

AGENCY OF EDUCATION

Barre, Vermont

TEAM: School Governance Team

ITEM: Will the State Board of Education:

1. Find that the proposed unified union school district formed by up to seven member districts of the **BENNINGTON-RUTLAND SUPERVISORY UNION (BRSU)** 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 Northshire Merger Study Committee?
2. Provide preliminary support for a waiver regarding supervisory union board composition to be requested pursuant to 16 V.S.A. § 261(d) if the proposed unified union school district is created?

SECRETARY’S RECOMMENDED ACTION:

1. That the State Board of Education finds that the proposed formation of a new unified union school district by up to seven member districts of the BRSU is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b).
2. That the State Board of Education votes to approve the attached report of the Northshire Merger Study Committee.
3. That the State Board of Education votes to provide preliminary support for a waiver regarding supervisory union board composition to be requested pursuant to 16 V.S.A. § 261(d) if the proposed unified union school district is created.
4. That the State Board of Education votes to approve the temporary assignment of the new unified union school district, if approved, to the BRSU for the purpose of receiving administrative and other transitional assistance. Assignment would be for the interim period beginning on the date on which the unified union school district becomes a legal entity pursuant to 16 V.S.A. § 706g and ending on July 1, 2018, and would not modify the governing structure of the existing system.

STATUTORY AUTHORITY: 16 V.S.A. § 706c; Act 46 of 2015; Act 153 of 2010, Secs. 2-4, as amended.

BACKGROUND INFORMATION: The BRSU consists of 11 school districts located in 12 towns. A study committee formed by seven of the districts and encompassing nine of the towns proposes to create a new unified union school district (New Unified District). The following table sets out the current structure of the potentially merging districts:

School District	Town(s)	Grades Currently Operated	Grades Currently Tuitioned	Necessary? Or Advisable?
Dorset	Dorset	K-8	9-12	N
Manchester	Manchester	K-8	9-12	N
Mtn Towns RED	Landgrove; Londonderry; Peru; Weston	K-8	9-12	N
Currier Memorial Union Elementary	Danby; Mount Tabor	K-6	--	A
Danby	Danby	--	7-8	A
Mt Tabor	Mount Tabor	--	7-8	A
Sunderland	Sunderland	K-6	7-8	A

The Northshire Merger Study Committee identifies the following districts as “necessary” to the proposal pursuant to 16 V.S.A. § 706b(b)(1): The Dorset Town School District, the Manchester Town School District, and the Mountain Towns Regional Education District.

The Study Committee identifies the following districts as “advisable,” pursuant to 16 V.S.A. § 701b(b)(2): The Currier Memorial Union Elementary School District, the Danby Town School District, the Mount Tabor Town School District, and the Sunderland Town School District. If the voters in either Danby or Mount Tabor do not approve the proposal, then the Danby, Mount Tabor, and Currier Memorial Districts will not join an otherwise successful merger.

The combined average daily membership (ADM) of the districts for FY2016 is:

- All “necessary” districts: 1,374
- All “necessary” districts plus Sunderland: 1,527
- All “necessary” districts plus Danby, Mt. Tabor, and Currier Memorial: 1,603
- All seven districts: 1,756

If approved by the State Board and the voters of the districts before July 1, 2017, the New Unified District would be eligible for incentives and protections under Act 153, Secs. 2-5, because it would be a unified union district formed with a combined ADM of at least 1,250.

The New Unified District, to be known as the Taconic and Green Regional School District, would provide for the education of all resident PK-12 students by operating schools through Grade 8 and paying tuition for students in Grades 9-12. The proposal would unify up to seven existing school districts and would replace all current governing bodies with one unified school board.

The New Unified District would be governed by a school board of between 9 and 13 members, depending upon which districts vote in favor of merger. Members would be allocated to the individual towns in numbers set forth in the alternative in Article 10. Members would be elected by the voters of the entire New Unified District.

The Unified Board could adjust school attendance lines and school configuration after the New Unified District’s first year of operation.

If the forming districts of the New Unified District include any of the districts that currently pay tuition for the education of their resident 7th and 8th grade students, then the proposal:

- Includes a one-year “grandfathering” clause for students enrolled in the 7th grade during the 2017-2018 academic year for whom the districts paid tuition.
- Provides tuition payment for siblings of the “grandfathered” students who were in 6th grade during the 2017-2018 academic year and who will attend the same school as their older sibling for Grades 7 and 8.

A currently operating school building could not be closed during the first four years of the New Unified District’s operation. After the first four years, a school building could be closed upon an affirmative vote of 75% of the Unified Board. Prior to the vote, there would be a public hearing in the town in which the building was located and the opportunity for the voters of that town to advise the Unified Board through a non-binding referendum.

If a building is closed and would no longer be used for public education purposes, then if the property was transferred to the New Unified District by:

- *The Dorset Town School District, the Manchester Town School District, or the Sunderland School District:* The town in which the 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. The proposal includes provisions addressing use for these purposes for fewer than five years.
- *The Currier Memorial Union Elementary School District:* The property would be offered first to the Town of Danby and, if refused, then to the Town of Mt. Tabor under the same terms as set out in the previous paragraph.
- *The Mountain Towns Regional Education District:* The property would be sold upon terms and conditions established by the Unified Board and, subject to all encumbrances of record, the assumption or payment of outstanding bonds and notes, and the repayment of any school construction aid or grants as required by Vermont law, any remaining proceeds would be disbursed proportionally among the four towns of the former district. The Secretary assumes that this will be done in a manner that does not violate 16 V.S.A. § 4029 and would advise the Board of the New Unified District to obtain an opinion of the Attorney General to that effect, through § 563(2) or otherwise, regarding the specific details prior to finalizing any proposed sale of the property.

All future votes on the budget, Board membership, and any other public question in the New Unified District would be by Australian ballot.

The electorate of each potentially merging district will vote on March 7, 2017 whether to approve creation of the New Unified District. If the voters in at least the three districts identified as “necessary” vote in favor of the proposal, then the New Unified District will begin operation on July 1, 2018.

The Study Committee believes that the proposed merger “supports and enhances a strategic alignment between education and the broader social and economic development of the region, and ... the exploration of innovations that have historically gone unexplored because of the

current governance structure.” The Committee’s report and appendices examine a number of factors, including demographic data, enrollment projections, program offerings, spending per equalized pupils, potential advantages for students in a merged district, the potential for maximizing efficiencies, and the projected financial consequences of unification and of a decision not to unify (including the financial impact on the Currier and Sunderland Districts from the potential loss of small school grant support). The Study Committee’s report was derived not only from the discussion and analysis occurring since its creation in April 2016, but also from regional governance studies performed in 2005 and 2012, from the work of the Manchester Dorset Education Options Committee in 2007, from expansion of the SU in 2013 to include the State’s first regional education district, and from community outreach efforts conducted throughout this period.

POLICY IMPLICATIONS: By enacting Act 46, which incorporated the provisions of Act 153 (2010), 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 Northshire Merger 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.

EDUCATION IMPLICATIONS:

The Northshire Merger Study Committee identified a range of potential educational benefits of merger, including:

1. Establishment of middle school choice or of a regional middle school program.
2. Increased access to arts and music curricula by creating opportunities for student collaboration and participation in larger ensembles.
3. Support for a systems approach to analyzing and reporting student achievement data through a single policy with the same performance benchmarks for all schools.
4. Protection of programming in member schools from fluctuating enrollment and fiscal uncertainties.
5. Increased consistency in the use of PLPs and Flexible Pathways.

FISCAL IMPLICATIONS:

The BRSU already has centralized services and operations for many functions. Nevertheless, the Study Committee identified an additional \$30,000 in immediate annual cost reductions related to the elimination of duplicative financial audits. In addition, the Study Committee’s report anticipates other potential long-term financial benefits from increased flexibility to adjust staffing patterns based on evolving student needs and changing economic circumstances and from the centralization of purchasing, maintenance, food services, and technology. *See also* Act 153, as amended, for cost implications to the State.

See pages 8-13 and the Appendices for a more detailed discussion of educational and fiscal elements of the proposal and *see* the Committee’s Worksheet for an overview of those elements in the proposal that address the goals identified by Act 46, Section 2.

The Northshire Merger 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.

WAIVER OF SUPERVISORY UNION BOARD COMPOSITION

The Northshire Merger Study Committee, and the evaluative work conducted before creation of the Committee, explored regional solutions to education issues through discussions with districts both in and outside the BRSU. In particular, the Study Committee examined the benefits and disadvantages of requesting that the State Board declare the New Unified District to be a supervisory district versus asking that the New Unified District remain a member district within an enlarged supervisory union that would include the current districts of the Battenkill Supervisory Union. The Study Committee concluded that the best regional solution was an enlarged supervisory union and it anticipates that, if the New Unified District is formed, districts in the region will request that the State Board of Education redraw supervisory union boundaries pursuant to 16 V.S.A. § 261. The Study Committee anticipates that the request will include a petition under § 261(d) for the State Board to waive current requirements regarding composition of the new supervisory union board.

Under Vermont law generally, each district within a supervisory union appoints three members of its school board to serve on the supervisory union board. Each district that does not operate any school has only one vote on the supervisory union board. 16 V.S.A. § 266. The State Board is authorized to waive “any requirements [in Title 16, chapters 5 or 7] with respect to the supervisory union board structure, board composition, or board meetings, or the staffing pattern of the supervisory union.” 16 V.S.A. § 261(d).

Although constitutional proportionality is not required on a supervisory union board, the Study Committee believes that representation on that board should be reconfigured to account for the significant size differences in the member districts if the New Unified District is created. The Committee realizes that it is premature for the BRSU to request that waiver or for the State Board to grant a waiver if requested. The Study Committee concluded, however, that obtaining the State Board’s preliminary support for a waiver request is necessary for a successful merger vote. The BRSU Board adopted the following resolution at its November 16, 2016 meeting:

Contingent upon the successful merger of the Taconic and Green Regional School District, the BRSU board recommends a future SU board size not to exceed 13 members. The BRSU board supports requesting a waiver, pursuant to T.16, Section 261(d), from the state board requesting district representation in a future SU board based on census population, subject to either (1) no single district has more than 50% representation or (2), should any district have more than 50% then a bylaw will prevent any one district from carrying a vote without a supporting vote from at least one other district.

The State Board has looked favorably upon similar waiver requests in the past. Accordingly, the Secretary recommends that the State Board vote to provide preliminary support for a waiver

regarding supervisory union board composition that will likely be requested pursuant to 16 V.S.A. § 261(d) if the New Unified District is created.

