

AGENCY OF EDUCATION
Barre, Vermont

TEAM: School Governance Team

ITEM: Will the State Board of Education find that the proposed unified union school district formed by up to seven current member districts of the **CALEDONIA NORTH SUPERVISORY UNION (CNESU)** and the **ESSEX CALEDONIA SUPERVISORY UNION (ECSU)** 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 Kingdom East Governance Study Committee (Study Committee)?

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 CNSU and the ECSU 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 Kingdom East Governance Study Committee.**
- 3. That the State Board of Education votes to approve the temporary assignment of the new unified union school district, if approved, to the CNSU 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 systems.**

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

BACKGROUND INFORMATION: The Kingdom East Governance Study Committee was formed by two school districts in CNSU (the Concord School District and the Lunenburg School District) and by five school districts that encompass six towns in ECSU (the Burke School District; the Lyndon School District; the Newark School District; the Sutton School District; and the Millers Run Unified Union #37 School District {Towns of Sheffield and Wheelock}). Each of the seven school districts operates one or more schools offering education through grade 8 and pays tuition for students in grades 9-12.

The combined average daily membership (ADM) of all seven districts in FY2016 was 1,751.41, as follows:

CNSU

- Concord School District – 222.00
- Lunenburg School District – 173.40

ECSU

Burke Town School District – 286.10
Lyndon School District – 671.79
Newark School District – 80.70
Sutton School District – 139.42
Millers Run USD #37 – 178.00

The Study Committee recommends creation of a unified union school district (New Unified District) pursuant to 16 V.S.A. § 706b.

The Study Committee does not identify any district as “necessary” to the proposal pursuant to 16 V.S.A. § 706b(b)(1).

The Study Committee identifies all seven districts as “advisable” to the proposal pursuant to 16 V.S.A. § 706b(b)(2).

The Study Committee named all districts “advisable” in order “to protect the option for unification if one or two districts voted not to unify.”

The New Unified District would be created only if approved by the electorate of a majority of the seven districts. Approval by the voters in three or fewer districts would result in each of the seven districts retaining its current governance structure.

If approved by the State Board and the voters 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 by the merger of at least four existing districts.

The New Unified District, which would be known as the Kingdom East Unified Union School District, would provide for the education of all resident PK-12 students by operating schools offering education through grade 8 and by paying tuition for students in grades 9-12. The proposal would unify all existing school districts into a single unified district responsible for operating the current eight elementary/middle schools. It would replace all current governing bodies with one unified union school board.

The New Unified District would be governed by a school board of up to 15 members, depending upon which districts vote in favor of merger. Members would be allocated to the individual towns in the numbers set forth in Article 9 and each town would be ensured at least one seat. 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.

The Study Committee does not anticipate the construction of new school buildings or the closure of any currently-operated school.

A currently operating school building could be closed during the first four years of operation only if closure is first approved by the voters of the town in which the building is located. In years five and after, a school could be closed only by a supermajority of the votes (greater than 79%) cast by the members of the Unified Board and a positive vote of the electorate of the town in which the building is located.

If a building conveyed to the New Unified District by one of the six town school districts is closed and would no longer be used for public education purposes, then 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.

If a building conveyed to the New Unified District by the Millers Run USD #37 is closed and would no longer be used for public education purposes, then the property would be offered to the Towns of Sheffield and Wheelock in conformance with the terms set out in the USD #37 articles of agreement, which are incorporated by reference, or in conformance with any other terms to which both towns agree. The terms of the sale would be the same as those set out in the previous paragraph.

All future votes on the budget, election of Board members, and other public questions 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 four of the districts vote in favor of the proposal, then the New Unified District will begin operation on July 1, 2018.

If the New Unified District is formed by fewer than all seven districts, then the voters of a district that did not approve the proposal could vote on or before March 8, 2018 to join the district pursuant to 16 V.S.A. § 721 and be admitted without the need for subsequent approval by the voters of the Unified District.

The appendices to the Study Committee's report describe public outreach activities, community concerns, and the Study Committee's responses. They examine equalized pupils and ADM trends, student-to-teacher ratios, programmatic differences, financial assets and debts, time spent on administrative and board tasks, and tenure of administrators and board members. The Study Committee also provided a list of the identified opportunities and challenges of unification.

