Number of School Board Members by Town

Town	Board Members
Benson (1039) 10%	2
Castleton (4367) 41%	7
Fair Haven (2928) 28%	5
Hubbardton (752) 7%	1
Orwell (1185) 11%	2
West Haven (278) 3%	1

Article 10

The Union School District Board of School Directors will be elected for three-year terms, except for those initially elected at the time of the formation of the Union School District. In the initial Union School District election, board member terms of office will be as follows:

Distribution of Initial One-Year, Two-Year and Three-Year Terms:

Town/District	1 Year Term	2 Year Term	3 Year Term
Castleton	3	2	2
Fair Haven	3	1	1
Orwell	0	1	1
Benson	0	1	1
Hubbardton	0	0	1
West Haven	0	1	0

Pursuant to the provisions of 16 VSA §706j (b), elected school directors shall be sworn in and assume the duties of their office. The term of office for School Directors elected at the April 12, 2016 election shall be one, two, or three years respectively, less any time between the date of the Organizational Meeting of the Union School District (16 VSA §706j), when the initial school directors will begin their term of office, and the date of the Union School District’s annual meeting in the spring of 2017, as established under 16 VSA §706j. Thereafter, terms of office shall begin and expire on the date of the Union School District’s annual meeting.

Article 11

The proposal forming this Union School District will be presented to the voters of each forming school district on April 12, 2016. The candidates for the new Union School District Board of School Directors will be elected on the same date, as required by law. 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 less than 30 or more than 40 days prior to the date of the vote.

Article 12

Upon an affirmative vote of the electorates of the school districts, and upon compliance with 16 VSA §706g, the Union School 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 Union School District shall, between the date of its organizational meeting under 16 VSA §706j and June 30, 2017, develop school district policies, adopt curriculum, educational programs, assessment measures and reporting procedures in order to fulfill the Education Quality Standards (State Board Rule 2000), 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 Union School District Annual Meeting(s) and transact any other lawful business that comes before the Board, provided, however, that the exercise of such authority by the Union School District shall not be construed to limit or alter the authority and/or responsibilities of the School Districts of Benson, Castleton-Hubbardton, Hubbardton, Fair Haven, Fair Haven Union High School, Orwell, and West Haven.

The Union School District shall commence full educational operations on July 1, 2017.

Article 13

The Union School District Board of School Directors shall propose annual budgets in accordance with 16 VSA Chapter 11.

The annual budget vote shall be conducted by Australian ballot pursuant to 17 VSA Chapter 55.

Article 14

On July 1, 2017, when the Union School District becomes fully operational and begins to provide educational services to students, of the Benson, Castleton-Hubbardton, Hubbardton, Fair Haven, Fair Haven Union High School, Orwell, and West Haven School Districts shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business not given to the Union School District under these articles and state law. Such business shall be completed as soon as practicable, but in no event any later than December 31, 2017. The Addison-Rutland Supervisory Union shall cease all operations within a reasonable timeframe of the completion of all outstanding business of its member school districts, but in no event any later than January 31, 2018.

Article 15

Cost-Benefit Analysis (*See Appendix A*).

Article 16

Information on school choice, school configurations and school enrollment plan (*See Appendix B*).

Article 17

For at least the first year that the Union School District is fully operational and providing educational services, students will attend elementary school and middle school according to their town/district of residence; provided however, with parental consent, the Board of School Directors may adjust student enrollment based upon individual student circumstances and needs of the Union School District. For purposes of this article only, students residing in West Haven shall be considered residents of Fair Haven for determining school attendance. Boundary lines and school configurations within the union school district may be adjusted for all students.

After July 1, 2018, the Board of School Directors shall adopt a school policy providing a process for parents or guardians to request that their child attend another elementary school within the Union School District.

Article 18

The Union School District school board shall provide opportunity for local input on policy and budget development. Structures to support and encourage public participation within the Union School District will be established by the Union School District Board of School Directors on or before June 30, 2016.

Appendices

Appendix A: Cost Benefit Analysis and Narrative

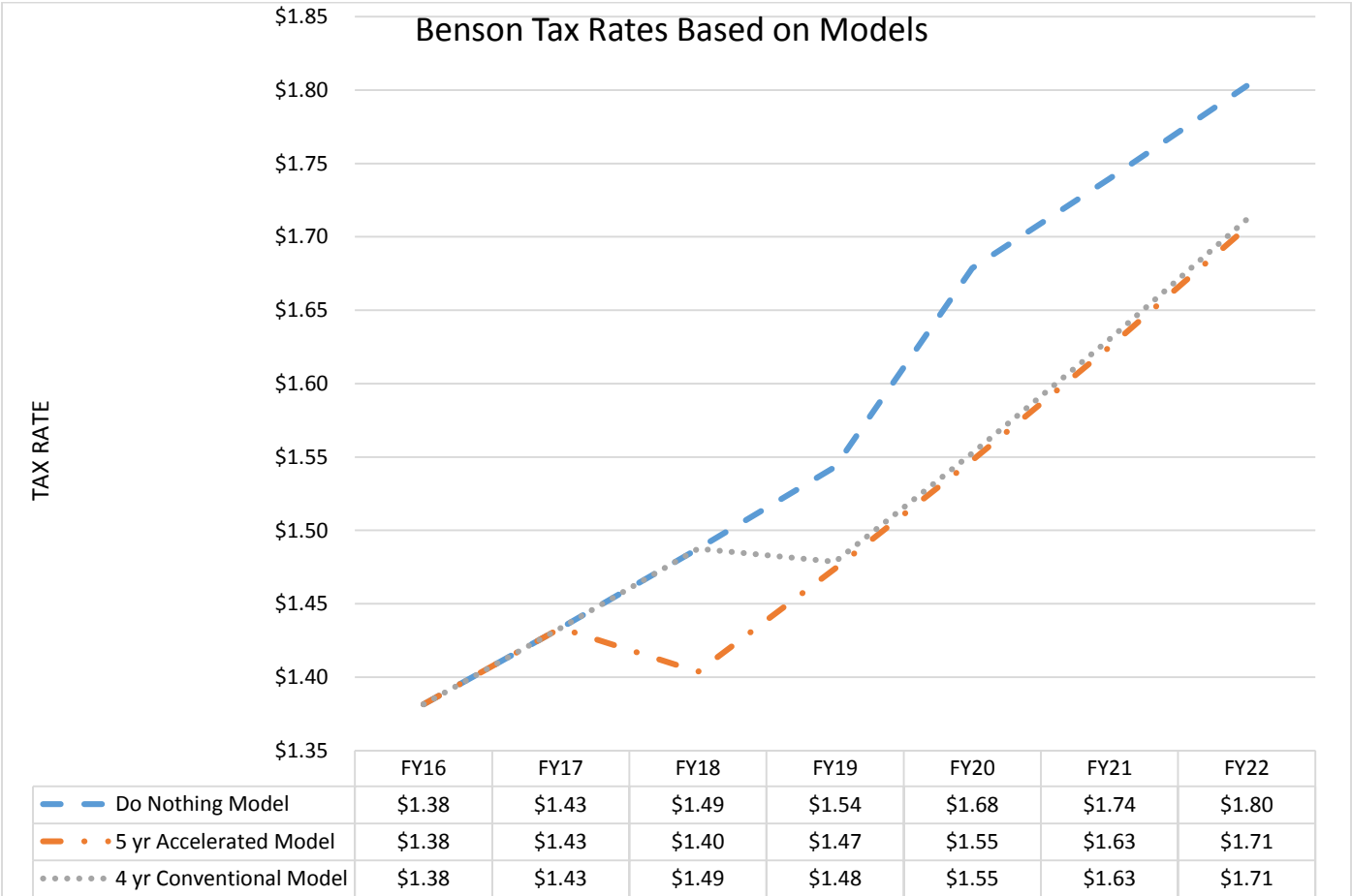
The following data was developed using the Financial Modeling Tool provided by Vermont School Boards Association. It is of the utmost importance to understand that the input data remains static throughout the five year model. The input fields are as follows:

- Average change equalized pupils 1.27% decrease
- Average change in education spending 2.32% increase
- Average change in education grand list 1.42% decrease
- Hold harmless threshold percent change 3.5%
- Base education amount \$9,459
- Base homestead tax rate .99 cents
- Excess spending threshold \$17,103
- Change in excess spending threshold per year 1%