For more details, *see* the transmittal letter from the Chairperson of the Study Committee dated December 7, 2016, the discussion at pages 16-17 of the Committee Findings, and the letter from the Chairperson of the BRSU Board (page 26).

STAFF AVAILABLE: Donna Russo-Savage, Principal Assistant to the Secretary, School Governance
Brad James, Education Finance Manager

For more details, *see* the transmittal letter from the Chairperson of the Study Committee dated December 7, 2016, the discussion at pages 16-17 of the Committee Findings, and the letter from the Chairperson of the BRSU Board (page 26).

STAFF AVAILABLE: Donna Russo-Savage, Principal Assistant to the Secretary, School
Governance
Brad James, Education Finance Manager

December 7, 2016

Secretary Rebecca Holcombe
Vermont Agency of Education
219 North Main Street, Suite 402
Barre, VT 05641

Dear Secretary Holcombe:

The purpose of this letter is to inform you the 17-member Northshire Merger Study Committee, comprised of the Danby, Dorset, Manchester, Mt. Tabor, Mountain Towns RED, and Sunderland school districts, voted unanimously on November 14th that the merger of these districts is advisable. Please find enclosed the required study documents detailing our extensive analysis concerning the merger and establishment of the Taconic and Green Regional School District (TGRSD). On behalf of the Northshire Merger Study Committee, I request the Vermont State Board of Education review and approve the enclosed Merger Study Report prepared pursuant to Title 16 Section 706b, Act 153, Act 156, and Act 46 at the State Board of Education meeting scheduled on December 20, 2016.

In the fall of 2015, the school boards of these districts agreed to form a merger study committee. Our merger committee commenced its work in May and began exploring the implications and benefits of merging. A focus of this work centered on evaluating the pros and cons of forming a supervisory district through the Act 46 conventional merger process or forming a regional education district (RED) as part of a larger regional governance solution that would include the member districts of the Battenkill Supervisory Union.

The Committee concluded forming a RED would be the best regional solution, but determined the new BRSU board would need to be reconfigured to account for the significant size differences among its member districts. Accordingly, the BRSU Governance Committee convened a series of regional meetings to discuss this issue. The result of these deliberations was the BRSU Board adopted a resolution (see the appendix of the Merger Study Report) that supports making a request of the State Board of Education for a waiver pursuant to Title 16 Section 261d to reconfigure the BRSU board if this merger is approved.

The Northshire Merger Study Committee concluded having assurance the State Board of Education would approve such a waiver would be necessary for a successful merger vote. On behalf of the Northshire Merger Study Committee and the BRSU Board, I request the State Board of Education give its preliminary approval and support for this waiver request.

The study process was not without its hurdles and complexities, but we firmly believe this report exemplifies how diverse districts can collaborate and unlock the potential for sustainable regional innovation. Furthermore, we believe if the proposed merger is successful, then this report will serve as a guiding document for future TGRSD boards.

It has been a pleasure navigating this unique, democratic process with the BRSU central office employees who, in their aid to us, continue to work well beyond their job descriptions and the 16 other dedicated committee members who sacrificed hours of family time and summer nights—public service is alive and well in Vermont. I hope you find this report informative and thoughtful. Please contact me if you require any further information.

Sincerely,

Jon Wilson, Chairperson
Northshire Merger Study Committee

ENC: . AOE Merger Worksheet
Merger Study Report and Articles of Agreement

CC: Donna Russo-Savage, Agency of Education
Superintendent Jacquelyne Wilson, Bennington-Rutland Supervisory Union

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
Bennington-Rutland Supervisory Union	Danby Town School District		X
Bennington-Rutland Supervisory Union	Dorset Town School District	X	
Bennington-Rutland Supervisory Union	Manchester Town School District	X	
Bennington-Rutland Supervisory Union	Mountain Towns Regional Education District	X	
Bennington-Rutland Supervisory Union	Mt. Tabor Town School District		X
Bennington-Rutland Supervisory Union	Sunderland Town School District		X
Bennington-Rutland Supervisory Union	Union District #23 (Currier Memorial School)		X

Type of Merger

Please refer to the related eligibility worksheets to determine baseline eligibility for each merger type.

(column reserved for agency use)

Accelerated Merger (Act 46, Section 6)

A Regional Education District (RED) or one of its variations (Act 153 (2010) and Act 156 (2012))

RED (Act 153, Secs. 2-3, as amended by Act 156, Sec. 1 and Act 46, Sec. 16)

Side by Side Merger (Act 156, Sec. 15)

Districts involved in the related merger:

Layered Merger (Union Elementary School District) (Act 156, Sec. 16)

Modified Unified Union School District (MUUSD) (Act 156, Sec. 17, as amended by Act 56 (2013), Sec. 3)

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)):
March 7, 2017

Date on which the new district, if approved, will begin operating (16 V.S.A. § 706b(b)(12)):
July 1, 2018

Combined ADM of all “necessary” districts in the current fiscal year:
1,374

Proposed name of new district:
Taconic and Green Regional School District

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, Students, and School Districts – 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>	<p>This merger will give one school board governance oversight of three K-8 schools and two K-6 schools. The equity and quality of educational opportunities among these schools currently varies since they are governed by seven different school boards. For example, some schools offer foreign languages, advanced mathematics courses, and extensive co-curricular activities whereas other schools are not able to offer more than the basic requirements. This merger will support a more consistent approach to educational programs for all students by:</p> <ul style="list-style-type: none"> • Allowing reconfiguration of student placements including a possible central middle school or other grade-level groupings, special interest programs for diverse learners, and public school choice within the merged district; • Allowing flexible staffing assignments to broaden and improve academic, extracurricular and technology programs across the district; and • Facilitating coordination with external partners such as farm-to-school, early education, and arts programs. 	
<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</p>	<p>Consolidated governance will enable a leadership focus on improved outcomes for all students since about 50% of the current Superintendent’s time, due to the significant number of school boards,</p>	

<p>Board of Education at the direction of the General Assembly.</p> <p><i>Act 46, Sec. 2(2)</i></p>	<p>is dedicated to non-instructional governance processes. An increased focus will be devoted to:</p> <ul style="list-style-type: none"> • Curriculum coordination and collaboration; • Professional and leadership skills development; • Delivery of student support services; • Personal Learning Plans and Flexible Pathways; and • Innovations to improve instruction. <p>Governance consolidation will reduce the potential for learning gaps when students transition from elementary school to middle school. Also, students in need of accelerated learning opportunities will benefit from being in a larger school district since these programs will be easier to create, manage, and sustain with larger numbers of students.</p>	
<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>	<p>This merger will bring five school purchasing entities under one roof which will maximize the sharing of resources. This merger will also allow for a more effective approach to managing school operations in the areas of building maintenance, food service, and transportation by providing common oversight and shared expertise.</p> <p>This merger will create one employer of record among five schools. Of these five schools, the largest has a student population of 400 and the smallest has a student population of 80. The variation in school size coupled with the governance complexity has made it difficult for these districts to offer stable staffing patterns while responding to changes in student enrollment. Talented staff have decided to leave the organization due to cyclical changes in staffing models caused by enrollment and budget fluctuations. In the smaller schools, the instability of fractional FTE positions has created a similar effect among teachers of unified arts courses, and created relatively small class sizes</p>	

	<p>at some grade levels as “population bubbles” have worked through the system. One school district will create a more effective structure to recruit, retain, and manage personnel.</p>	
<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>	<p>This merger will provide greater transparency by creating one school district budget where currently there are seven. This will be particularly true for Danby and Mt. Tabor residents where total education spending is a function of three school district budgets: two town school district budgets and a union school district budget. A single budget will also support more effective systems for financial oversight and reporting due to the reduction in duplicative accounting tasks.</p> <p>A merged district will facilitate coordinated communication and improved engagement with families and communities. It will also provide a central source for voter information, outreach, and accountability.</p>	
<p><u>Goal #5:</u> The proposed union school district will deliver education at a cost that parents, voters, and taxpayers value.</p> <p><i>Act 46, Sec. 2(5)</i></p>	<p>This merger will create efficiencies in purchasing and hiring. The annual costs for audits will be reduced since there will only be one district audit instead of the current seven audits. This merger will preserve approximately \$160,000 in annual revenues from the Small Schools Grant. The merger will allow for a more effective use of Federal grant funds across the entire system. The current governance structure makes the use of such grant funds difficult and overly complicated. A single budget reduces the risk of exceeding penalty thresholds. The efficiencies of grade-level reconfigurations and flexible staffing may reduce costs in future years.</p>	

<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>	<p>This merger will create a more sustainable governance solution for the region by reducing the number of school districts from the current seven school districts down to a single district. Conversations with other school districts in the region indicate this merger will not isolate any school district.</p>	
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Articles of Agreement – as required by 16 V.S.A. § 706b(b)(3) - (10), (13)

<p>(3) The grades to be operated by the proposed union school district</p> <p>The grades, if any, for which the proposed union school district shall pay tuition</p>	<p>The Union School District will operate schools in grades K-8 as listed below. The District will pay tuition for all students in grades 9-12.</p> <ul style="list-style-type: none"> • Currier Memorial School, K-6 • Flood Brook School, K-8 • Manchester Elementary-Middle School K-8 • Sunderland Elementary School, K-6 • The Dorset School, K-8 	
<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>	<p>No new schools will be constructed or renovated as part of this merger.</p>	
<p>(5) A plan for the first year of the proposed union school district's operation for:</p> <p>(A) the transportation of students</p> <p>(B) the assignment of staff</p> <p>(C) curriculum</p> <p>The plan must be consistent with existing contracts, collective bargaining agreements, and other provisions of law, including 16</p>	<p>The Union School District will assume operational control of the schools listed above on July 1, 2018. To ensure a smooth transition to unified operations, the Union School District School Board shall:</p> <ul style="list-style-type: none"> • Determine, in accordance with state and federal law, the transportation services to be provided to students in the Union School District; • Develop school district policies; • Assign staff to ensure equitable programming while at the same time preserving continuity and quality of services; • Develop curriculum and related assessment measures necessary to fulfill the Education Quality Standards; and • Prepare for and negotiate collective bargaining agreements consistent with 16 VSA Chapter 53, Subchapter 3 (transition of employees). 	