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

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 Study Committee acknowledged that there are inequities among the districts in: allied arts programs (PE, guidance, health, world language, art, music, and library); teacher-student contact hours in core content areas; student-to-teacher ratios; and after-school programming. The Committee identified potential educational benefits of merger, including:

1. Creation of a shared mission, vision, and continuous improvement plan.
2. One school board operating with the best interests of all students instead of seven separate school district boards and (potentially) two supervisory union boards.
3. The opportunity for public school choice among the elementary schools.
4. Greater equity in access to technology and pooled resources to support it.
5. Maximized sharing of, *e.g.*, specialists, coaches, professional development opportunities, and equipment and “flexible and nimble” sharing of faculty and staff to respond to the changing needs of the schools.

FISCAL IMPLICATIONS:

The Study Committee anticipates potential cost reductions resulting from the formation of a unified district and consolidation of 1 ½ supervisory unions: potentially lowered FTEs for positions at the SU-level (business manager, special education director, superintendent); reduced office space needs; fewer annual audits; streamlined accounting systems; and increased purchasing power. *See also* Act 153, as amended, for cost implications to the State.

See in particular *Appendix B* to the Study Committee’s proposal for a more details and the Worksheet for an overview of the elements that address the Act 46 goals.

The 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.

SUPERVISORY DISTRICT: The Study Committee intends that the New Unified District, potentially formed by districts from two current supervisory unions, would be its own supervisory district. The Committee acknowledges that it would be premature for the State Board to designate it as such until it is clear which districts will be merging to form the New Unified District. In addition, the State Board will need to evaluate any future formal request to be designated as a supervisory district while keeping in mind other potential mergers in the region.

STAFF AVAILABLE:

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

CNSU

Caledonia North Supervisory Union
POB 107, Lyndonville, VT 0585
802-626-6100

ECSU

Essex Caledonia Supervisory Union
1335 Main Street, Concord, VT 05824
802-695-3373

Kingdom East Governance Study Committee

*Exploring governance of the school districts serving Burke, Concord, Lunenburg, Lyndon,
Newark, Sutton, and Union District #37 (Millers Run)*

Mr. Stephan Morse, Chair
Vermont State Board of Education
219 North Main Street, Suite 402
Barre, VT 05641

December 9, 2016

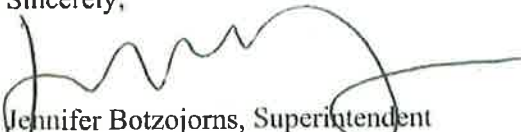
Dear Mr. Morse and Members of the Board,

Enclosed please find our Act 46 Study Committee Final Report and Articles of Agreement. Following the Caledonia North Supervisory Union's Act 46 Exploratory Committee, and Act 46 exploratory work in Essex-Caledonia, seven school boards from both Caledonia North Supervisory Union (Burke, Lyndon, Union 37-Millers Run, Newark, and Sutton) and Essex Caledonia Supervisory Union (Concord and Lunenburg) formed an Act 46 study committee and developed these Articles of Agreement. The one remaining school district from Caledonia North (East Haven) has joined other non operating districts in the region on the Northeast Kingdom Choice District Act 46 study. Waterford, the only other operating district in Essex Caledonia, has joined with Caledonia Central in an Act 46 Study. The non-operating districts in Essex Caledonia have joined with East Haven and the non operating districts in Essex North Supervisory Union in the Northeast Kingdom Choice District Act 46 study.

Should all towns in our Kingdom East Act 46 Study approve this merger, then Kingdom East Union School District will be formed. We strongly request that Kingdom East Union School District become a Supervisory District. Currently there are many moving parts; this specific request and corresponding language did not fit neatly anywhere in the enclosed Articles of Agreement. If all the school districts in this study vote in the affirmative, it is our sincere hope and firm request that our new Union School District become a Supervisory District.

We look forward to the presentation on December 20th. We thank you for your consideration.