FINANCIAL MODEL RESULTS

Equalized Pupils						% Change	% Change	% Change	% Change	Average
	FY12	FY13	FY14	FY15	FY16	FY13	FY14	FY15	FY16	Change
Benson	178.75	172.65	166.61	160.78	155.15	-3.41%	-3.50%	-3.50%	-3.50%	-3.50%
Castleton	495.86	478.77	462.01	475.42	475.53	-3.45%	-3.50%	2.90%	0.02%	-0.19%
FH	506.53	510.14	511.47	513.66	509.46	0.71%	0.26%	0.43%	-0.82%	-0.04%
Hubb	97.11	93.71	90.43	87.26	84.21	-3.50%	-3.50%	-3.51%	-3.50%	-3.50%
Orwell	198.35	194.29	187.49	180.93	181.49	-2.05%	-3.50%	-3.50%	0.31%	-2.23%
West Haven	37.95	36.62	35.34	34.1	32.91	-3.50%	-3.50%	-3.51%	-3.49%	-3.50%
	1514.55	1486.18	1453.35	1452.15	1438.75	-1.87%	-2.21%	-0.08%	-0.92%	-1.27%
Education Spending						% Change	% Change	% Change	% Change	Average
	FY12	FY13	FY14	FY15	FY16	FY13	FY14	FY15	FY16	Change
Benson	1,258,060	1,365,580	1,393,875	1,285,170	1,242,504	8.55%	2.07%	-7.80%	-3.32%	-3.02%
CH	4,513,165	4,697,510	4,915,339	4,977,845	5,065,583	4.08%	4.64%	1.27%	1.76%	2.56%
FH	3,637,720	3,826,300	4,033,565	4,075,000	4,222,142	5.18%	5.42%	1.03%	3.61%	3.35%
Hubb	436,085	331,760	489,330	476,635	419,784	-23.92%	47.50%	-2.59%	-11.93%	10.99%
FHUHS	6,160,165	6,003,525	6,443,980	6,345,120	6,394,245	-2.54%	7.34%	-1.53%	0.77%	2.19%
Orwell	1,276,840	1,385,735	1,364,165	1,423,085	1,539,549	8.53%	-1.56%	4.32%	8.18%	3.65%
West Haven	300,800	302,365	270,145	233,845	370,662	0.52%	-10.66%	-13.44%	58.51%	11.47%
	17,582,835	17,912,775	18,910,399	18,816,700	19,254,469	1.88%	5.57%	-0.50%	2.33%	2.32%
Education Grand List						% Change	% Change	% Change	% Change	Average
	FY12	FY13	FY14	FY15	FY16	FY13	FY14	FY15	FY16	Change
Benson	536,360	535,454	508,190	508,992	482,804	-0.17%	-5.09%	0.16%	-5.15%	-3.36%
Castleton	1,953,720	1,958,987	1,911,900	1,894,726	1,923,569	0.27%	-2.40%	-0.90%	1.52%	-0.59%
FH	1,115,064	1,114,309	1,056,139	1,048,595	1,010,433	-0.07%	-5.22%	-0.71%	-3.64%	-3.19%
Hubb	492,231	496,563	472,546	470,591	458,993	0.88%	-4.84%	-0.41%	-2.46%	-2.57%
Orwell	959,007	973,576	954,213	963,015	916,943	1.52%	-1.99%	0.92%	-4.78%	-1.95%
West Haven	178,731	171,395	174,445	168,528	148,272	-4.10%	1.78%	-3.39%	-12.02%	-4.54%
	5,235,113	5,250,284	5,077,433	5,054,447	4,941,014	0.29%	-3.29%	-0.45%	-2.24%	-1.42%

Financial Model Results		Benson									
Tax Rates											
	FY16	FY17	FY18	FY19	FY20	FY21	FY22				
Do Nothing Model:	\$ 1.38	\$ 1.43	\$ 1.49	\$ 1.54	\$ 1.68	\$ 1.74	\$ 1.80				
5 Yr Accelerated	\$ 1.38	\$ 1.43	\$ 1.40	\$ 1.47	\$ 1.55	\$ 1.63	\$ 1.71				
4 yr Conventional	\$ 1.38	\$ 1.43	\$ 1.49	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71				
		FY17	FY18	FY19	FY20	FY21	FY22				
5 Yr Accelerated		\$ -	\$ 0.08	\$ 0.07	\$ 0.13	\$ 0.11	\$ 0.10	\$ 0.50			
4 yr Conventional		\$ -	\$ -	\$ 0.06	\$ 0.13	\$ 0.11	\$ 0.09	\$ 0.39			
Financial Model Results											
Tax \$ (based on town homestead EGL)											
	FY16	FY17	FY18	FY19	FY20	FY21	FY22				
Do Nothing Model:	\$ 666,994	\$ 682,272	\$ 697,873	\$ 713,818	\$ 765,373	\$ 781,969	\$ 798,869				
5 Yr Accelerated	\$ 666,994	\$ 682,272	\$ 658,602	\$ 681,712	\$ 705,633	\$ 730,394	\$ 756,023				
4 yr Conventional	\$ 666,994	\$ 682,272	\$ 697,873	\$ 683,939	\$ 707,938	\$ 732,780	\$ 758,493				
		FY17	FY18	FY19	FY20	FY21	FY22				
5 Yr Accelerated		\$ -	\$ 39,271	\$ 32,106	\$ 59,740	\$ 51,575	\$ 42,846	\$ 225,538.00			
4 yr Conventional		\$ -	\$ -	\$ 29,879	\$ 57,435	\$ 49,189	\$ 40,376	\$ 176,879.00			
Financial Model Results											
Tax \$ (based on \$200,000 homestead value)											
	FY16	FY17	FY18	FY19	FY20	FY21	FY22				
Do Nothing Model:	\$ -	\$ 104	\$ 108	\$ 112	\$ 270	\$ 392	\$ 127	\$ 1,113	Increase		
5 Yr Accelerated	\$ -	\$ -	\$ 167	\$ 139	\$ 262	\$ 229	\$ 193	\$ 990	Savings		
4 yr Conventional	\$ -	\$ -	\$ -	\$ 129	\$ 252	\$ 219	\$ 182	\$ 782	Savings		