<p>V.S.A. chapter 53, subchapter 3 (transition of employees)</p>		
<p>(6) The indebtedness of the proposed merging districts that the proposed union school district shall assume.</p>	<p>The Union School District will assume all debts from the merging districts. The following merging districts have debts that will be assumed by the Union School District:</p> <ul style="list-style-type: none"> • Manchester School District \$1,080,000 • Mountain Towns RED \$860,000 • Union School District #23 \$105,000 	
<p>(7) The specific pieces of real property owned by the proposed merging districts that the proposed union school district shall acquire, including: * their valuation * how the proposed union school district shall pay for them</p>	<p>The Union School District will assume ownership of the following schools. Their insured value is listed below.</p> <ul style="list-style-type: none"> • Currier Memorial School \$2,690,000 • Flood Brook School \$6,067,750 • Manchester Elementary-Middle School \$15,656,290 • Sunderland Elementary School \$1,108,600 • The Dorset School \$6,814,160 <p>No later than June 30, 2018, the forming districts will convey and transfer to the Union School District all their school-related real and personal property for One Dollar.</p>	
<p>(8) <i>Repealed 2004 Acts and Resolves No. 130, Sec. 15]</i></p>		
<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</p>	<p>All Towns Vote in Favor of the Merger The Union School District Board shall be comprised of 13 directors if all districts vote in favor of the merger. All directors will be elected through at-large voting by the electorate of the Union School District. Each member town will have at least one director on the Union School District Board. Four additional at-large directors will be selected from the four largest towns involved in the merger, Danby, Dorset, Londonderry, and Manchester.</p>	

<p>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 * see also 16 V.S.A. § 706k(c): one or more at-large directors * see also 16 V.S.A. § 707(c): weighted voting 	<ul style="list-style-type: none"> • Danby – 1 director • Dorset – 1 director • Landgrove - 1 director • Londonderry – 1 director • Manchester - 1 director • Mt. Tabor - 1 director • Peru – 1 director • Sunderland – 1 director • Weston - 1 director • Danby, Dorset, Londonderry Manchester – 4 at-large directors 	
	<p><u>All Towns Except Danby and Mt. Tabor Vote in Favor of the Merger</u></p> <p>The Union School District Board would have 10 directors under this scenario, 1 director from each town and 3 at-large directors from the three largest towns.</p> <ul style="list-style-type: none"> • Dorset – 1 director • Landgrove - 1 director • Londonderry – 1 director • Manchester - 1 director • Peru – 1 director • Sunderland – 1 director • Weston - 1 director • Dorset, Londonderry Manchester – 3 at-large directors <p><u>All Towns Except Sunderland Vote in Favor of the Merger</u></p> <p>The Union School District Board would have 12 directors under this scenario, 1 director from each town and 4 at-large directors from the three largest towns.</p> <ul style="list-style-type: none"> • Danby – 1 director • Dorset – 1 director 	

- Landgrove - 1 director
- Londonderry – 1 director
- Manchester - 1 director
- Mt. Tabor - 1 director
- Peru – 1 director
- Weston - 1 director
- Danby, Dorset, Londonderry Manchester – 4 at-large directors

All Towns Except Danby, Mt. Tabor, and Sunderland Vote in Favor of the Merger
 The Union School District Board would have 9 directors under this scenario, 1 director from each town and 3 at-large directors from the three largest towns.

- Dorset – 1 director
- Landgrove - 1 director
- Londonderry – 1 director
- Manchester - 1 director
- Peru – 1 director
- Weston - 1 director
- Dorset, Londonderry Manchester – 3 at-large directors

(10) The term of office of directors initially elected, to be arranged so that one-third expire on the day of each annual meeting of the proposed union school district, beginning on the second annual meeting, or as near to that proportion as possible

All Towns Vote in Favor of the Merger

Initial Term	1 Year	2 Year	3 Year
Next Election	2019	2020	2021
Danby	0	0	1
Dorset	0	1	0
Landgrove	0	1	0
Londonderry	0	0	1
Manchester	0	0	1
Mt. Tabor	0	1	0
Peru	0	1	0
Sunderland	0	1	0
Weston	0	0	1
Danby, Dorset, Londonderry or Manchester	4	0	0
Total (13)	4	5	4

All Towns Except Danby and Mt. Tabor Vote in Favor of the Merger

Initial Term	1 Year	2 Year	3 Year
Next Election	2019	2020	2021
Dorset	0	1	0
Landgrove	0	1	0
Londonderry	0	0	1
Manchester	0	0	1
Peru	0	1	0
Sunderland	0	1	0
Weston	0	0	1
Dorset, Londonderry or Manchester	3	0	0
Total (10)	3	4	3

All Towns Except Sunderland Vote in Favor of the Merger

Initial Term	1 Year	2 Year	3 Year
Next Election	2019	2020	2021
Danby	0	0	1
Dorset	0	1	0
Landgrove	0	1	0
Londonderry	0	0	1
Manchester	0	0	1
Mt. Tabor	0	1	0
Peru	0	1	0
Weston	0	0	1
Danby, Dorset, Londonderry or Manchester	4	0	0
Total (12)	4	4	4

All Towns Except Danby, Mt. Tabor, and Sunderland Vote in Favor of the Merger

Initial Term	1 Year	2 Year	3 Year
Next Election	2019	2020	2021
Dorset	0	1	0
Landgrove	0	1	0
Londonderry	0	0	1
Manchester	0	0	1
Peru	0	1	0
Weston	0	0	1
Dorset, Londonderry or Manchester	3	0	0
Total (9)	3	3	3

(13) 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
(please list each matter separately)

Australian Ballot
All questions, including the Union School District budget, will be voted on by Australian ballot.
School Closure (Article 14)
Grandfathering of School Choice in Grades 7 and 8 (Article 15)
School Attendance (Article 16)
Local Community Input (Article 17)

TACONIC AND GREEN REGIONAL SCHOOL DISTRICT

Merger Study Report and Articles of Agreement

Danby-Dorset-Manchester-Mt. Tabor-Mountain Towns RED-Sunderland

December 7, 2016

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Merger Study Committee Members

Jon Wilson (Manchester) – Chairperson
Richard Grip (Dorset) – Vice Chairperson
Betsy Bleakie (Manchester)
Jeff Cleary (Mountain Towns RED)
Richard Dale (Mountain Towns RED)
Elizabeth Karet (Dorset)
Meg Kenny (Manchester)
Jim Lind (Manchester)
Jennifer Louden (Danby)
Debra Lyneis (Mountain Towns RED)
Jim Mirenda (Dorset)
Ed Morrow (Manchester)
Herb Ogden (Mt. Tabor)
Jay Ouellette (Mountain Towns RED)
Jennifer Rosenthal (Sunderland)
Jessica Watson (Danby)
Nancy Wolf (Sunderland)

Former Merger Study Committee Members

William Beauregard (Mt. Tabor)
Kim Ekhardt (Mountain Towns RED)
Leslie Perra (Sunderland)

Committee Support Staff

Jacquelyne Wilson, BRSU Superintendent
Susan Wilborn, BRSU Business Manager
Celeste Keel, Administrative Assistant
Daniel French, Consultant
Steven Stitzel, Legal Counsel

Executive Summary

This school district merger would form a single, unified school district among a core group of school districts in the Bennington-Rutland Supervisory Union (BRSU). This unified school district would operate 5 schools: Currier Memorial School (K-6), Flood Brook School (K-8), Manchester Elementary-Middle School (K-8), Sunderland Elementary School (K-6), and The Dorset School (K-8). Since the unified district would operate schools K-8, students currently attending Currier and Sunderland schools would be required to attend a district school for grades 7 and 8. A provision is included in the merger Articles of Agreement to grandfather some Currier and Sunderland students to prevent their education from being disrupted by the merger.

This merger would not generate significant savings in the near term due to the extensive centralization that has already occurred through the BRSU. The merger would preserve approximately \$160,000 in annual revenue previously generated from the Small Schools Grant in the Currier and Sunderland school districts. Absent merger, it is likely these revenues would be lost which would have a significant negative impact on the Danby, Mt. Tabor, and Sunderland tax rates. The merger will preserve the ability to utilize the 3.5% "hold harmless" provision in the education finance system which had previously reduced the tax rate in some communities. Long-term financial benefits will be realized through an improved management structure which will allow for a more effective allocation and oversight of shared resources. This will be especially true in staffing. Like most Vermont school districts, approximately 80% of all school district costs in these districts are associated with personnel. This merger will create one employer of record for all personnel giving the new district greater flexibility in adjusting staffing patterns based on evolving student needs and changing economic circumstances.

Consistent with the goals of Act 46, this merger would create a more sustainable and effective governance

structure. The merger would create a single school board where there currently are seven. Most of the current boards have experienced significant difficulty in filling vacancies, and over 95% of the school board vacancies have been filled by candidates who run unopposed in an election.

Nearly everyone spoken with envisioned reorganization advancing possibilities for more efficient use of school facilities, structures, human resources and fiscal support. Centralized services such as transportation, accounting, data networks, internal and external communication systems, economy of scale and more flexible use of school space and staff were most commonly addressed.

Reorganization was thought to give school board members greater power in maximizing all kinds of community resources. In addition, meeting time, development of policies, monitoring ends policies and carrying out all the work of school boards was perceived to be made more efficient for everyone involved.

- BRSU Phase I Governance Report, 2012

Although this merger will reduce the local representation of school boards, the new board will create a more effective organizational structure and have greater oversight over the region's aggregate

education spending. A single board will allow the district's leadership to better focus on continuous organizational improvement, and create a better framework to ensure equity of opportunity for all students.

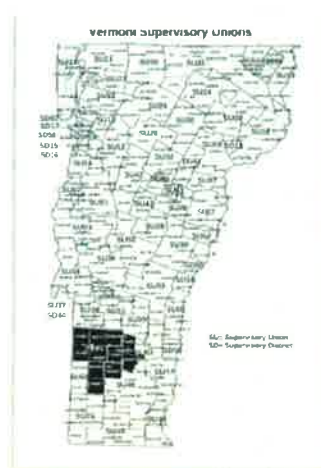
The Committee also concluded the merger would create a nimbler governance structure that would be more effective in supporting the innovation that will no doubt be necessary to navigate future changes in our region and in the state. Our investment in the public education infrastructure is significant. The BRSU as a system provides over \$40 M a year in services and is one of the largest employers in the region. A consideration of the scope of these services and the increasingly complex context in which they are delivered points to the need to revisit our antiquated governance structure, something that has not been done since the late 1880s.

Technology is rapidly changing the structure of education, and state and national governments around the world are recognizing the importance of making connections between investments in education and social and economic infrastructure. Our future success depends on being much more intentional with these investments while at the same time having a broader, regional focus. The Committee believes this merger supports and enhances a strategic alignment between education and the broader social and economic development of the region, and will serve well the creativity and dynamism that has always been a hallmark of our communities. The Committee also believes this merger will support the exploration of innovations that have historically gone unexplored because of the current governance structure, such as the design of a regional middle school program.