Sincerely,


Jennifer Botzjoorns, Superintendent
Caledonia North Supervisory Union

Michael Clark, Superintendent
Essex-Caledonia Supervisory Union



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December 10, 2016
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
Caledonia North Supervisory Union	Burke Town School District		X
Essex Caledonia Supervisory Union	Concord School District		X
	Lunenburg School District		X
	Lyndon School District		X
	Newark School District		X
	Sutton School District		X
	Union #37 School District (Millers Run, towns of Sheffield and Wheelock)		X

Type of Merger

	(column reserved for agency use)
<p>Please refer to the related eligibility worksheets to determine baseline eligibility for each merger type.</p> <p><input type="checkbox"/> Accelerated Merger (Act 46, Section 6)</p>	
<p>A Regional Education District (RED) or one of its variations (Act 153 (2010) and Act 156 (2012))</p> <p><input checked="" type="checkbox"/> RED (Act 153, Secs. 2-3, as amended by Act 156, Sec. 1 and Act 46, Sec. 16)</p> <p><input type="checkbox"/> Side by Side Merger (Act 156, Sec. 15)</p> <p style="padding-left: 20px;">Districts involved in the related merger:</p> <p><input type="checkbox"/> Layered Merger (Union Elementary School District) (Act 156, Sec. 16)</p> <p><input type="checkbox"/> Modified Unified Union School District (MUUSD) (Act 156, Sec. 17, as amended by Act 56 (2013), Sec. 3)</p>	
<p><input checked="" type="checkbox"/> Conventional Merger – merger into a preferred structure after deadline for an Accelerated Merger (Act 46, Section 7)</p>	

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: 0
Proposed name of new district: Kingdom East 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.

<p>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>	<p>Creating one Kingdom East School District will allow our region to be responsive to the goals of Act 46. We will be better able to prepare students at PK-8 schools for success when they reach high school and beyond. This will be accomplished by:</p> <ol style="list-style-type: none"> 1. Allocating resources more effectively through flexible and nimble sharing of faculty and staff. 2. Eliminating inequities across the elementary schools and mobilizing personnel to schools in need as appropriate. 3. We currently experience inequities in: allied arts programs (PE, guidance, health, world language, art, music and library); we have different numbers of teacher-student contact hours for core content in different grades and different schools; student to teacher ratios vary considerably from school to school; availability of after school programming varies significantly including co-curricular activities such as: sports, clubs, performance groups; technology resources and training varies. 4. Unification can improve equity and quality educational opportunities for all students in the following ways: a single mission, vision, and articulated continuous improvement plan across our PK-8 schools; one voice to communicate and strengthen programs beyond PK-8 schools in our independent schools where we send our children; nimble and flexible use of resources across schools will provide the opportunity for broader and more equitable educational opportunities. One unified Kingdom East School Board will have the responsibility of ensuring all students receive similar preparation for education beyond our PK-8 classrooms. Increased flexibility and nimbleness to share and/or deploy staff as needed to address changing enrollment or specific learning needs. Greater equity in access to technology and pooled resources to support technology instruction. See Act
<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><u>Goal #2:</u> The proposed union school district will lead students to achieve or exceed the State's Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly.</p> <p><i>Act 46, Sec. 2(2)</i></p>	<p>46 Study Committee Final Report and Articles of Agreement (Report) Appendix C for detailed information.</p> <p>The above opportunities allow us to focus on the State's Education Quality Standards. More efficient administration will free up time to focus on educational outcomes. See Final Report for more specific details.</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>Operational efficiencies made possible by consolidating 1 ½ supervisory unions into one district includes one business manager, special educator director, superintendent, office building (not 1.5). Other efficiencies include less duplication of duties for administrative, supervision and supporting staff. Greater operational efficiencies will allow the new Kingdom East School Board and the administrative team to focus on instructional leadership, learning opportunities and outcomes, and allocate attention and resources to the areas that need to improve learning for students. Consolidating 1.5 Supervisory Unions into one Supervisory District will allow us further consolidation of resources in Transportation, Special Education, Information Technology, and Food Service that has already occurred in some areas. Student to teacher levels are below the state average. The board will need to work intentionally with learning goals in mind, to address these discrepancies and allocation of resources. Therefore, the study committee may anticipate some changes in staffing as a result of the merger. See Report.</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>Currently each town reports its budgets to the community and shared costs such as special education, professional development and central services are billed to the individual school districts. A single budget will provide taxpayers with a clearer picture of how money is being spent across the entire Kingdom East School district instead separate school-by school and supervisory union reporting. The budget can be developed through input and a clearly articulated strategic plan for the district which can allow for deeper analysis and measured progress towards improving</p>