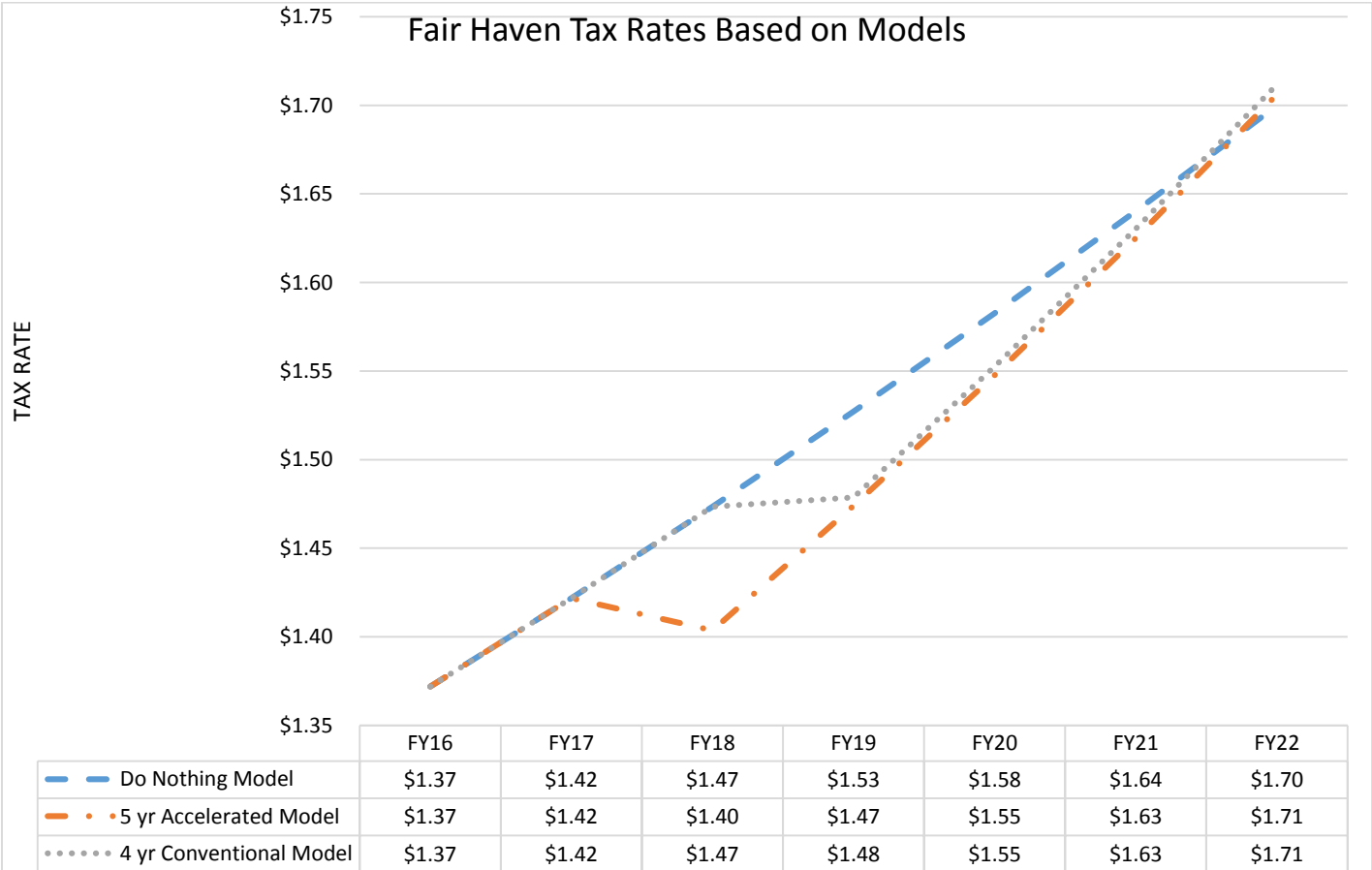


Financial Model Results		Castleton									
Tax Rates											
		FY16	FY17	FY18	FY19	FY20	FY21	FY22			
Do Nothing Model:		\$ 1.41	\$ 1.46	\$ 1.52	\$ 1.57	\$ 1.63	\$ 1.69	\$ 1.75			
5 Yr Accelerated		\$ 1.41	\$ 1.46	\$ 1.40	\$ 1.47	\$ 1.55	\$ 1.63	\$ 1.71			
4 yr Conventional		\$ 1.41	\$ 1.43	\$ 1.52	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71			
			FY17	FY18	FY19	FY20	FY21	FY22			
5 Yr Accelerated			\$ -	\$ 0.11	\$ 0.10	\$ 0.08	\$ 0.06	\$ 0.04	\$ 0.39		
4 yr Conventional			\$ 0.03	\$ -	\$ 0.09	\$ 0.08	\$ 0.06	\$ 0.04	\$ 0.29		
Financial Model Results											
Tax \$ (based on town homestead EGL)											
		FY16	FY17	FY18	FY19	FY20	FY21	FY22			
Do Nothing Model:		\$ 2,714,157	\$ 2,773,083	\$ 2,832,967	\$ 2,894,276	\$ 2,957,088	\$ 3,021,113	\$ 3,086,432			
5 Yr Accelerated		\$ 2,714,157	\$ 2,773,083	\$ 2,623,976	\$ 2,716,051	\$ 2,811,357	\$ 2,910,008	\$ 3,012,120			
4 yr Conventional		\$ 2,714,157	\$ 2,773,083	\$ 2,832,967	\$ 2,724,924	\$ 2,820,542	\$ 2,919,514	\$ 3,021,960			
			FY17	FY18	FY19	FY20	FY21	FY22			
5 Yr Accelerated			\$ -	\$ 208,991	\$ 178,225	\$ 145,731	\$ 111,105	\$ 74,312	\$ 718,364.00		
4 yr Conventional			\$ -	\$ -	\$ 169,352	\$ 136,546	\$ 101,599	\$ 64,472	\$ 471,969.00		
Financial Model Results											
Tax \$ (based on \$200,000 homestead value)											
Do Nothing Model:		\$ -	\$ 103	\$ 106	\$ 110	\$ 115	\$ 118	\$ 123	\$ 675	Increase	
5 Yr Accelerated		\$ -	\$ -	\$ 224	\$ 193	\$ 160	\$ 124	\$ 84	\$ 785	Savings	
4 yr Conventional		\$ -	\$ -	\$ -	\$ 184	\$ 150	\$ 113	\$ 73	\$ 520	Savings	

Castleton Tax Rates Based on Models



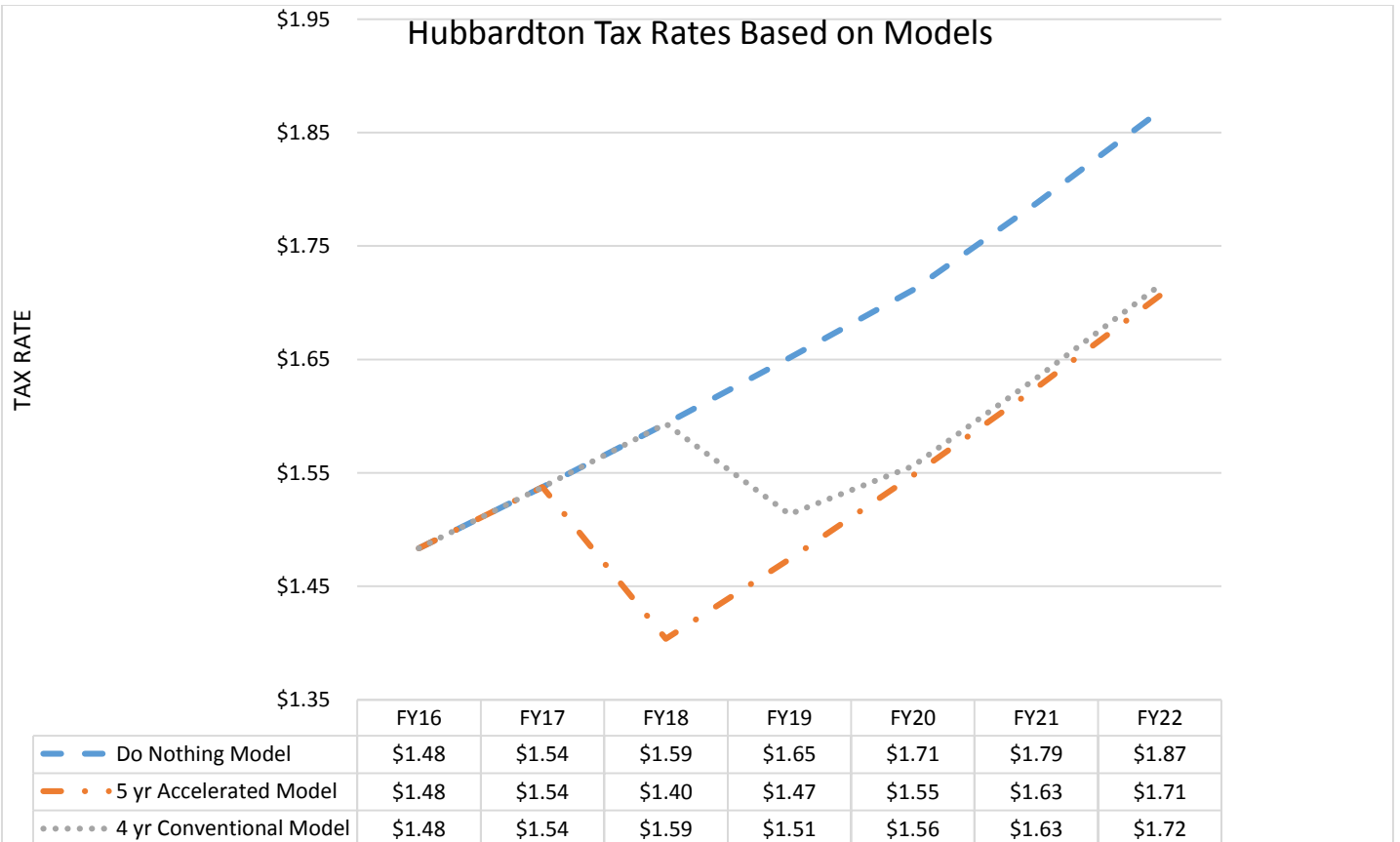
Financial Model Results		Fair Haven									
Tax Rates		FY16	FY17	FY18	FY19	FY20	FY21	FY22			
Do Nothing Model:		\$ 1.37	\$ 1.42	\$ 1.47	\$ 1.53	\$ 1.58	\$ 1.64	\$ 1.70			
5 Yr Accelerated		\$ 1.37	\$ 1.42	\$ 1.40	\$ 1.47	\$ 1.55	\$ 1.63	\$ 1.71			
4 yr Conventional		\$ 1.37	\$ 1.42	\$ 1.47	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71			
			FY17	FY18	FY19	FY20	FY21	FY22			
5 Yr Accelerated			\$ -	\$ 0.07	\$ 0.05	\$ 0.03	\$ 0.02	\$ (0.01)	\$ 0.17		
4 yr Conventional			\$ -	\$ (0.00)	\$ 0.05	\$ 0.03	\$ 0.01	\$ (0.01)	\$ 0.08		
Financial Model Results											
Tax \$ (based on town homestead EGL)											
		FY16	FY17	FY18	FY19	FY20	FY21	FY22			
Do Nothing Model:		\$ 1,386,213	\$ 1,416,333	\$ 1,446,889	\$ 1,478,228	\$ 1,510,198	\$ 1,542,844	\$ 1,576,298			
5 Yr Accelerated		\$ 1,386,213	\$ 1,416,333	\$ 1,378,350	\$ 1,426,716	\$ 1,476,780	\$ 1,528,600	\$ 1,582,238			
4 yr Conventional		\$ 1,386,213	\$ 1,416,333	\$ 1,446,889	\$ 1,431,377	\$ 1,481,604	\$ 1,533,594	\$ 1,587,407			
			FY17	FY18	FY19	FY20	FY21	FY22			
5 Yr Accelerated			\$ -	\$ 68,539	\$ 51,512	\$ 33,418	\$ 14,244	\$ (5,940)	\$ 161,773.00		
4 yr Conventional			\$ -	\$ -	\$ 46,851	\$ 28,594	\$ 9,250	\$ (11,109)	\$ 73,586.00		
Financial Model Results											
Tax \$ (based on \$200,000 homestead value)											
Do Nothing Model:		\$ -	\$ 100	\$ 103	\$ 107	\$ 111	\$ 115	\$ 120	\$ 656	Increase	
5 Yr Accelerated		\$ -	\$ -	\$ 140	\$ 106	\$ 70	\$ 30	\$ (13)	\$ 333	Savings	
4 yr Conventional		\$ -	\$ -	\$ -	\$ 97	\$ 60	\$ 20	\$ (24)	\$ 153	Savings	