Governance Study Context and Process

Governance Structure of the Bennington-Rutland Supervisory Union

The Bennington-Rutland Supervisory Union (BRSU) is a large, multi-district supervisory union with eleven school districts operating in four Vermont counties in southwestern Vermont. A unique feature of BRSU districts is that none of the districts operates its own high school. All districts tuition students in grades 9-12, and the Pawlet and Rupert school districts designate New York schools for students in grades 7-12. The BRSU has two groups of districts (Pawlet and Rupert, and Danby and Mt. Tabor) that previously merged to form elementary union school districts while at the same time maintaining their non-operating school districts for students in grades 7-12. The BRSU is also home to Vermont's first regional education district, the Mountain Towns RED, which joined the BRSU in 2013 along with the Winhall School District. Winhall does not operate a school and provides tuition to its students in grades K-12.



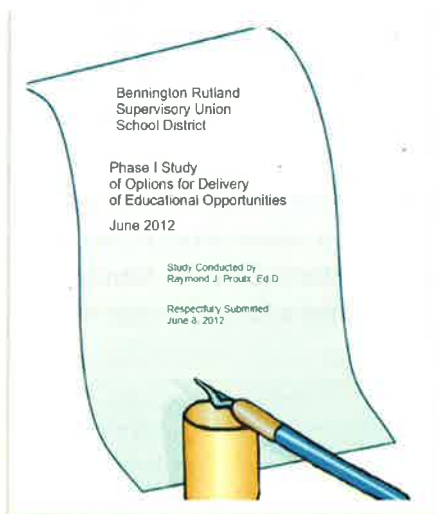
The governance structure of the BRSU is one of the more complex supervisory union structures in the state. This is evidenced by the fact Vermont Secretary of Education

Rebecca Holcombe often uses the BRSU as an example of school district governance complexity in Vermont. Despite this complexity, the BRSU districts have a long history of working together as a single system. BRSU districts share a common policy framework and meeting agenda structure. The schools work under a common curriculum, professional development, and student assessment system which allows for the sharing of best practices among instructional staff and a consistent approach for analyzing student achievement data. Besides the obvious structural barriers in the BRSU, fifty-four school board members representing eleven districts, and working together on twelve boards and numerous committees have found ways to work together toward a common purpose of educating all our students.

Beyond this success, it has been a long-held belief by BRSU school board members that the governance structure of the BRSU could be improved. The districts contracted with educational consultant Dr. Raymond Proulx in 2005 to study organizational roles and responsibilities through the Vermont Education Leadership Alliance. This led to some restructuring of the roles and responsibilities within the supervisory union office. In 2007, voters in Manchester and Dorset appropriated funds to form the Manchester Dorset Educational Options Committee (MDEOC) to explore the potential merger of these districts. A focus of this work was examining the pros and cons of creating a single middle school.

BRSU districts contracted with Dr. Raymond Proulx again in 2012 to perform a Phase I Governance Study of BRSU districts. This study can be found online at <https://goo.gl/qPtt6r>. Data from this extensive study would be used to inform future board deliberations on governance options and helped shape the supervisory union's implementation of the voluntary merger provisions of Act 153 and Act 156. With Act 153 and Act 156, the BRSU aggressively adopted a practical approach to centralizing services, pursuing opportunities where it made sense to centralize services and avoiding centralization when it added cost or diminished the quality of services. For example, BRSU districts and its teacher associations engaged in collective bargaining over a two-year period to merge six collective bargaining agreements into a single agreement with a single salary schedule.

A significant governance milestone was achieved in 2013 when the BRSU was expanded to include the newly formed Mountain Towns RED, the first regional educational district formed under Act 153, and the Winhall School District. Both districts desired reassignment to the BRSU to preserve and expand the common regional ecosystem among districts who tuition a large majority of their students to Burr and Burton Academy. These structural changes led to significant cost savings in administrative costs for BRSU districts and for the State since they enabled the dissolution of the Windsor Southwest Supervisory Union.



BRSU and Act 46

With this considerable experience, capacity, and success in navigating policy initiatives relative to governance reform, BRSU districts adopted a cautious approach to Act 46 when it became law in 2015. Key BRSU leaders took advantage of an opportunity to meet with state officials in Montpelier soon after the law passed to better understand

the goals of this complex piece of legislation. The BRSU Board then charged its Governance Committee to begin studying Act 46 in detail during the summer of 2015.

The BRSU Governance Committee spent the summer studying Act 46 and sketching out the likely merger scenarios for BRSU districts. The Committee also sponsored several public forums which were well attended by BRSU community members and community members from the larger region. The BRSU superintendent appeared on several cable access TV shows to update the communities on Act 46. Local and state newspapers did several stories on the BRSU as other districts were beginning to move forward under the law.

Due to the complexity of the BRSU governance structure, the Committee was quick to eliminate the possibility of pursuing an Accelerated Merger since it was unlikely all eleven BRSU districts would be able to agree on a common enrollment option. The focus of the Committee's work then shifted to coordinating the work of member districts as they held joint meetings to explore their options.

Pawlet and Rupert met with representatives of the Wells and Middletown Springs school districts. These conversations led to Pawlet, Rupert and Wells forming a merger study committee under the authority of T.16 § 706 since these districts share a common enrollment option of designating high schools in New York. This merger study committee was ultimately disbanded in September 2016 when the merger committee determined it was not advisable to merge these districts.

Danby, Mt. Tabor, and Sunderland boards met on several occasions to consider their merger options as K-6 operating districts. Middletown Springs also joined these conversations. Danby and Mt. Tabor must take the same approach under Act 46 since together they already comprise a union school district, Union School District #23 which operates Currier Memorial School (K-6). Ultimately, the Danby, Mt. Tabor and Sunderland school boards decided to join with Dorset, Manchester, and the Mountain Towns RED school districts to form a formal merger study committee.

Dorset, Manchester, and the Mountain Towns RED boards met in the fall of 2015 to consider their merger options. Any combination of two of these three districts would provide a sufficiently large enough district to qualify for incentives as a supervisory district under Act 46. These boards concluded that such a merger would necessitate the creation of a new central office which would probably be more expensive than the current service model under a supervisory union. The boards also concluded such a merger would have an adverse effect on the other BRSU districts.

This group of districts decided to investigate having other districts join them in forming a formal merger study committee under T.16 § 706. School boards held local meetings in their communities to weigh the pros and cons of forming a formal merger study committee. Ultimately, the Danby, Dorset, Manchester, Mountain Towns RED, Mt. Tabor, and Sunderland school boards voted to form a formal merger study committee, and that committee met for the first time in April 2016.

[Merger Study Process](#)

The Merger Study Committee adopted a work plan under the advice of its consultant and former BRSU Superintendent, Dan French. The work plan called for developing a prototype merger outline based on the required elements of a merger from the law. The objective was to produce this merger prototype by the end of the summer of 2016, and to then share this prototype with member communities for

feedback and further refinement. The goal was to assist the Committee in evaluating the pros and cons of merging these districts so that Committee members would be sufficiently informed to fulfill their responsibility under the law to determine whether it was advisable for these districts to merge, and if so, to develop the terms of the merger for consideration by the State Board of Education and ultimately the voters in each community.

The Merger Committee held regular meetings in the summer and fall of 2016. Most of these meetings were televised by the local cable access TV station, GNAT-TV. All meetings were held in a manner consistent with Vermont's Open Meeting law. Meeting agendas were posted to the BRSU governance website at <http://brsu.igm2.com>. The Committee Chairperson, Jon Wilson, created a regular newsletter for the Committee that was distributed electronically and in hard copy throughout the communities. The Committee also developed a web site at <https://sites.google.com/site/northshiremergerstudy/> to share its work documents with the public as well as sending several press releases to the local press with updates. In the fall, the Committee held public forums in Manchester, Dorset, Sunderland, and Londonderry. Committee members also presented to school faculties and select boards.

Committee Findings

Policy Objectives of Act 46

The Committee concluded this merger would be an effective solution for the region to meet the policy objectives of Act 46. These policy objectives are focused on creating a more sustainable school district governance system to support local decisions that:

1. Provide substantial equity in the quality and variety of educational opportunities;
2. Lead students to achieve or exceed the State's Education Quality Standards;
3. 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;
4. Promote transparency and accountability; and
5. Are delivered at a cost that parents, voters, and taxpayers value.

Goal #1: Equity in the Quality of Educational Opportunities

The Committee identified the following opportunities to meet this goal by merging the districts:

- A single board with a unified vision can create an Ends policy to govern programs for all students. A single Monitoring policy will ensure an equal focus on outcomes for all students.
- Merging creates the option to move students among the schools operated by the district. The new school board can develop a policy that allows for middle school choice or some type of enrollment lottery system among the schools operated by the district. The board can also explore the establishment of a regional middle school program.

All of our kids are all of our kids.
-Deb Lyneis, Merger Committee Member

- Merging districts supports a more equitable approach to Pre-Kindergarten programs.
- A merged district could ensure greater access to arts and music curricula by creating the opportunities for students to collaborate and participate in larger ensembles.
- Merging could allow for the expansion of afterschool programming by creating regional sites among district operated schools.
- Merging enhances the ability of district leaders and teachers to work together on behalf of all students.
- Merging districts preserves high school choice to continue providing education quality and variety to all 9-12 students in these nine towns.

Goal #2: Students Exceeding or Achieving State Quality Standards

The Committee identified the following opportunities to meet this goal by merging the districts:

- Instructional intervention resources will be better allocated to those students who need them most through consistent management and delivery of student support services.
- A merged district will increase the consistency and power of Personalized Learning Plans and Flexible Pathways to meet the needs of individual students.
- Federal grant resources will be able to be more flexibly allocated based on student needs.
- Accelerated learning opportunities will become more sustainable through the creation of larger cohorts of students who would benefit from these programs.
- A merged district better supports a systems approach to analyzing and reporting student achievement data by having one Monitoring policy with the same performance benchmarks for all schools.
- A single district will improve the sharing of best practices among the schools through enhanced professional development, leadership skills development, and collaboration in professional learning networks.
- The merged district will be able to offer more full-time positions instead of fractional positions. This will enable better recruiting since prospective employees find full-time employment more attractive than part-time employment.
- A single district creates a nimbler governance structure which will be more supportive of innovation. The Committee believes such a structure will allow the school board to explore regional innovations, like a regional middle school program, that have previously gone unexplored due to the fragmentation of the current governance structure. A single district will also better enable the exploration and dissemination of new instructional innovations such as experiential learning, blended learning, authentic performance assessment, distance learning, and new programs in STEM, world languages, and media arts.
- A single district allows for better curriculum coordination K-8.
- A simplified governance structure would reduce the complexities in a future supervisory union and thus deepen the future superintendent applicant pool.
- A merged district will better protect programming in member schools from fluctuating enrollment and fiscal uncertainties.