	<p>learning for all. Specific ways one single school district will promote transparency and accountability:</p> <ul style="list-style-type: none"> ● Single budget including all district costs, voted directly by the electorate. ● This will eliminate the 1 ½ separate supervisory union budgets that are not directly voted and are allocated to local districts by assessment. ● Oversight by one board instead of seven for 2 supervisory union boards increases <ul style="list-style-type: none"> ○ Accountability for the superintendent: one board establishes priorities and monitors performance; ○ School principals and other district administrators increase their ability to focus on specific schools and the instructional leadership that increases student learning. ○ Transparency. The new Board will establish structures for local input and community engagement. <p>See Report Appendix for details.</p>
<p><u>Goal #5:</u> The proposed union school district will deliver education at a cost that parents, voters, and taxpayers value. <i>Act 46, Sec. 2(5)</i></p>	<p>Estimated savings of annually (see Report page 51 and Appendix G)</p> <ul style="list-style-type: none"> ● Reduces the number of annual audits, and the associated costs, by maintaining one budget instead of nine; ● Streamlines accounting systems (e.g., one budget and no Supervisory Union assessments for 1 ½ supervisory unions); ● Increases purchasing power. ● Four years of tax incentives for all homestead taxpayers in all five towns, beginning in the summer of 2018 (FY2019). ● Maintains Small School Support Grants as Merger Support Grants ● Maintains 3.5% hold harmless protection which was necessary in 2 school in FY17 ● Eligibility for a \$150,000 grant to assist with transitional costs. ● See Report pages 32-40; 50
<p><u>Regional Effects:</u></p>	<p>We do not anticipate any adverse regional effects of the proposed unification should all towns vote to join. Five of the towns in this merger operate in Caledonia North so they would become part of Kingdom East School District. The one remaining town in Caledonia North, East Haven, is part of the study committee to</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?

Act 46, Section 8(a)(2)

join the North East Kingdom Choice District. Two of the towns in Essex Caledonia have joined this study to become part of Kingdom East School District. The non-operating school districts in Essex-Caledonia are part of the study committee to join the Northeast Kingdom Choice District. Waterford, in Essex Caledonia, is studying with Caledonia Central to join with Barnet, Danville and Walden.

This new Kingdom East district does not isolate, geographically or otherwise, any district that would be either an obvious merging partner, or that has no other options. Member towns in Orleans Central, Orleans Southwest and Caledonia Central are working with their respective member boards to plan their geographic region. St Johnsbury is its own supervisory district.

If a town does not vote to join Kingdom East, then they could be geographically isolated from a newly formed Kingdom East, and the Secretary of Education, (pursuant to provisions in Act 46) can place them with a neighboring district. In this case, the options for contiguous districts include St. Johnsbury, the newly forming NEK Choice District (a school would need to close and be tuition pK-8), and configurations being considered by Caledonia Central (districts would maintain school choice grades 9-12) and Orleans Central (districts would lose school choice grades 9-12 and attend Lake Region Union High School).

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 new district will operate grades PreK-8 for all students.</p> <p>Tuition will only be paid for Pre-K students, pursuant to Act 166. Tuition will be paid for 9-12 students.</p> <p>See Article 2 of the Report.</p>	
<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 construction is proposed as part of this school district consolidation.</p> <p>No immediate renovations are planned as part of this school district consolidation.</p> <p>The new Kingdom East School District Board will plan for regular ongoing renovations as needed.</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 V.S.A. chapter 53, subchapter 3 (transition of employees)</p>	<p>The New Kingdom East School District will provide for the:</p> <ol style="list-style-type: none"> 1. transportation of students 2. assignment of staff 3. curricula 4. education programs, and student services that, to the extent practicable, are consistent with the policies and practices that were in existence during the year immediately preceding the first year of the SD's operation. <p>The New SD Board of Directors will comply with 16 VSA Chapter 53, subchapter 3.</p>	
<p>(6) The indebtedness of the proposed merging districts that the proposed union school district shall assume.</p>	<p>The Kingdom East School District will assume all capital debt, operating surpluses and deficits, reserve funds, and specific endowments and restricted accounts.</p> <p>See Article 7 Special Funds and Debt and Appendix D, G</p>	
<p>(7) The specific pieces of real property owned by the proposed merging districts that</p>	<p>The forming entities will convey to Kingdom East, for the sum of one dollar, and subject to all encumbrances of record, all of the real estate and personal property owned by them, including all land, buildings, and contents. Total Insurable Value</p>	



the proposed union school district shall acquire, including:

- * their valuation
- * how the proposed union school district shall pay for them

Town	Current Insurable Value	Estimated Debt
Burke	\$ 4,035,300	\$25,965
Concord	\$ 6,510,800	0
Lunenburg	\$ 1,635,675	0
Lyndon	\$ 20,281,300	0
Newark	\$ 1,902,500	\$32,078
Sutton	\$ 4,441,100	\$41,580
Union #37 (Sheffield and Wheelock)	\$ 5,468,700	\$314,801
Total	\$ 44,275,375	\$414,995

See Article 8 Real Estate and Property and Final Report for more information.

(8) [repealed 2004 Acts and Resolves No. 130, Sec. 15]

(9) Consistent with the proportional representation requirements of the Equal Protection Clause, the method of apportioning the representation that each proposed member town shall have on the proposed union school board

- * 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

The Kingdom East School District Board of Directors shall be composed of fifteen (15) directors who are voted at-large and elected by majority votes from each town based on a general proportionally from the most recent US decennial census. The initial allocation will be: Burke (2), Concord (2), Lunenburg (2), Lyndon (4), Newark (1), Sheffield (1), Sutton (2), Wheelock, (1).

See Article 9 Board of Directors Composition.

* see also 16 V.S.A. § 707(c):
weighted voting

(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

School directors elected March 7, 2017 will serve for initial 1, 2, or 3 year terms, plus the additional months between the organizational meeting and the annual meeting. The following table summarizes the initial terms:

Town	Year 1	Year 2	Year 3
Burke		1	1
Concord	1		1
Lunenburg	1		1
Lyndon	1	2	1
Newark			1
Sheffield		1	
Sutton	1	1	
Wheelock		1	

See Article 10 Board of Directors Terms and Elections

- Votes on the budget will be by Australian ballot, co-mingled
 - Votes on public questions will be by Australian ballot, co-mingled
 - Votes for School Board representatives, by Australian ballot, co-mingled.
- See Article 11 Australian Ballot Voting and Article 9 Board of Directors Composition. See also Article 9, 10 New Board; Article 12 Operating Date; Article 14 Forming Entities Cease to Exist; Article 4 Provision for Closure of a School; Article 18 Community Engagement and Input

(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)

Serving the towns of:

Burke, Concord, Lunenburg,
Lyndon, Newark, Sheffield,
Sutton and Wheelock

Vermont

Kingdom East

Act 46 Study Committee Final Report and Articles of Agreement

December 11, 2016

(Subject to Vermont State Board of Education Approval)

Comprised of school districts from

Caledonia North Supervisory Union and Essex Caledonia Supervisory Union

*Burke Town School, pK-8, Burke School District
Concord Schools, pK-8, Concord School District
Lunenburg Elementary School, pK-5, Lunenburg School District
Lyndon Town School, pK-8, Lyndon School District
Gilman Middle School, 6-8, Lunenburg School District
Millers Run School, pK-8, U-37 School District (Sheffield and Wheelock)
Newark Street School, pK-8, Newark School District
Sutton Village School, pK-8, Sutton School District*

All school districts provide school choice for grades 9-12

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EXECUTIVE SUMMARY

Given the passage of Vermont's Act 46, and following the Caledonia North Supervisory Union's Act 46 Exploratory Committee study, seven school boards of the Caledonia North Supervisory Union and Essex Caledonia Supervisory Union formed an Act 46 study committee. The Act 46 Study Committee's charge was to address the benefits and challenges of creating a unified union school district eligible for the incentives and protections of a Regional Education District pursuant to Act 153 (2010) and Act 46. This committee named their group Kingdom East. It is the recommendation of the Kingdom East Governance Study Committee (KEGSC) to pursue the creation of a union school district eligible for merger incentives and protections and to draft Articles of Agreement for a unified school district to include 6 towns in Caledonia North Supervisory Union and 2 towns in Essex Caledonia Supervisory Union. The unification has the goal of voter consideration for a new Regional Education School District on Town Meeting Day, March 7, 2017.