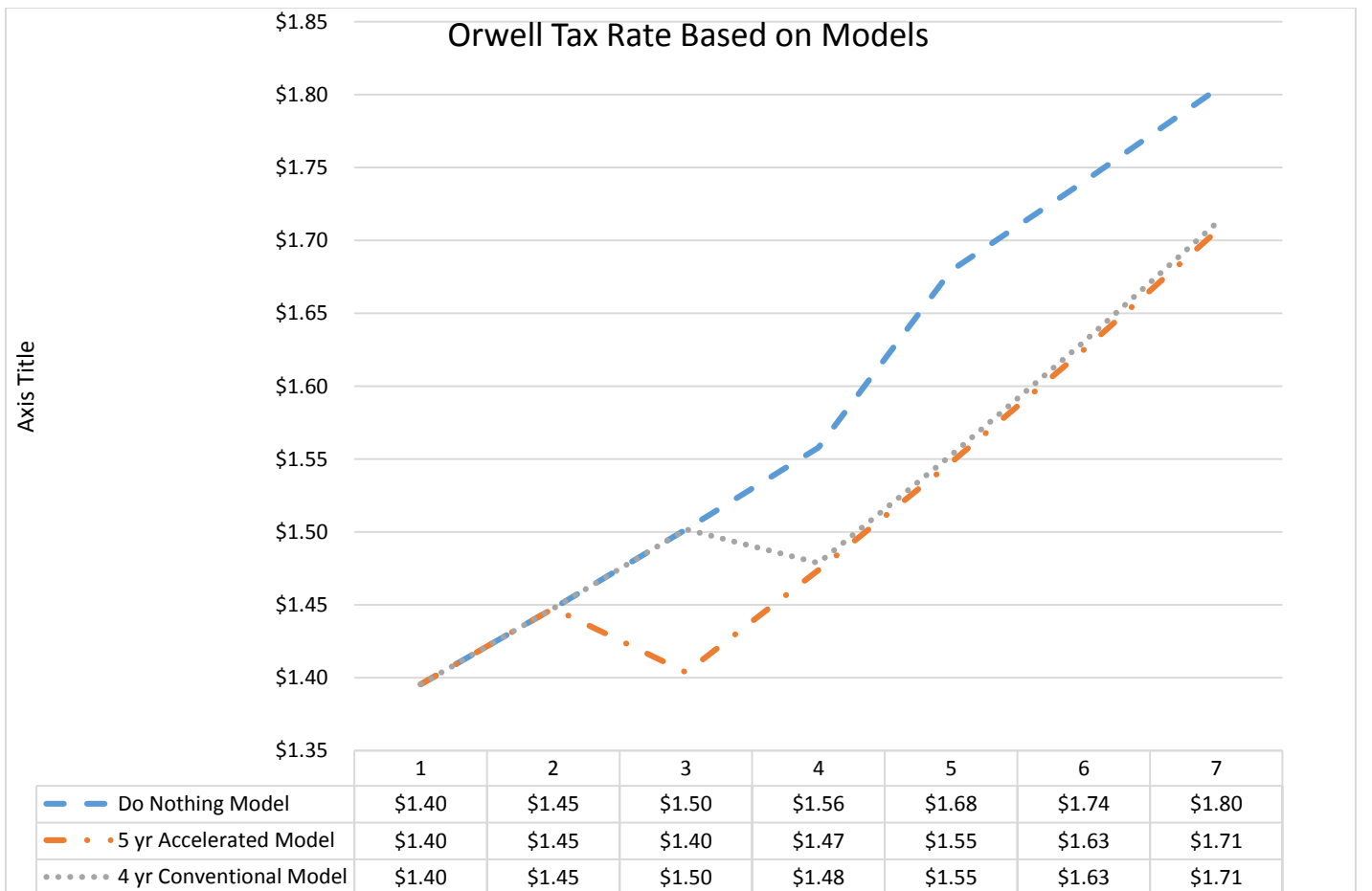
Financial Model Results		Hubbardton						
Tax Rates								
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	
Do Nothing Model:	\$ 1.48	\$ 1.54	\$ 1.59	\$ 1.65	\$ 1.71	\$ 1.79	\$ 1.87	
5 Yr Accelerated	\$ 1.48	\$ 1.54	\$ 1.40	\$ 1.47	\$ 1.55	\$ 1.63	\$ 1.71	
4 yr Conventional	\$ 1.48	\$ 1.54	\$ 1.59	\$ 1.51	\$ 1.56	\$ 1.63	\$ 1.72	
	FY17	FY18	FY19	FY20	FY21	FY22		
5 Yr Accelerated	\$ -	\$ 0.19	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.86	
4 yr Conventional	\$ -	\$ -	\$ 0.14	\$ 0.16	\$ 0.15	\$ 0.15	\$ 0.60	

Financial Model Results		Tax \$ (based on town homestead EGL)						
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	
Do Nothing Model:	\$ 680,871	\$ 695,636	\$ 710,692	\$ 726,104	\$ 741,802	\$ 763,958	\$ 787,273	
5 Yr Accelerated	\$ 680,871	\$ 695,636	\$ 626,121	\$ 648,092	\$ 670,833	\$ 694,373	\$ 718,739	
4 yr Conventional	\$ 680,871	\$ 695,636	\$ 710,692	\$ 665,571	\$ 674,397	\$ 698,061	\$ 722,556	
	FY17	FY18	FY19	FY20	FY21	FY22		
5 Yr Accelerated	\$ -	\$ 84,571	\$ 78,012	\$ 70,969	\$ 69,585	\$ 68,534	\$ 371,671.00	
4 yr Conventional	\$ -	\$ -	\$ 60,533	\$ 67,405	\$ 65,897	\$ 64,717	\$ 258,552.00	