Goal #3: Maximize Operational Efficiencies

The Committee identified the following opportunities to meet this goal by merging the districts:

- Eliminates the need to develop and manage seven separate governance, fiscal, and organizational systems thereby devoting more administrative time and focus to educating students.
- Reduces the number of Vermont, IRS, and other Federal reports.
- Improves financial controls by simplifying financial auditing, monitoring, and reporting.
- Centralized hiring and work assignment permits greater sharing of both teaching and support staff.
- Provides centralized oversight and management of transport, food services, and school facilities.

Goal #4: Promotes Transparency and Accountability

The Committee identified the following opportunities to meet this goal by merging the districts:

- Danby and Mt. Tabor voters will now have one school district budget instead of three.
- All questions put before voters will be voted on by Australian ballot which increases voter access to district governance processes.
- One board provides a centrally coordinated source for voter information, outreach, and accountability.
- A merged district improves accountability for student outcomes since all students would now transition from elementary school to middle school in the same school district.
- Merging these seven districts greatly simplifies the supervisory union budget, thereby making it easier for the public and local media to understand.

Goal #5: Services Provided at a Cost that Parents, Voters, and Taxpayers Value

The Committee identified the following opportunities through merging the districts:

- Maintains approximately \$160,000 in annual Small Schools Grants revenue.
- Saves approximately \$30,000 on an annual basis through the elimination of duplicative financial audits.
- Allows the continued use of the 3.5% “hold harmless” provision if necessary.
- Moves districts currently with a penalty tax liability out of the tax penalty aspect of Vermont’s education funding system.
- Leverages incentives for merger: temporary tax reductions for four years with \$0.08, \$0.06, \$0.04, and \$0.02, and a merger incentive grant of up to \$150,000.
- Provides savings by centralizing purchasing, maintenance, food services, and technology.
- Enhances flexibility in responding to changes in student enrollments, which will allow for classroom/school reconfigurations that enable the most efficient district-wide ratio of students to full-time equivalent staff.

Projected Tax Rate Implications

The best measure of the financial implications of this merger is the residential education property tax rate. The merger will generate some immediate reductions in education spending as outlined above, but these savings will not be significant due to extensive centralization of operations that has already occurred under the BRSU. There is a potential for long-term savings, however, with the improved oversight of operations, greater flexibility in assigning staff, and the ability to modify school facility use to address changes in enrollment.

To model projected changes in the tax rate, the Committee made minor adjustments to education spending and used the most recent number for equalized pupils. A significant outcome of this merger is that there will be one residential education property tax rate for all communities in the District. This rate would be adjusted locally based on each community's CLA. The table below offers comparison tax rate data for each community because of this merger. These rates do not include reductions from incentives that would be available for the districts through Act 46. The Union School District #23 (Currier Memorial School) tax rate information is included in the Danby and Mt. Tabor tax rates as required by the law.

Table 1: Projected Tax Implications of the Merged District Based on FY2017 Data

	NEW DISTRICT							
ED SPENDING	\$26,987,899							
EQ PUPILS	1,757.24							
EDSP/EQPUP	\$15,358							
PRE CLA RATE	\$1.583							
	Danby	Dorset	Manchester	Mt. Tabor	MTR	Sunderland	UD #23 (Currier)	Totals
ED SPENDING	\$1,971,028	\$4,677,170	\$9,418,535	\$144,351	\$7,189,503	\$1,973,779	\$1,613,533	\$26,987,899
EQ PUPILS	124.66	311.21	604.41	14.88	463.27	143.10	95.71	1,757.24
EDSP/EQPUP	\$15,811	\$15,029	\$15,583	\$9,701	\$15,519	\$13,793	\$16,859	
CLA	117.33%	107.50%	104.25%	109.13%		114.93%		
TAX RATE	\$1.4526	\$1.4411	\$1.5657	\$1.2639		\$1.2371		
NEW RATE	\$1.3493	\$1.4727	\$1.5186	\$1.4507		\$1.3775		
VARIATION	-\$0.10	\$0.03	-\$0.05	\$0.19		\$0.14		
	Landgrove	Londonderry	Peru	Weston				
CLA	101.54%	100.86%	98.83%	95.89%				
TAX RATE	\$1.5557	\$1.5662	\$1.5984	\$1.6474				
NEW RATE	\$1.5591	\$1.5696	\$1.6019	\$1.6510				
VARIATION	\$0.003	\$0.003	\$0.003	\$0.004				

Mt. Tabor and Sunderland would see the greatest increases to their tax rates under the merger. Danby and Manchester see the greatest reduction in tax rates. Manchester's tax rate is reduced due to the elimination of any tax penalty under the funding system. Merging the districts brings all districts below the penalty threshold and likely enables the new district to avoid the penalty in the future since the merger reduces fluctuations in education spending per equalized pupil.

Assets and Liabilities

All current assets and liabilities of the current districts would become property of the new district on July 1, 2018. This gives the current districts a year to determine how to address their assets and reserve fund balances prior to the merger. The school buildings and their immediate grounds will be sold to the new district for one dollar under a provision that requires the new district to sell the buildings to the towns under similar terms if the new district ends up not operating a school at a future date. All reserve fund balances on June 30, 2018 will be transferred to the new district under the terms specified in the merger Articles of Agreement. The table below summarizes the major assets and liabilities of the districts.

The Small Schools Grant and the Forest/Impact Aid revenues are included since they are special revenue assets of the districts. The Small Schools Grant revenue would likely be eliminated if these districts do not merge. If the merger is successful, a new revenue in the form of a merger incentive grant would be awarded to the district annually in an amount equal to the Small Schools Grant revenues. The new district would also receive any future revenues from Forest/Impact Aid.

Table 2: District Assets and Liabilities Based on FY2017 Budget Data

COMPONENT	DESCRIPTION	DANBY	DORSET	MANCH	MT. TBR	MTR	SUNDL	UD23
RESERVE FUND BALANCE	Technology			0		11,209	0	
RESERVE FUND BALANCE	Building		43,766	180,141		133,280	65,632	36,847
RESERVE FUND BALANCE	Transportation			32,041		1,934	52,652	
RESERVE FUND BALANCE	Tax Stabilization	63,842			277,831	277,488	1,255,652	
SMALL SCHOOLS GRANT							83,348	72,456
FOREST/IMPACT AID					58,000	20,000	75,900	
BLDG INSURED VALUES			6,814,160	15,656,290		6,067,750	1,108,600	2,690,000
BOND PRINCIPAL				1,080,000		860,000		105,000
BUS LEASE PRINCIPAL	Last Pay 5/1/19		48,168					
GMP NOTE PRINCIPAL	Last Pay FY20		16,596	43,560				5,943

Student Transportation

The districts involved in this merger have significantly different approaches to providing student transportation. The law requires student transportation to be coordinated through the supervisory union, but policy authority over student transportation resides at the local school board level. Also, Vermont law does not require student transportation be provided at all, so different districts can, and do, have different approaches to student transportation. For example, Manchester does not provide student transportation for secondary students whereas most of the other districts do. Several districts

provide transportation to certain schools only, and Mountain Towns RED parents receive a subsidy to cover transportation costs to schools other than BBA or Long Trail.

These differences would be reconciled by the new school board through its transportation policy. The Committee believes this will lead to a more uniform and equitable approach to student transportation in the future.

School Choice

A key design feature of the Committee's merger deliberations was preserving school choice. All districts in this merger have school choice in grades 9-12, but Danby, Mt. Tabor, and Sunderland also have school choice in grades 7 and 8. Since the new school district would be operating schools with grades 7 and 8, no students at these grade levels can have school choice. This means Danby, Mt. Tabor, and Sunderland would lose school choice in grades 7 and 8 because of this merger.

The Committee appreciated the difficulty of this decision for parents in these communities, but the Committee believed this was a reasonable approach since many of the affected students already attend MEMS or Dorset. The Committee decided to include a grandfathering provision for students in grades 7 and 8 who attend other schools when the merger takes effect. The grandfathering provision also extends to the siblings of these students who are in grade 6, and would expire when these students matriculate from the eighth grade. The Articles of Agreement provide more specificity on this grandfathering provision.

School Attendance

This merger will give one school board operational control of all five schools beginning with the 2018-2019 school year. Under Vermont law, this means the new school board will be able to decide which grades are operated by each school, and which school students will attend. The Articles of Agreement ensure no changes to grade configurations or current attendance patterns will be made during the 2018-2019 school year. In the future, however, the new school board will be able to make these changes.

This means the new school board will be able to decide what grades a school will operate. For example, a current K-6 school may become a K-4 school in the future. It is also conceivable, and the Committee believes desirable, that the new school board may wish to enact some sort of lottery system where students would have choice, particularly at the middle school level, among the schools operated by the District.

The Committee believes the merger into one district gives the school board new options to better manage the costs and educational opportunities for students. Allowing programs to be more flexibly modified and restructured based on changing student needs will better serve our communities in the future.

Tuition to Independent Schools

The districts involved in this merger have different approaches to setting tuition rates to independent schools. The default rate established under the law is the union school average tuition rate. The law

also allows voters to set a rate higher than this average rate, and this is something the voters in these districts routinely do on an annual basis. For example, Manchester sends a higher amount to BBA only, but Dorset sends the same higher amount to BBA and Long Trail. The Mountain Towns RED, on the other hand, sends an amount equal to the BBA rate to any independent school, including those outside of Vermont.

It is likely with this merger that the voters will establish a more uniform approach to sending tuition to independent schools for students in grades 9-12 since the merged district creates one voting electorate among these communities. The new school board will need to facilitate a dialogue on this issue to seek consensus from the voters of the merged district.

School Closure

This merger, if approved by the voters prior to July 1, 2017, will qualify as a Regional Education District (RED) as described by Act 153. This law provides some protection to a community with a small school that might be concerned about a merged school district closing its school at some point in the future. Under Act 153, a community of a small school must first give its approval before a school can be closed. This default protection extends for a period of four years after a merger.

The Committee desired to extend further protection to communities with small schools beyond the first four years of the merger. The Committee included a provision in the Articles of Agreement that requires a 75% majority of all school board members of the new district to first vote in favor of closing a school. Additionally, the board must first hold a public hearing in the community of the school, and the voters will have the opportunity to advise the board through a non-binding referendum.