This document includes several sections. This Preamble provides a summary of our beliefs for the new district. The 18 Articles of Agreement guide how the new district will operate:

Article 1	Advisable Forming Districts
Article 2	Grades
Article 3	Employee Contracts, Recognition and Collective Bargaining
Article 4	School Construction and School Facilities
Article 5	Transportation
Article 6	Standardization of Curricula
Article 7	Special Funds and Indebtedness: Capital Debt, Operating Fund Surpluses, Deficits and Reserve Funds, Restricted Funds
Article 8	Real and Personal Property: Transfer of Property to the Unified District, Subsequent Sale of Real Property to Towns, Subsequent Sale of Miller's Run Real Property
Article 9	Board of School Directors
Article 10	School Directors – Election and Term
Article 11	Vote to Establish Unified Union and Election of School Directors
Article 12	Establishment of Unified Union and Operating Authority
Article 13	Annual Budget and Australian Ballot Voting
Article 14	Forming School Districts Cease to Exist
Article 15	School Attendance and Enrollment During the First Year
Article 16	Input on Policy and Budget Development
Article 17	Subsequent Admission
Appendices	Data to support the Formation of Kingdom East

Unifying into one school district presents flexibility to achieve greater equity, quality and diversity of educational programs for all our students. Streamlining governance provides an opportunity for financial savings through potential lower administrative costs, sharing of resources and bulk purchasing of goods and services. Creating one school district will also allow communities to comply with the law, receive Act 46 financial incentives and to avoid penalties

imposed by the law. Merging on our own, enables us to state the terms of our unification and to respect our communities' small town, small school ethics and culture (values, principles, beliefs) rather than be subject to those set forth by the Vermont State Board of Education. Overall we believe voting on these articles presents the best opportunity for the electorate to consider options for the students within our current school systems. We will continue to present the best opportunities for all our students at the lowest manageable cost to our taxpayers.

KINGDOM EAST GOVERNANCE STUDY PREAMBLE

These articles have been developed as part of a collaborative effort by both school board directors and volunteers in our community from the towns of Burke, Concord, Lunenburg, Lyndon, Newark, Sheffield, Sutton, and Wheelock. These towns will comprise the newly formed Kingdom East School District. The goal has been to structure the articles within a framework that takes into account our combined beliefs concerning an equitable and quality education for our children, as well as maintaining the strengths of each individual community. The following are the goals that we considered and labored to respect.

- To provide the best quality education for all children;
- To ensure that resources are used efficiently for the education of all our students;
- To recognize that our smaller schools are the cornerstone of our communities and way of life;
- To agree that teachers and staff are most effective when working together toward a common vision;
- To ensure that governance of education be easily accessible and understood by taxpayers;
- That transparency at all levels is paramount to success for students, staff, and taxpayers.

With these principles in mind we have formed and agreed upon the following Articles of Agreement.

ARTICLES OF AGREEMENT

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

Article 1 Advisable Forming Districts

The School Districts of Burke, Concord, Lunenburg, Lyndon, Miller’s Run USD #37 (to include the towns of Sheffield and Wheelock), Newark, and Sutton are advisable for the establishment of Kingdom East. The above referenced school districts are hereinafter referred to as the “forming districts” if they vote YES.

If all of the advisable districts vote to approve the merger, Kingdom East will commence full educational operations and services on July 1, 2018 under the provisions of Act 46. In the event that the majority of the advisable districts vote to approve the merger, but one, two, or three advisable districts vote against merger, the Kingdom East is still formed and will commence full educational operations and services on July 1, 2018.

Article 2 Grades

Kingdom East will provide pre-kindergarten through grade eight education to all of the students in the Union School District and pay tuition in accordance with Vermont statutes for all grade nine through twelve students in the Union School District.

Article 3 Employee Contracts, Recognition and Collective Bargaining

The Kingdom East Board will comply with 16 VSA Chapter 53, subchapter 3, regarding the recognition of the representatives of employees of the respective forming districts as the representatives of the employees of Kingdom East 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 School Board will comply with the pre-existing master agreements pursuant to 16 VSA Chapter 53, subchapter 3. The School Board shall honor all individual employment contracts that are in place for the forming school districts on June 30, 2018 until their respective termination dates.