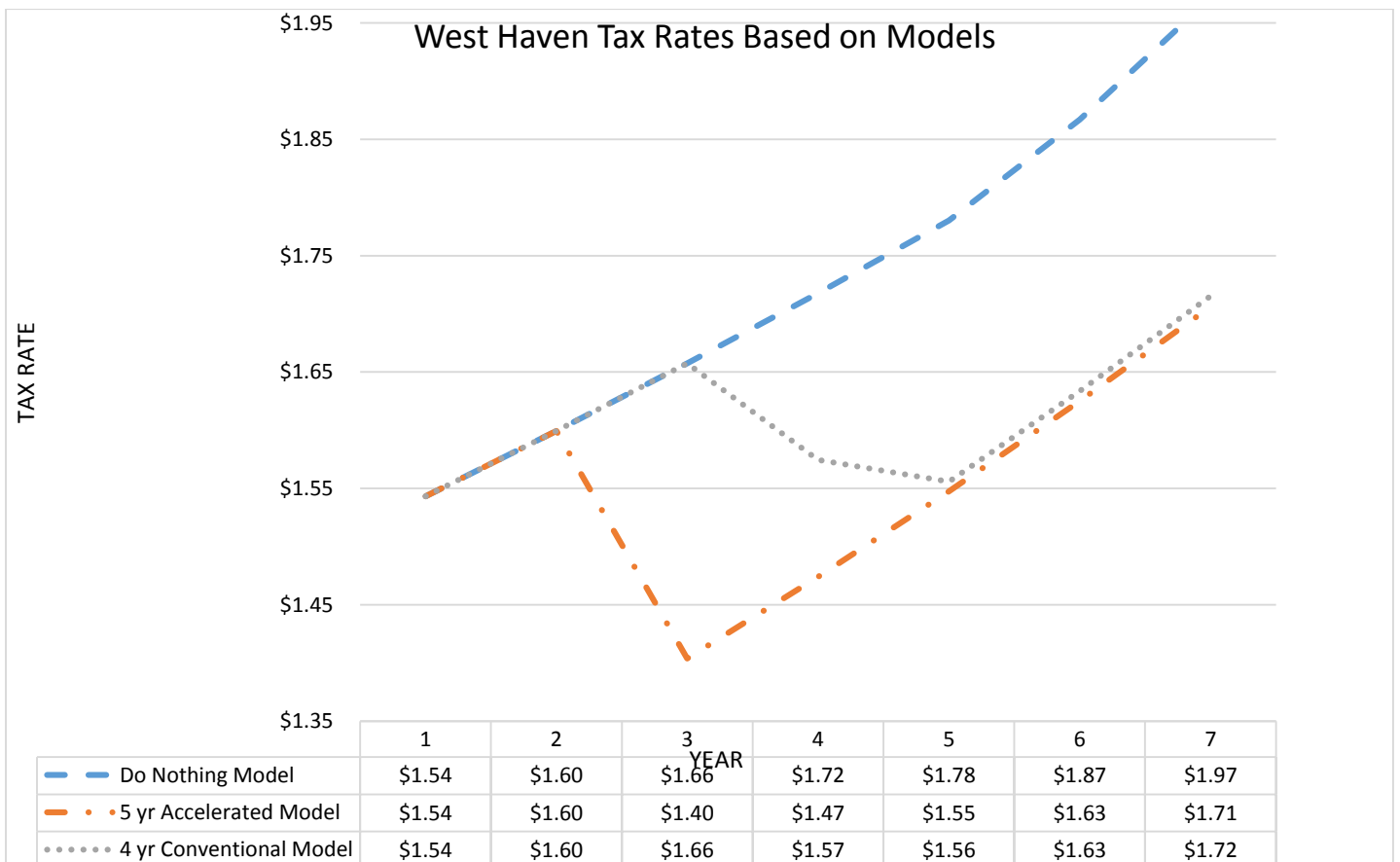
Financial Model Results		Tax \$ (based on \$200,000 homestead value)							
Do Nothing Model:	\$ -	\$ 108	\$ 112	\$ 116	\$ 120	\$ 153	\$ 162	\$ 771	Increase
5 Yr Accelerated	\$ -	\$ -	\$ 379	\$ 355	\$ 327	\$ 326	\$ 325	\$ 1,712	Savings
4 yr Conventional	\$ -	\$ -	\$ -	\$ 275	\$ 311	\$ 308	\$ 307	\$ 1,201	Savings



Financial Model Results		Orwell								
Tax Rates										
	FY16	FY17	FY18	FY19	FY20	FY21	FY22			
Do Nothing Model:	\$ 1.40	\$ 1.45	\$ 1.50	\$ 1.56	\$ 1.68	\$ 1.74	\$ 1.80			
5 Yr Accelerated	\$ 1.40	\$ 1.45	\$ 1.40	\$ 1.47	\$ 1.55	\$ 1.63	\$ 1.71			
4 yr Conventional	\$ 1.40	\$ 1.45	\$ 1.50	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71			
		FY17	FY18	FY19	FY20	FY21	FY22			
5 Yr Accelerated		\$ -	\$ 0.10	\$ 0.08	\$ 0.13	\$ 0.12	\$ 0.10	\$ 0.53		
4 yr Conventional		\$ -	\$ -	\$ 0.08	\$ 0.13	\$ 0.11	\$ 0.09	\$ 0.41		
Financial Model Results										
Tax \$ (based on town homestead EGL)										
	FY16	FY17	FY18	FY19	FY20	FY21	FY22			
Do Nothing Model:	\$ 1,279,594	\$ 1,308,518	\$ 1,338,234	\$ 1,368,423	\$ 1,454,206	\$ 1,485,630	\$ 1,517,803			
5 Yr Accelerated	\$ 1,279,594	\$ 1,308,518	\$ 1,250,818	\$ 1,294,710	\$ 1,340,141	\$ 1,387,167	\$ 1,435,842			
4 yr Conventional	\$ 1,279,594	\$ 1,308,518	\$ 1,338,234	\$ 1,298,939	\$ 1,344,519	\$ 1,391,698	\$ 1,440,533			
		FY17	FY18	FY19	FY20	FY21	FY22			
5 Yr Accelerated		\$ -	\$ 87,416	\$ 73,713	\$ 114,065	\$ 98,463	\$ 81,961	\$ 455,618.00		
4 yr Conventional		\$ -	\$ -	\$ 69,484	\$ 109,687	\$ 93,932	\$ 77,270	\$ 350,373.00		
Financial Model Results										
Tax \$ (based on \$200,000 homestead value)										
Do Nothing Model:	\$ -	\$ 104	\$ 109	\$ 112	\$ 243	\$ 122	\$ 126	\$ 816	Increase	
5 Yr Accelerated	\$ -	\$ -	\$ 196	\$ 168	\$ 263	\$ 231	\$ 195	\$ 1,053	Savings	
4 yr Conventional	\$ -	\$ -	\$ -	\$ 158	\$ 253	\$ 220	\$ 184	\$ 815	Savings	



Financial Model Results		West Haven													
Tax Rates															
		FY16	FY17	FY18	FY19	FY20	FY21	FY22							
Do Nothing Model:		\$ 1.54	\$ 1.60	\$ 1.66	\$ 1.72	\$ 1.78	\$ 1.87	\$ 1.97							
5 Yr Accelerated		\$ 1.54	\$ 1.60	\$ 1.40	\$ 1.47	\$ 1.55	\$ 1.63	\$ 1.71							
4 yr Conventional		\$ 1.54	\$ 1.60	\$ 1.66	\$ 1.57	\$ 1.56	\$ 1.63	\$ 1.72							
			FY17	FY18	FY19	FY20	FY21	FY22							
5 Yr Accelerated			\$ -	\$ 0.25	\$ 0.24	\$ 0.23	\$ 0.24	\$ 0.27	\$ 1.24						
4 yr Conventional			\$ -	\$ -	\$ 0.14	\$ 0.22	\$ 0.23	\$ 0.26	\$ 0.86						
Financial Model Results															
Tax \$ (based on town homestead EGL)															
		FY16	FY17	FY18	FY19	FY20	FY21	FY22							
Do Nothing Model:		\$ 226,813	\$ 233,764	\$ 238,831	\$ 243,990	\$ 249,278	\$ 257,720	\$ 268,253							
5 Yr Accelerated		\$ 228,813	\$ 233,764	\$ 202,260	\$ 209,358	\$ 216,704	\$ 224,308	\$ 232,179							
4 yr Conventional		\$ 228,813	\$ 233,764	\$ 238,831	\$ 223,667	\$ 217,855	\$ 225,500	\$ 233,413							
			FY17	FY18	FY19	FY20	FY21	FY22							
5 Yr Accelerated			\$ -	\$ 36,571	\$ 34,632	\$ 32,574	\$ 33,412	\$ 36,074	\$ 173,263.00						
4 yr Conventional			\$ -	\$ -	\$ 20,323	\$ 31,423	\$ 32,220	\$ 34,840	\$ 118,806.00						
Financial Model Results															
Tax \$ (based on \$200,000 homestead value)															
Do Nothing Model:		\$ -	\$ 113	\$ 116	\$ 120	\$ 125	\$ 174	\$ 209						\$ 857	Increase
5 Yr Accelerated		\$ -	\$ -	\$ 508	\$ 488	\$ 465	\$ 484	\$ 530						\$ 2,475	Savings
4 yr Conventional		\$ -	\$ -	\$ -	\$ 286	\$ 449	\$ 467	\$ 512						\$ 1,714	Savings



School Choice

The creation of a unified union school district would allow West Haven’s pre-kindergarten to grade 8 students to attend the Fair Haven Grade School for the first year of operation.

For at least the first year that the Union School District is fully operational and providing educational services, students will attend elementary school and middle school according to their town/district of residence; provided however, with parental consent, the Board of School Directors may adjust student enrollment based upon individual student circumstances and needs of the Union School District. For purposes of this article only, students residing in West Haven shall be considered residents of Fair Haven for determining school attendance.