School closure is often thought of in the context of declining student enrollment. The other context for school closure is program quality. The two smallest schools in this merger, Currier Memorial School and Sunderland Elementary School, have different stories when it comes to enrollment. Currier has been slowly losing students but the enrollment seems to have stabilized around 90 students. Sunderland, on the other hand, like Dorset and Flood Brook, has seen increases in enrollment to the point where it might become necessary to plan for new construction at Sunderland or shift some grades of students to another school.

To that end, the Committee had some preliminary conversations about improving the quality of middle school programs by moving some grades from Currier and Sunderland to schools operated by the merged district, most likely MEMS and/or Dorset. Both Currier and Sunderland have less than desirable spaces for the arts, and struggle with offering expanded curricular offerings for students in grades 5 and 6. The Committee did not have adequate time to further develop this evaluation in the context of studying the pros and cons of the merger, but it believes this should be a topic of discussion in the future.

Necessary and Advisable Districts

The law governing the merger of school districts in Vermont requires the designation of districts that are necessary for the merger. Additionally, some districts may be designated as being advisable for the merger. The difference between necessary and advisable districts is that if one of the necessary merger

districts does not approve the merger, the merger fails. If an advisable district votes against the merger, the merger can still go forward provided all necessary districts voted in favor of the merger.

The Committee determined Dorset, Manchester, and the Mountain Towns RED are necessary districts for this merger. This configuration will ensure tax incentives are received under the law. Danby, Mt. Tabor, and Sunderland have been deemed advisable districts. This decision was largely made because these communities will be considering giving up school choice in grades 7 and 8 as part of this merger. Union School District #23 (Currier Memorial School) is also an advisable district to the merger. Since it is already a union district, the voters of its town districts, Danby and Mt. Tabor, will determine whether it is merged into a new union district.

Governance and Representation

The merger will significantly change the governance structure of these districts. Currently, these districts are governed by seven school boards with thirty-five board members. Many of these boards have had trouble filling vacancies, and

over 95% of school board elections have been run with a single candidate running without opposition. On the one hand, this structure has offered community members significant access to their elected officials, although most school board meetings are not well attended by members of the public. On the other hand, this system has been cumbersome to manage and requires a leadership focus on the part of the district’s administration that is disproportionate to its importance relative to improving student outcomes.

Governance of public schools must be a means of improving the quality of education for all students and not an end in itself. Governance is not a result but rather a means to greater productivity.

-BRSU Phase I Governance Study, 2012

An important issue the Committee had to address was representation on the new school board. Under this merger, one school board would replace the current seven boards, and instead of thirty-five board members, there would be thirteen. A related issue is the disproportionate size of the communities: Manchester with approximately 4,300 residents is significantly larger than Mt. Tabor with 255 residents. The Committee’s solution was to utilize “at-large voting,” meaning all residents of the new district would elect all members of the new school board. With at-large voting, membership on the board does not need to be proportional by community, although the law requires that each town have at least one representative on the new school board.

The composition of the new school board is outlined below. Each town would have at least one representative, and there would be four additional board members elected at-large from the four largest communities, Danby, Dorset, Londonderry, and Manchester. Board composition is described further in the Articles of Agreement.

Table 3: Configuration of New School Board

TOWN	NUMBER OF DIRECTORS
DANBY	1
DORSET	1
LANDGROVE	1

LONDONDERRY	1
MANCHESTER	1
MT. TABOR	1
PERU	1
SUNDERLAND	1
WESTON	1
DANBY, DORSET, LONDONDERRY OR MANCHESTER	4
TOTAL	13

Supervisory District, Supervisory Union, and Regional Considerations

These districts have enough students to qualify for a “conventional merger” under Act 46. A conventional merger creates a supervisory district, or a district large enough to qualify as its own supervisory union under the law. The Committee considered the pros and cons of a conventional merger, but concluded the best option was to form a merged district and to have that district assigned to a supervisory union such as the BRSU. The State Board of Education will make the final determination on the governance structure, however.

The Committee easily identified significant benefits to forming a supervisory district since this structure has been deemed to be the preferred structure under the law. This structure yielded a more effective and transparent governance structure for the districts, but the costs of creating a separate central office caused an increase to the merged district’s education spending. There was consensus, however, that the supervisory union system has been cumbersome, requiring a leadership focus on the part of the district’s administration that is disproportionate to its importance relative to the central importance of improving student outcomes.

The Committee also considered the regional implications of forming a supervisory district. The Committee had extensive conversations with other school districts in the region through the coordination of the BRSU Governance Committee. The Committee understands the potential negative impact of forming a supervisory district on the region, and acknowledges a supervisory district would perhaps adversely affect the ability of Winhall, Sandgate, Arlington, Pawlet, and Rupert to find a path forward under Act 46. The Committee concluded a supervisory union would seem to provide a better governance solution than a supervisory district for these districts and the region.

A primary concern with a supervisory union, however, was the supervisory union board would need to be reconfigured to accommodate the newly merged district since it would be substantially larger than other member districts. The default configuration of a supervisory union board described by the law with three representatives for operating districts and one representative for non-operating districts leaves the merged district underrepresented, especially considering the merged district would be paying an increasingly large amount of supervisory union costs as these costs are centralized.

The Committee decided to request preliminary approval of a waiver from the State Board of Education to reconfigure the supervisory union board under an alternative configuration if the State Board assigns the merged district to a supervisory union such as the BRSU. That request was affirmed by a BRSU Board resolution which is included as an appendix of this report. The BRSU Board would ultimately need to make the waiver request if the voters approve the merger. The Committee believes obtaining a preliminary ruling from the State Board prior to the merger vote will be necessary since voters are unlikely to approve a merger with this question unanswered.

The BRSU will be reconfigured under Act 46 either way. If a conventional merger is formed and the new district is designated a supervisory district by the State Board, it is likely the remaining districts in the

Recognition is also extended to the BRSU School Board members for being proactive in preparing for the future of its member school districts. Their willingness to think creatively in fulfilling their leadership commitment for providing quality education for all students in the most efficient manner possible is apparent and appreciated.

-BRSU Phase I Governance Report, 2012

area, including Pawlet, Rupert, Arlington, Sandgate (which together comprise BVSU), Winhall, and Stratton, will be regrouped into a single supervisory union with 900 students.

If the newly merged district is assigned to the BRSU, the new BRSU will likely have four school districts: this merged district, a merged district comprising Pawlet and Rupert, Arlington as standalone K-12

operating district, and a merged school district of non-operating districts including Sandgate, Winhall, and Stratton.

The Committee did some financial modelling of a revised BRSU supervisory union structure. A model including this merged district and BVSU districts is included as an appendix of this report. In this model, the BRSU budget would increase due to an increase in staff, but administrative costs from a regional perspective would be reduced since the region would be moving from its current configuration of two supervisory unions and fifteen school districts to a single supervisory union with four school districts. Such a structure would certainly create a more sustainable governance structure as outlined by Act 46. The merged district would have over 60% of the students and therefore over 60% of the assessed costs, however. Since the relative share of these costs increases for the merged districts, it is likely administrative costs for the merged district would increase even though the total regional administrative costs, with the dissolution of BVSU, would be reduced since the new supervisory union would be larger and be comprised of more districts.

Articles of Agreement

The Merger Study Committee recommends the following Articles of Agreement be adopted by each necessary and advisable school district for the creation of a Kindergarten through Grade 12 unified union school district (operating grades Kindergarten through Grade 8) to be named the Taconic and Green Regional School District, hereinafter referred to as "Union School District."

Article 1: Necessary and Advisable School Districts

The Dorset Town School District, the Manchester Town School District, and the Mountain Towns Regional Education District (consisting of the towns of Landgrove, Londonderry, Peru and Weston) are necessary districts for the establishment of the Union School District. The Danby Town School District, the Mt. Tabor Town School District, and the Sunderland Town School District, are advisable districts to the merger. Union District #23 formed by the Danby and Mt. Tabor town school districts (Currier Memorial School) is also advisable to this merger, but in accordance with the law, only the voters of its town school districts will vote on this merger proposal. To dissolve Union District #23, the Danby and Mt. Tabor town school districts must both vote in favor of the merger. If either district votes not to merge, neither district may merge.

The successful formation of any version of a Union School District shall be named the Taconic and Green Regional School District.

Article 2: Additional Districts Advisable to the Merger

There are no additional districts being recommended as advisable districts to the merger.

Article 3: Grades to be Operated by the Union School District

Upon being formed, the Union School District will provide Kindergarten through grade eight education to all students in the Union School District beginning with the 2018-2019 school year. All Union School District students in grades 9-12, consistent with state law, will be provided with tuition support to attend schools not operated by the Union School District.

Article 4: New Schools to be Constructed

No new school construction is necessary to, or proposed for, the formation of the Union School District.

Article 5: First Year of District Operations

The Union School District will provide for the transportation of students, assignment of staff, curricula, education programs, and student services that, to the extent practicable, are consistent with the contracts, policies and practices that were in existence during the year immediately preceding the first year of the Union School District's operation.

The Union School District Board of Directors 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, 2018, the Union School District Board will comply with the pre-existing master agreements pursuant to 16 VSA Chapter 53, Subchapter 3. The Union School District shall honor all individual employment contracts that are in place for the forming districts on June 30, 2018, until their respective termination dates.

The Board of School Directors of the Union School District shall make all subsequent decisions relative to the operation of the new district consistent with state and federal laws and these Articles of Agreement.

Article 6: Assumed Indebtedness

All operating surpluses and/or deficits of any of the forming districts shall become the property, and/or the obligation of the Union School District, effective July 1, 2018. Those forming districts with surpluses or remaining reserve funds as of the close of business on June 30, 2018, will transfer all such funds to the Union School District. Reserve funds or like accounts held by school districts prior to June 30, 2018, that have specified conditions of use will be used in accordance with said provisions. All debts or obligations of the forming districts shall be transferred to and assumed by the Union School District.

The debt and funds specified above shall be transferred to the Union School District in accordance with procedures and timelines established by the Union School District Board following its organizational meeting, as further discussed in Article 11.

Article 7: Transfer of Real Property

The transfer of real property will be implemented as described by Article 10.

Article 8: School Board Configuration

The configuration of the school board will be established as described by Article 10.

Article 9: Initial Board Member Terms of Office and Election

The term of office for School Directors elected on March 7, 2017 shall be one, two, or three years, respectively, plus the additional months between the date of the Organizational Meeting of the Union School district (16 VSA § 706), 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 2018, as established under 16 VSA § 706. Thereafter, terms of office shall be three (3) years and shall begin and expire on the date of the Union School District's Annual Meeting. The following tables establish the dates of the initial terms of office based on the different merger scenarios.

1. All advisable districts vote in favor of the merger

INITIAL TERM	1 YEAR	2 YEAR	3 YEAR
NEXT ELECTION	2019	2020	2021
DANBY	0	0	1
DORSET	0	1	0
LANDGROVE	0	1	0
LONDONDERRY	0	0	1
MANCHESTER	0	0	1
MT. TABOR	0	1	0
PERU	0	1	0
SUNDERLAND	0	1	0
WESTON	0	0	1
DANBY, DORSET, LONDONDERRY OR MANCHESTER	4	0	0
TOTAL (13)	4	5	4

2. All advisable districts except Danby and Mt. Tabor vote in favor of the merger

INITIAL TERM	1 YEAR	2 YEAR	3 YEAR
NEXT ELECTION	2019	2020	2021
DORSET	0	1	0
LANDGROVE	0	1	0
LONDONDERRY	0	0	1
MANCHESTER	0	0	1
PERU	0	1	0
SUNDERLAND	0	1	0
WESTON	0	0	1
DORSET, LONDONDERRY OR MANCHESTER	3	0	0
TOTAL (10)	3	4	3

3. All advisable districts except Sunderland vote in favor of the merger

INITIAL TERM	1 YEAR	2 YEAR	3 YEAR
NEXT ELECTION	2019	2020	2021
DANBY	0	0	1
DORSET	0	1	0
LANDGROVE	0	1	0
LONDONDERRY	0	0	1
MANCHESTER	0	0	1
MT. TABOR	0	1	0
PERU	0	1	0
WESTON	0	0	1
DANBY, DORSET, LONDONDERRY OR MANCHESTER	4	0	0
TOTAL (12)	4	4	4

4. None of the advisable districts vote in favor of the merger

INITIAL TERM	1 YEAR	2 YEAR	3 YEAR
NEXT ELECTION	2019	2020	2021
DORSET	0	1	0
LANDGROVE	0	1	0
LONDONDERRY	0	0	1
MANCHESTER	0	0	1
PERU	0	1	0
WESTON	0	0	1
DORSET, LONDONDERRY OR MANCHESTER	3	0	0
TOTAL (9)	3	3	3

Article 10: Vote to Form the Union School District

The articles to create the Union School District will be submitted to the voters of each forming district identified in Article One on March 7, 2017. The vote will be by Australian ballot and ballots will not be commingled. The form of the article to be submitted to the voters shall be substantially as follows:

Shall the voters of the _____ School District vote to form the Taconic and Green Regional School District ("Union School District") on the following terms:

1. The districts listed below shall all be identified as "necessary" for the formation of the Union School District:

The Dorset Town School District
 The Manchester Town School District
 The Mountain Towns Regional Education District

The districts listed below shall be identified as "advisable" for the formation of the Union School District.

The Danby Town School District
 The Mt. Tabor Town School District
 The Sunderland Town School District
 Union School District #23 (Currier Memorial School)

2. The Union School District will operate schools in Grades Kindergarten through Eight (K-8) and tuition students in Grades Nine through Twelve (9-12) to provide education for all students in the Union School District.
3. The Union School District Board of Directors shall be composed of thirteen (13) directors if all advisable districts vote in favor of the merger. Directors shall be nominated from the legal voters of each forming town and shall be elected on an at-large basis by Australian Ballot vote by the voters of the Union School District. Directors shall have equal votes and shall be allocated as based on the following merger scenarios:

- a. All advisable districts vote in favor of the merger

TOWN	NUMBER OF DIRECTORS
DANBY	1
DORSET	1
LANDGROVE	1
LONDONDERRY	1
MANCHESTER	1
MT. TABOR	1
PERU	1
SUNDERLAND	1
WESTON	1
DANBY, DORSET, LONDONDERRY OR MANCHESTER	4
TOTAL	13

- b. All advisable districts except Danby and Mt. Tabor vote in favor of the merger

TOWN	NUMBER OF DIRECTORS
DORSET	1
LANDGROVE	1
LONDONDERRY	1
MANCHESTER	1
PERU	1
SUNDERLAND	1
WESTON	1
DORSET, LONDONDERRY OR MANCHESTER	3
TOTAL	10

- c. All advisable districts except Sunderland vote in favor of the merger

TOWN	NUMBER OF DIRECTORS
DANBY	1
DORSET	1
LANDGROVE	1
LONDONDERRY	1
MANCHESTER	1
MT. TABOR	1
PERU	1
WESTON	1
DANBY, DORSET, LONDONDERRY OR MANCHESTER	4
TOTAL	12

- d. None of the advisable districts vote in favor of the merger

TOWN	NUMBER OF DIRECTORS
DORSET	1
LANDGROVE	1
LONDONDERRY	1
MANCHESTER	1
PERU	1
WESTON	1
DORSET, LONDONDERRY OR MANCHESTER	3
TOTAL	9

4. Real Estate and Personal Property

- a. No later than June 30, 2018, the forming districts will convey to the Union School District, for the sum of One Dollar, and subject to all encumbrances of record, all school-related real estate and personal property owned by them, including all school-related land, buildings, and contents.
- b. Disposal of Real Estate. 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, except as provided below for any properties conveyed to the Union School District by either the Mountain Towns Regional School District or Union School District #23.

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 the Mountain Town Regional School District is or are unnecessary to the continued operation of the Union School District and its educational programs, the Union School District shall sell such real property, 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, upon such terms and conditions as established by the Union School District Board of School Directors, and return the proceeds of any such sale to the towns of Landgrove, Londonderry, Peru, and Weston in amounts equal to the relative proportion of the population of these towns.

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 Union School District #23 is or are unnecessary to the continued operation of the Union School District and its educational programs, the Union School District shall first offer to sell such real property, 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, to the Town of Danby. If the Town of Danby does not desire to purchase said property, the Union School District shall then offer to sell the property to the Town of Mt. Tabor under the same terms and conditions. If the Town of Mt. Tabor does not desire to purchase said property, the Union School District may sell the property upon such terms and conditions as established by the Union School District Board of School Directors.

The conveyance of any school properties to a town 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.

5. Transfer of Funds

- a. Capital Debt. The Union School District shall assume all capital debt of forming districts, including both principal and interest, as may exist at the close of business on June 30, 2018.
 - b. Operating Fund Surpluses and Deficits. The Union School District shall assume any and all general operating surpluses and deficits of the forming districts that may exist at the close of business on June 30, 2018. In addition, reserve funds identified for specific purposes will be transferred to the Union School District and will be applied for said purpose unless otherwise determined through appropriate legal procedures.
 - c. Specified Funds. The forming districts will transfer to the Union School District any pre-existing school district specific endowments or other restricted accounts that may exist on June 30, 2018. Scholarship funds or like accounts held by school districts prior to June 30, 2018, that have specified conditions of use will be used in accordance with said provisions.
6. Australian Ballot. The Union School District voters shall vote on the budget and other public questions by Australian ballot with polling places provided in each member town. Ballots will be delivered to the Union District Clerk and commingled for counting.
7. The provisions of the Merger Study Report and Articles of Agreement approved by the State Board of Education on _____, 2016, which is on file at the offices of the Bennington-Rutland Supervisory Union, shall govern the Union School District.

[Article 11: Operating Date](#)

Upon an affirmative vote of the electorates of each district and upon compliance with 16 VSA § 706g, the Union School District Board 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, 2018. The Union School District Board shall, between the date of its organizational meeting under 16 VSA § 706j and June 30, 2018, undertake planning and related duties necessary to begin operation of the Union School District on July 1, 2018, including preparing for and negotiating contractual agreements, preparing and presenting the budget for fiscal year 2019, preparing for the first Union School District Annual Meeting, and transacting 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 forming districts that will remain in existence during the transition period for the purpose of completing any business not given to the Union School District.

[Article 12: Forming Districts Cease to Exist](#)

On July 1, 2018, when the Union School 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 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, 2018 when the forming districts shall cease to exist.

Article 14: School Closure

The Union School District Board shall not close any school conveyed to the Union School District by a forming district within the first four (4) years of operation of the Union School District.

After four (4) years of operation, the Union School District may close a school conveyed to the Union School District by a forming district only upon an affirmative vote of 75% of the entire school board. Prior to taking such a vote, the school board must hold a public hearing in the town where the school is located, and give the electorate of the town the opportunity to advise the school board through a non-binding referendum on the issue.

This Article may only be amended by an affirmative vote of 75% of the entire school board.

Article 15: Grandfathering of School Choice Students in Grades 7 and 8

Resident students of Danby, Mt. Tabor, and Sunderland in grade 7 who attend a school other than a school operated by the Union School District during the 2017-2018 school year, may continue to attend the same school until they complete the eighth grade, and the District shall pay the tuition at a rate established by the voters. Siblings of these students in the sixth grade during the 2017-2018 school year may also choose to attend the same school or schools as their older siblings for grades 7 and 8. This grandfathering provision will expire on June 30, 2020.

Article 16: School Attendance

For the first year the Union School District is fully operational and providing educational services, students will attend elementary school according to their town of residence; 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.

Article 17: Local Community Input

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, such as school committees, will be established by the Union School District Board of School Directors on or before June 30, 2018.

Appendices and Data

Letter from the Chairperson of the BRSU Board, James Salsgiver

To the State Board of Education,

A group of School Districts within the Bennington–Rutland Supervisory Union voted to form the Northshire Merger Study Committee to study the possible merger of School Districts pursuant to Act 46.

The Northshire Merger Study Committee intends to submit to the State Board its study committee report recommending a merger and the creation of a newly formed school district to be called the Taconic and Green Regional School District.

In its report, the “Taconic and Green Regional School District Merger Study Report and Articles of Agreement” (under Supervisory District, Supervisory Union, and Regional Considerations), it is noted that representation of the new district on the supervisory union board would be a significant issue for voters when seeking approvals for the merger recommendation. Therefore, the Report requests that the Board of the Bennington-Rutland Supervisory Union consider this issue, and if in agreement that a waiver should be requested, obtain a preliminary ruling from the State Board on this issue prior to the merger vote.

The Board of the Bennington-Rutland Supervisory Union considered this issue at its Meeting on November 16, 2016, and resolved that:

Contingent upon the successful merger of the Taconic and Green Regional School District, the BRSU board recommends a future SU board size not to exceed 13 members. The BRSU board supports requesting a waiver, pursuant to T.16, Section 261(d), from the state board requesting district representation in a future SU board based on census population, subject to either (1) no single district has more than 50% representation or (2), should any district have more than 50% then a bylaw will prevent any one district from carrying a vote without a supporting vote from at least one other district.