After July 1, 2018, the Board of School Directors will have the authority to adjust school attendance boundary lines and school configurations within the Union School District. The Board of School Directors shall adopt a school policy providing a process for parents or guardians to request that their child attend another elementary school within the Union School District.

All Hubbardton grades 9-12 students will be allowed to have “grandfather status” and shall be permitted the option to continue to attend as tuition students from the Union District the same public or approved independent school. Except as specifically approved by the Union District’s Board of School Directors, and consistent with the state law, the tuitioning of “grandfathered” high school students shall cease on June 30, 2020. At that time all students will attend Fair Haven Union High School.

School choice is currently available to all high school students in Vermont within capacity limits specified in statute and put in place by local school boards. No changes are planned at this time.

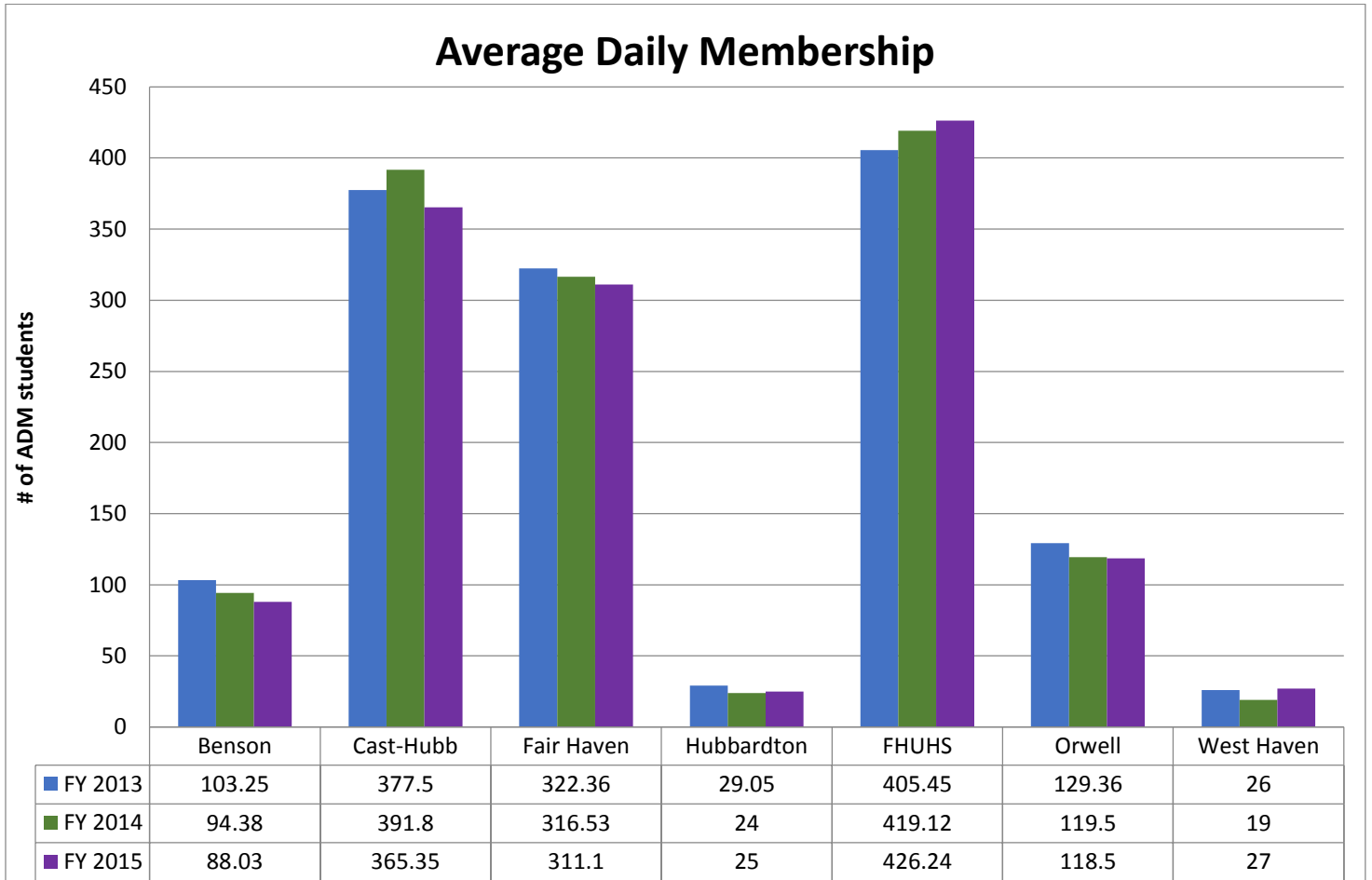
School Configuration

The current school configuration in our district is as follows:

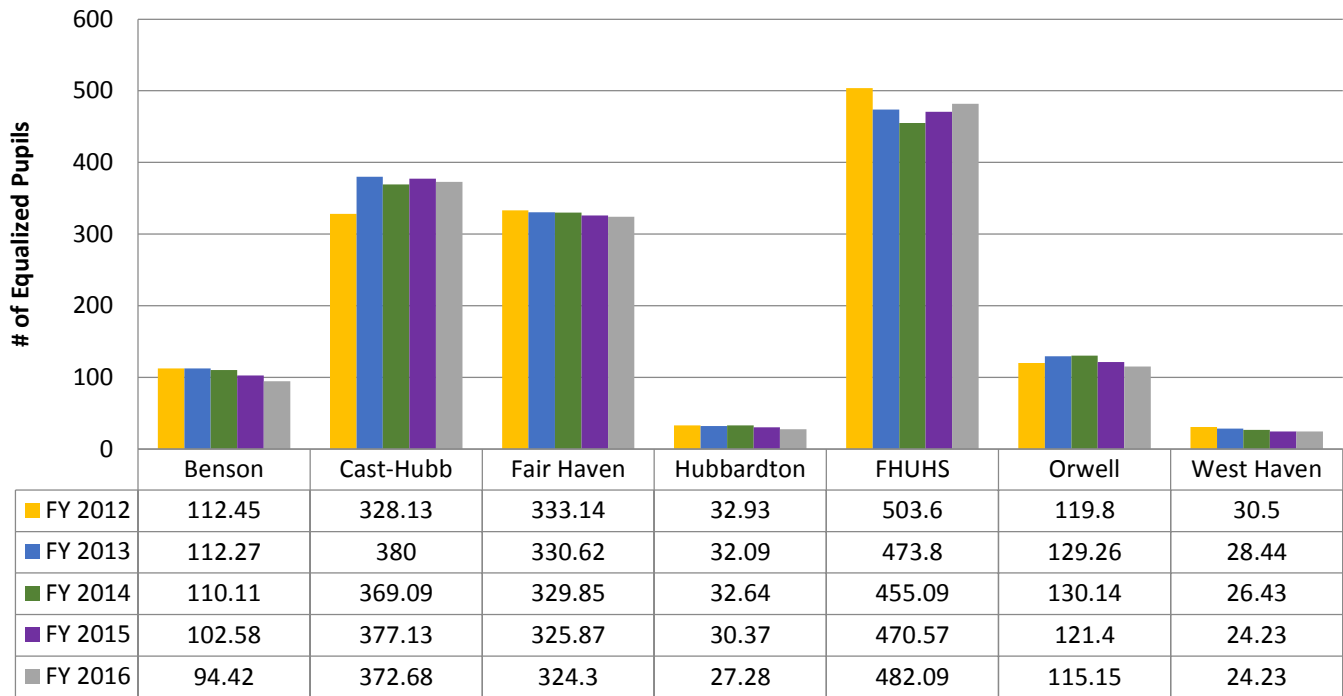
Benson Village School	EEE through grade 8	96 students
Castleton Elementary School	EEE through grade 5	244 students
Castleton Village School	Grades 6 through 8	104 students
Fair Haven Grade School	EEE through grade 8	316 students
Fair Haven Union High School	9 through 12	450 students
Orwell Village School	EEE through grade 8	<u>122 students</u>
		Total 1332 students

Under the new unified union the schools will remain the same with pre-kindergarten added in school year 2016-2017. At some point down the road we would anticipate some discussion regarding reconfigurations of grade levels.