The Board of the Bennington-Rutland Supervisory Union would appreciate the State Board’s consideration of this issue, and a preliminary ruling on this expected waiver request pursuant to T.16, Section 261(d).

Best regards,

James G. Salsgiver

Bennington-Rutland Supervisory Union, Board Chair

Town Demographic Data

These data come from the most recent US Census.

	DANBY	DORSET	LANDGROVE	LONDONDERRY	MANCHESTER
TOTAL POPULATION	1,311	2,031	158	1,769	4,391
PERCENT OF POPULATION UNDER 5	5.6%	3.8%	1.3%	5.2%	3.6%
MEDIAN AGE	44.2	50.9	53.5	46.0	49.2
TOTAL HOUSEHOLDS	550	898	74	790	2,047
FAMILY HOUSEHOLDS	370	587	48	493	1,198
HIGH SCHOOL OR HIGHER	85.8%	97.3%	100.0%	89.1%	95.1%
BA OR HIGHER	21.3%	48.5%	60.3%	37.5%	42.6%
MEDIAN FAMILY INCOME	57,951	71,307	79,375	49,967	45,147
INDIVIDUALS BELOW POVERTY LEVEL	6.3%	2.5%	8.3%	5.9%	7.0%

	MT. TABOR	PERU	SUNDERLAND	WESTON
TOTAL POPULATION	255	375	956	566
PERCENT OF POPULATION UNDER 5	5.9%	4.3%	6.0%	2.1%
MEDIAN AGE	44.8	47.8	45.3	55.7
TOTAL HOUSEHOLDS	116	165	393	262
FAMILY HOUSEHOLDS	79	106	277	157
HIGH SCHOOL OR HIGHER	81.7%	94.3%	92.9%	93.8%
BA OR HIGHER	32.5%	38.5%	36.7%	47.7%
MEDIAN FAMILY INCOME	48,542	61,250	53,869	63,472
INDIVIDUALS BELOW POVERTY LEVEL	25.5%	7.4%	5.2%	8.7%

Enrollment by District

	GRADES CURRENTLY OPERATED	2015-16 ENROLLMENT AMONG OPERATING GRADES	GRADES TUITIONED	2015-16 ENROLLMENT AMONG TUITIONED GRADES
DANBY	n/a	n/a	7-12	110
DORSET	K-8	188	9-12	104
MANCHESTER	PK-8	379	9-12	241
MT. TABOR	n/a	n/a	7-12	12
MTR	K-8	269	9-12	159
SUNDERLAND	K-6	81	7-12	57
UD23 (CURRIER)	K-6	87	n/a	n/a

Enrollment by School Grade Level, October 1, 2016

GRADE	Currier	Dorset	Flood Brook	Manchester	Sunderland	TOTAL
PK	8	-	-	29	-	37
K	8	14	30	35	14	101
1	13	8	29	32	10	92
2	14	16	30	35	12	107
3	10	18	43	34	16	121
4	18	25	24	38	9	114
5	15	21	39	39	12	126
6	9	24	30	31	14	108
7	-	27	30	51	-	108
8	-	30	27	60	-	117
TOTAL	95	183	282	384	87	1031

School Program Opportunities

	CURRIER (K-6)	DORSET (K-8)	FLOOD BROOK (K-8)	MANCHESTER (K-8)	SUNDERLAND (K-6)
ART	X	X	X	X	X
MUSIC	X	X	X	X	X
CHORUS	X	X		X	X
BAND	X	X		X	X
PHYSICAL EDUCATION	X	X	X	X	X
HEALTH	X	X	X	X	X
LIBRARY/MEDIA	X	X	X	X	X
FOREIGN LANGUAGE		X	X	X	
HONORS ALGEBRA		X	X	X	
BASKETBALL	X	X		X	
SOCCER		X		X	
FIELD HOCKEY				X	
BASEBALL				X	
SOFTBALL				X	
CLUBS		X	X	X	
EXTRA-CURRICULAR ACTIVITIES		X	X	X	X
OVERNIGHT FIELD TRIPS		X	X	X	X

Equalized Pupils by District

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
DANBY	113.06	112.62	111.73	121.78	123.70	121.48	119.26	124.66
DORSET	302.07	296.77	287.33	280.04	281.80	284.35	299.65	311.21
MANCHESTER	705.94	682.09	661.49	666.50	668.40	648.85	625.80	604.41
MT. TABOR	24.14	22.12	17.95	15.57	15.99	18.27	18.56	14.88
MTR					411.46	438.64	458.20	463.27
SUNDERLAND	130.73	138.67	140.43	139.01	134.80	134.11	140.95	143.10
UD #23	113.66	108.09	105.34	100.53	96.19	93.19	98.35	95.71

Projected FY17 Education Spending per Equalized Pupil

	ED SPENDING	EQUALIZED PUPILS	ED SPENDING PER EQUALIZED PUPIL
DANBY	1,971,028	124.66	15,811.23
DORSET	4,677,170	311.21	15,028.98
MANCHESTER	9,418,535	604.41	15,583.02
MT. TABOR	148,131	14.88	9,955.04
MTR	7,189,503	463.27	15,519.03
SUNDERLAND	1,973,779	143.1	13,793.00
UD23	1,613,533	95.71	16,858.56

Pre-CLA Residential Education Property Tax Rates

	FY13	FY14	FY15	FY16	FY17
DANBY	1.4359	1.4619	1.5518	1.7738	1.5883
DORSET	1.4161	1.4936	1.5693	1.6172	1.5097
MANCHESTER	1.4197	1.4891	1.5278	1.5234	1.6421
MT. TABOR	0.9267	0.94	1.0433	0.99	1.00
MTR		1.5236	1.5471	1.6759	1.5589
SUNDERLAND	1.3261	1.3153	1.4676	1.4105	1.3855
UD23	1.3255	1.4071	1.5837	1.5223	1.9002

Small Schools Grant Revenue

	FY13	FY14	FY15	FY16	FY17 *
SUNDERLAND	83,669	85,342	83,163	91,877	83,348
UD23 (CURRIER)	66,764	59,071	61,352	72,395	72,456
					<i>*budgeted</i>

Sunderland Impact Aid Revenue

	FY13	FY14	FY15	FY16	FY17 *
SUNDERLAND	509,870	183,801	217,777	216,875	180,000
					<i>* anticipated</i>

Model Supervisory Union Budget with BRSU and BVSU

The addition of Arlington and Sandgate School Districts to the Supervisory Union is estimated to increase costs by \$1,871,312.

	Budget Data	Adjustment	Adjusted Costs Inc/(Dec)	Revised Supervisory Union
GENERAL AND SPECIAL EDUCATION EXPENDITURES				
SU Office Administration	\$799,891	\$111,000	\$111,000	\$910,891
Accounting	142,996	65,000	65,000	207,996
Technology	224,206	70,000	70,000	294,206
Transportation Coordinator	0	75,000	75,000	75,000
English/Second Language	90,094		0	90,094
PK Sites	202,231		0	202,231
Sped PK	259,542		61,396	320,938
Sped K-6/8	3,210,446		657,474	3,867,920
Sped 7/9-12	4,250,479		539,463	4,789,942
Sped OT/PT	318,870	90,000	90,000	408,870
Sped Behavior/Psych	349,650	57,500	57,500	407,150
Sped Administration	665,300	232,500	232,500	897,800
Sped Transportation	274,667	45,000	71,620	346,287
Total Expenditures	<u>\$10,788,372</u>	<u>746,000</u>	<u>\$2,030,953</u>	<u>\$12,819,325</u>
GENERAL AND SPECIAL EDUCATION REVENUES				
Miscellaneous Revenue	\$1,500		0	\$1,500
Grant Administration Revenue	24,000		6,567	30,567
Medicaid Admin Support	30,660	30,000	30,000	60,660
IDEA Grants	601,876		123,074	724,950
Total Revenues	<u>\$658,036</u>	<u>\$30,000</u>	<u>\$159,641</u>	<u>\$817,677</u>
Amounts to be Assessed to Local Districts	<u>\$10,130,336</u>	<u>\$716,000</u>	<u>\$1,871,312</u>	<u>\$12,001,648</u>
Revised SU General Assessment				<u>\$1,546,120</u>
Revised SU Special Ed Assessment				<u>\$10,455,528</u>

Model Supervisory Union Assessments

The addition of Arlington and Sandgate, to the Supervisory Union is estimated to increase overall assessments to the merged district by \$17,694. After applying the year one incentive of 8 cents, the calculated merged district equalized tax rate is \$1.4994.

	TOTAL	MERGED DISTRICT	METTAWEE DISTRICT	ARLINGTON	NON-OPERATING
DECEMBER 2015 ADM	2,653.25	1,755.54	338.66	353.15	205.90
% ALLOCATION		<u>66.2%</u>	<u>12.8%</u>	<u>13.3%</u>	<u>7.8%</u>
GENERAL ASSESSMENT	<u>\$1,546,120</u>	<u>\$1,023,531</u>	<u>\$197,903</u>	<u>\$205,634</u>	<u>\$120,596</u>
SPED ASSESSMENT	<u>\$10,455,528</u>	<u>\$6,921,560</u>	<u>\$1,338,308</u>	<u>\$1,390,585</u>	<u>\$815,530</u>

CUMULATIVE BUDGETS	A	\$33,831,608
CUMULATIVE SU GENERAL ASSMNTS (INCL. IN BUDGETS)	B	965,398
CUMULATIVE SU SPED ASSMNTS (INCL. IN BUDGETS)	C	6,961,999
REVISED SU GENERAL ASSESSMENT	D	1,023,531
REVISED SU SPED ASSESSMENT	E	<u>6,921,560</u>
REVISED CUMULATIVE BUDGETS W/NEW ASSESSMENTS	F = A - B - C + D + E	<u>\$33,849,302</u>
INCREASED COSTS - UNFAVORABLE VARIANCE	A - F	<u>\$17,694</u>
CUMULATIVE BUDGETS	F	\$33,849,302
CUMULATIVE REVENUES	G	<u>7,003,328</u>
EDUCATION SPENDING	H = F - G	\$26,845,974
EQUALIZED PUPILS	I	<u>1,757.24</u>
ED SPENDING/EQ PUPIL	J = H ÷ I	\$15,277
PROPERTY YIELD	K	<u>\$9,701</u>
EQUALIZED TAX RATE	L = J ÷ K	\$1.5748
YEAR 1 INCENTIVE	M	<u>\$0.0800</u>
EQUALIZED TAX RATE ADJUSTED	L - M	<u>\$1.4948</u>