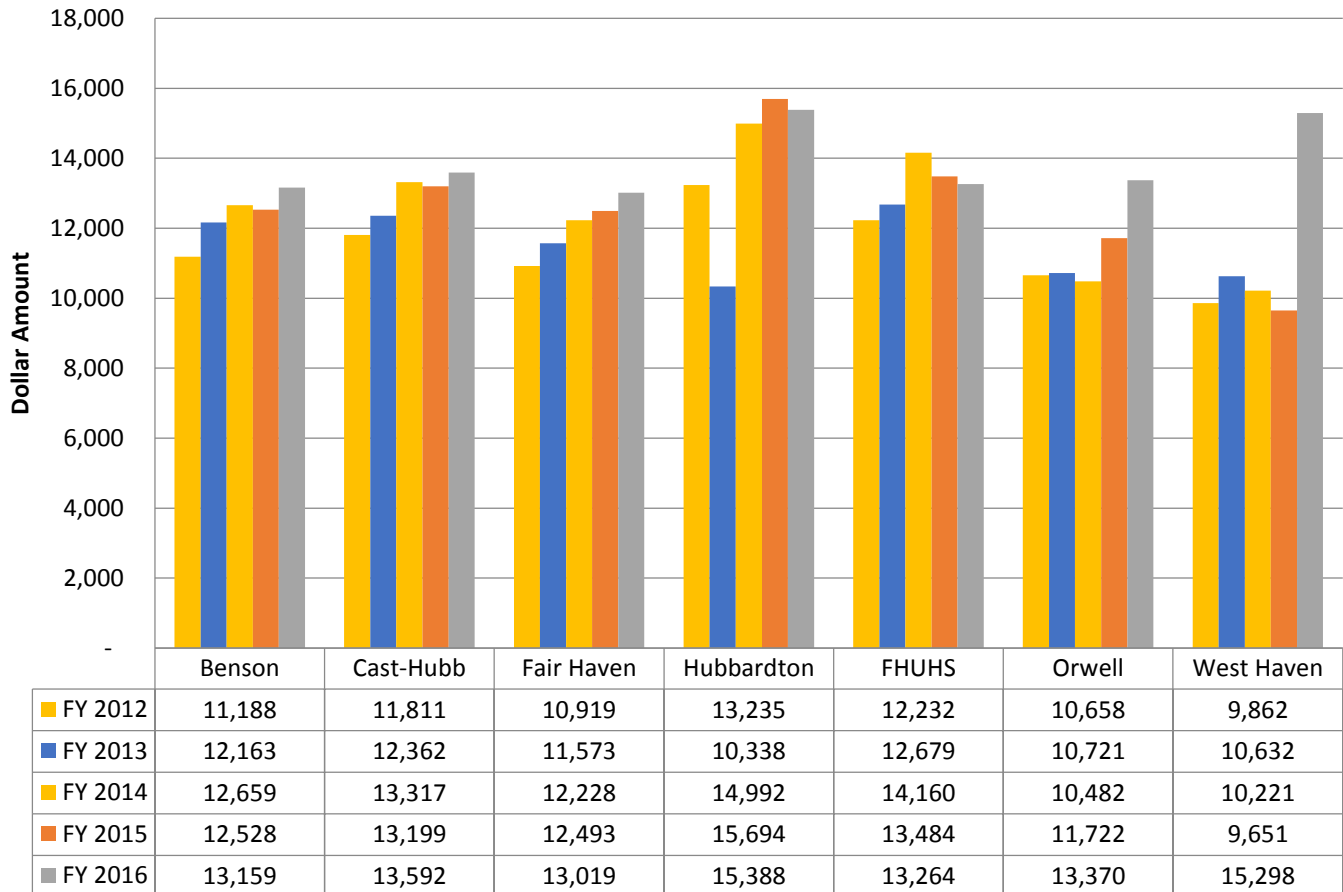
The chart below reflects the average daily membership over the last three years for the schools in the Addison Rutland Supervisory Union.



Equalized Pupils



Ed Spending per Equalized Pupil



Student Enrollment as of November 1, 2015

	Benson	C/H	*FH	Orwell	Total
EEE	16	24	23	0	
K	8	35	26	14	
1	3	29	32	17	
2	5	48	26	10	
3	12	33	38	14	
4	9	35	37	14	
5	10	40	35	13	
6	8	42	32	10	
7	11	31	35	15	
8	14	31	32	15	
Ungraded	0	0	0	0	
Total	96	348	316	122	882

***FHUHS**

9	111
10	104
11	118
12	117
Total:	<u>450</u>

District Total: **1332**

*Enrollment for Fair Haven Grade School includes West Haven Students

*Enrollment for Fair Haven Union High School includes Hubbardton Students

School Closure

The Union School District shall not close any schools within its boundaries during the first four years it is fully operational and providing educational services. After that an affirmative vote of three-quarters of the full membership of the Board of Directors shall be required to approve the closure of a school.

Efficiencies, Flexibility and Taxpayer Value

Much of the savings in Addison Rutland Supervisory Union has already been realized through prior consolidation efforts such as Transportation, Food Service, One collective bargaining agreement for teachers etc. We are only a single supervisory union consolidating our schools into one unified union, whereas multiple supervisory unions consolidating tend to bring in greater savings overall. With full implementation we estimate a moderate savings realized over time of approximately \$300,000.00. The saving could be a result over time of one maintenance position, one technology position, one nursing position, various special education staffing, and audit cost savings.

The new unified union district will receive a \$150,000 merger incentive grant to assist with the transition period.

The opportunity to share resources across the new unified union will be realized.

Each individual school district once unified into a new pre-kindergarten to 12 district will see tax rate reductions through tax incentives for the first five years of the merger.

Transparency and Accountability

Teacher and Non Teacher Staffing

A unified union district structure will allow flexibility to adjust staffing assignments based on student needs and staff expertise and licensing. Teachers could be reassigned where the greatest needs are across all schools within the new unified union district. It will also provide greater opportunity to equalize class sizes across the new district for specific grade levels through staffing reallocation. The new unified union will have greater flexibility in the allocation of non-unionized staff. Staffing can be reassigned where the greatest student needs are across all schools with the new district.

Technology

The creation of a new unified union district will create quality and opportunity in the operations of information technology. By merging into a single unified district the technology department would be more flexible and be able to share the diverse background and knowledge of our staff. In our current form, staff is assigned at the school level without the ability to move among other schools in the Supervisory Union. A unified district would be able to achieve greater staff efficiencies that would add value for our taxpayers. While we currently plan and implement technology as a collective team throughout the Addison-Rutland Supervisory Union, we still have some level of inconsistency. A streamlined approach as one unified union district would allow us to implement to all schools equally. This will in return create more opportunity for all of our students and allow for the achievement of higher standards.

Student Data

The creation of a new unified union district will allow for better implementation of standardized data collection and reporting methods. With the implementation of standardized collection methods and through the use of a centralized storage system, data collection and reporting will become more efficient. The anticipated results will be improvements in an educator's ability to use data to improve instructional practice, improvements in the ability of our special educators to use data to highlight the need for specialized interventions and track the progress of the learner, and improved communication between educators and parents.

Centralized Contracting

A larger unified union school district will allow for increased purchasing power and a stronger negotiating position through economies of scale. Advertising will be done specifically as a unified district saving money on multiple ads for each school.

Our present system has the following areas centralized. **Centralized Transportation:** Currently in our present Supervisory Union system we have fully implemented centralized transportation effective July 1, 2014. Previously each of our Town School Districts either owned & operated or separately contracted services for transportation. Now we have one contract for the whole Supervisory Union. The Supervisory Union adopted an equalized pupil method for assessing costs. **Union Agreements:** In the past years, each school district negotiated their own master agreements with different language and different salary schedules. Now all the teachers in our current Supervisory Union negotiate together under one centralized master agreement. We continue to work at standardizing the language within this agreement and in the most recent agreement we were successful at achieving one centralized salary schedule. **Food Service:** Previously each school bid out their food service separately which resulted in two different management companies in our Supervisory Union. Now we have bid out the food service program and centralized it under the Supervisory Union effective July 1, 2015. **Special Education Teachers:** Previously special education teachers were hired by the individual school districts. Now all special education teachers are employees of the Supervisory Union effective July 1, 2015. **Curriculum:** Our Supervisory Union has centralized and standardized curriculum and professional development opportunities through the leadership of a Curriculum and Staff Development Coordinator. **Accounting:** All financial systems including all payroll, accounts payable, accounts receivable and other financial duties are all centralized at the Supervisory Union level. **Technology:** All student information and Network Systems are operated at the Supervisory Union level. All Technology equipment purchasing and bidding is done at the Supervisory Union level.

Therefore the formation of a new Unified Union District will allow us to take what we have done as a system and fine tune the above areas under one unified entity. We will focus on one individual action plan for continuity for all students. We will continue our district mission and vision by focusing on the academic excellence of every student by empowering them with the means for the successful completion of district, state, and national education standards and by challenging them to be productive members of society. All of our students will be engaged in rigorous, authentic, experiential, individualized learning that is supported or accelerated to ensure that they meet or exceed standards. The creation of a new Unified Union District will allow our full commitment to a comprehensive system of support to assure each student has the opportunity to develop the skills and talents necessary for college and career readiness. Our belief statements are as follows:

We Believe:

- Building strong relationships is necessary for success.
- The community is an essential resource for the schools; the schools are an essential resource for the community.
- All learning expectations are clearly and consistently communicated.
- Student progress is demonstrated through multiple measures of assessment.
- Our intent is to create a learning culture focused on proficiency rather than student-to-student comparisons.
- Quality *Habits of Work* are an essential part of students' pathways to success, and are taught and assessed.
- Students have multiple opportunities to acquire knowledge and skills, show what they know and can do, and excel.
- Projects and daily lessons are built around learning targets, which are stepping stones towards meeting essential knowledge needed for college, career, and life. Learning targets are discussed with students, so they have a clear picture of what they are learning through doing the work.
- All teachers create a climate inspiring success for every student.
- Technology is utilized to enhance, support, and individualize instruction.
- Data based decisions are essential for driving instruction and allocating resources.

Quality and Opportunity: Achievement of High Standards

All students in the new Unified Union District will continue to access a rich array of high quality learning opportunities within an aligned pre-kindergarten to 12 education system.

All students in grades 9-12 will continue to have access to public high school choice through Vermont's public high school choice program.

A unified district will enable every student greater access to the vast array of extracurricular choices (athletics, clubs, educational programs, band, choral, music). Coordination will become easier, more flexible and allow for better scheduling of all events.

A unified district governance structure will allow the schools in the Addison-Rutland Supervisory Union to better serve our students' needs from the start of their education through graduation. A unified system could set priorities and allocate resources where needed regardless of the grade level. A unified system would enable staff to focus more on education quality and allow us to adapt to the ever-changing demands of educating students.

The unification of Act 46 allows a district to embrace the twin goals of excellence and equity—high expectations for all students. Student learning is the concern and responsibility of everyone, focusing on student learning goals through building consensus to reach agreed common goals. Centralized curriculum allows for continuity across schools and across grades as teachers will know what children were supposed to cover in elementary when they hit middle school, for instance. This standardization also provides a means of holding people accountable for teaching as all involved, share scope and sequence, and common skills and themes.

A pre-kindergarten through Grade 12 unified union district allows us to consolidate action plans into one district plan to move the vision and calibrate our understanding of quality teaching and learning. This also allows ARSU to create professional development programs that are intensive, ongoing and focused on classroom practice. This includes onsite coaching based on the teaching and learning needs of the teachers to implement high quality instruction to meet the needs of ALL learners. Professional learning communities are developed and supported to build teacher knowledge and skills and to change instruction across the system. A unified system would also align common professional development days, and early release days for alignment, pacing, scoring calibration, and report card rubric work.

A unified district will support student learning by using data effectively. Use data as evidence to monitor results, for making instructional and resource allocation decisions, and for accountability. Common release and professional development days will provide time and training in the use of data and helps schools in gathering and interpreting data. The evidence used to monitor equity, make decisions about alignment, and target professional development efforts will be more systematized in a pre K through 12th Grade District.

A unified district allows for strategic allocation of resources. It will improve ARSU's ability to provide, allocate, reallocate, and find resources to ensure quality instruction. It will allow us to provide additional resources—financial as well as human and social capital—to support low performers. It will give us some autonomy over staffing, schedules, and budgets within parameters. Act 46 opens up the availability of more educators with specialized skills. The same would be true of potential expanded opportunities in languages, health education, family and consumer science, and other enrichment opportunities.

Act 46 allows for more policy and program coherence. It will improve ARSU's ability to develop and implement policies and strategies that promote equity and excellence. ARSU will review and revise those policies and strategies to ensure coherence among programs and practices linked to district goals.

Christopher B. Leopold
Dennis W. Wells

tel (802) 864-3755
fax (802) 864-3612

December 30, 2015

Ronald C. Ryan, Superintendent
Addison Rutland Supervisory Union
49 Main Street
Fair Haven, Vermont 05743

Re: Proposed Slate Valley Unified Union School District Board Membership

Dear Ron,

I am writing regarding the current proposal by the Addison Rutland Study Committee on behalf of the member school districts of the Addison Rutland Supervisory Union (ARSU) to form a unified union school district. Specifically, you have asked us to review the proposed board membership of the Slate Valley Unified Union School District and the requirements of the Equal Protection Clause of the United States Constitution.

Members of the Addison Rutland Study Committee formed under 16 VSA §706, have drafted Articles of Agreement for the formation of the Slate Valley Unified Union pursuant to Act 46. Article 9 of the Articles of Agreement establishes the number of board members from each town in the unified union. The proposed school board follows the statutory requirement that each proposed member district in a unified union be afforded at least one representative. Consistent with statute, the proposed board may not exceed 18 members, each member district shall be entitled to at least one representative, and representation shall be proportional to population. 16 VSA 706b(9). The initial eighteen-member board will consist of two members from Benson, seven members from Castleton, five members from Fair Haven, one member from Hubbardton, two members from Orwell, and one member from West Haven. Board composition will be recalculated after each decennial census to ensure that a town's representation on the Board remains proportional to its population.

The Equal Protection Clause of the Fourteenth Amendment requires that each resident be given equal weight in representation. *Reynolds v. Sims*, 377 US 533, 569 (1964). The Supreme Court has held generally that an apportionment plan with a population deviation of less than 10% is a minor deviation. *Brown v. Thomson*, 462 US 835, 842 (1983). Despite stricter adherence to a 10% maximum deviation rule in *congressional* redistricting cases, the Court has shown *more* flexibility in regard to state and local forms of government. Mathematical exactness is not a requirement to the extent that it acts as a "straitjacket" preventing citizens from "devising mechanisms of local government suitable for local needs and efficient in solving local problems." *Avery v. Midland*, 390 US 474, 485 (1968). While there is significant variation in the population represented per board member for the proposed Slate Valley school board, it appears that there is a rational basis for the deviation: preserving the member district boundaries for the election of board members.

Ronald C. Ryan, Superintendent

December 30, 2015

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Since the representation plan proposed by ARSU preserves the member district boundaries, it is reasonable to conclude that the deviation in population proportionality is permissible. Particularly given that the deviation is a relatively small number. In *Brown v. Thomson*, the Court found a Wyoming reapportionment plan constitutional despite a maximum deviation in population equality of 89%. 462 US 835 (1983). The Court justified this extreme deviation because of the state's historic policy of preserving counties as representative districts. Moreover, the Court in *Brown*, acknowledged that if the least populous county, Niobrara County, were to be combined with a neighboring county in a single representative district it would have de minimis impact. *Id.*, at 847. Similarly in the proposed Slate Valley, if the district of West Haven was combined with either the neighboring district of Fair Haven or Benson into a multi-member district, it would not change the representation of that district nor any other district in the proposed Slate Valley Unified Union. In effect, such a requirement would disenfranchise the population of West Haven. Similarly, a system of at-large voting would have the same effect.

Moreover, the districts of ARSU have considerable population disparities. Castleton (pop. 4,367), the most populous district in the SU, has more than fifteen times the population of West Haven (pop. 278). Significant variation in the population represented per board member results from an attempt to preserve the representative boundaries of the member districts and maintain a board of 18 or fewer members. The huge disparity between the size of the populations of the districts in ARSU would result in an extremely large legislative body if mathematical exactitude is required. Indeed, in order to accommodate strict adherence to one person, one vote the school board of the Slate Valley Unified Union would need to be 35 members, or almost twice the size allowed by statute. 16 VSA 706b(9). It would be equally bad public policy to require that groups of districts that are choosing to merge, but have highly disparate populations, be forced into a system of weighted or at-large voting to assure strict adherence to the one person, one vote principle.

School board representatives are specifically tied to the management of local affairs. In order to further the State's goal of unifying school districts, conversations need to occur between districts with established relationships. Often this will mean a grouping of districts with a wide variation in population that does not lend itself well to precise mathematics. In an effort to maintain the political subdivision of the member school district and continue to allow for progress towards unification, it is reasonable to conclude that mathematical exactness must be set aside. This is consistent with the Court's continued flexibility afforded to municipal government schemes.

Based upon the above, we conclude that there is a reasonable legal basis to conclude that a court would conclude that the proposed board representation proposal satisfies the requirements of the Equal Protection Clause of the U.S. Constitution.

Please feel free to contact me with any questions.

Sincerely,


Christopher Leopold