Article 4 School Construction and School Facilities

No new school buildings are necessary to, or proposed for, the formation of Kingdom East. The Kingdom East School Board will assume ownership and operate existing school facilities

commencing July 1, 2018. Kingdom East recognizes the long term financial investments and community relationships that each town has with its school building(s). Kingdom East will encourage appropriate use of the building by the students and community according to the policies and procedures of the Kingdom East as overseen by the building administrator.

No school closings are anticipated or proposed on July 1, 2018. Pursuant to Act 153, no schools will be closed within its boundaries during the first four years after the effective date of merger unless the electorate of the town in which the school is located consents to closure. Closing a school facility after July 1, 2022 takes a positive vote of the electorate in the town in which the school is located and a super majority (greater than 79%) of the votes cast by the Kingdom East's Board of Directors.

Article 5 Transportation

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

Article 6 Standardization of Curricula

The forming districts of Kingdom East recognize the benefits to be gained from establishing district-wide curricula as well as their obligation to do so on or before July 1, 2018.

Article 7 Special Funds and Indebtedness

A. Capital Debt

The Unified District shall assume all capital debt as may exist on June 30, 2018, including both principal and interest, of the forming school districts that join the Unified District.

B. Operating Fund Surpluses, Deficits and Reserve Funds

The Unified District shall assume any and all operating deficits, surpluses, and fund balances of any of the forming districts that may exist at the close of business on July 1, 2018. In addition, reserve funds will be transferred to the Unified District on June 30, 2018 and will be applied for such established purposes unless otherwise determined through the appropriate legal procedures.

C. Restricted Funds

The forming school districts will transfer to the Unified District any preexisting specific endowments or other restricted accounts, including student activity and related accounts that may exist on June 30, 2018. Scholarship funds or similar accounts, held by school districts prior to June 30, 2018, that have specified conditions of use will be used in accordance with said provisions.

Article 8 Real and Personal Property

- A. Transfer of Property to the Unified District. No later than June 30, 2018, the forming districts that vote to join the Unified District will convey to the Unified District for the sum of One Dollar, and subject to all encumbrances of record, all of their school-related real and personal property, including all land, buildings, and contents.
- B. Subsequent Sale of Real Property to Towns. In the event that, and at such subsequent time as, the Unified District Board of Directors determines, in its discretion, that continued possession of the real property, including land and buildings, conveyed to it by one or more town forming districts will not be used in direct delivery of student educational programs, the Unified District shall offer for sale such real property to the town in which such real property is located, for the sum of One Dollar, subject to all encumbrances of record, the assumption or payment of all outstanding bonds and notes, and the repayment of any school construction aid or grants required by Vermont law, in addition to costs of capital improvements subsequent to July 1, 2018.

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

- C. Subsequent Sale of Miller's Run Real Property. In the event that, and at such subsequent time as the Unified District determines that any real property, including land and buildings, conveyed to it by the Miller's Run Unified School District is incompatible with the responsible operation of the Unified District and its educational programs, the Unified District shall, pursuant to Vermont statutes, offer such real property to the towns of Sheffield and Wheelock, for the sum of One Dollar, in conformance with the terms of the Articles of Agreement of Miller's Run in acquiring such properties, which is incorporated by reference into these Articles or upon such terms as are mutually agreed upon by the respective towns. The transfer and sale of such property or properties shall be 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 required by Vermont law, in addition to costs of capital improvements subsequent to July 1, 2018.

The conveyance of the school property shall be conditioned upon the town(s) owning and using the real property for community and public purposes for a minimum of five years. In the event the town(s) elect to sell the real property prior to five years of ownership, the town(s) shall compensate the Unified District for all capital improvements and renovations completed after the formation of Kingdom East and prior to the sale to the town(s). In the event Sheffield and/or Wheelock elects not to acquire ownership of such real property, the

Unified District shall, pursuant to Vermont statutes, sell the property upon terms and conditions established by the Unified District Board of Directors.

- D.** Kingdom East recognizes the investment each town has made in the upkeep and improvement of its school buildings and grounds. If any land and/or building is deemed unnecessary by the new Board, and returned to the town, the condition of such facilities shall be comparable, given standard depreciation, to their current condition at the time of this Agreement.

Article 9 Board of School Directors

Representation on the Kingdom East Board of School Directors will be determined as an at-large “hybrid model” as follows: Membership on the Kingdom East School District Board is apportioned to each town. Apportionment does not have to be proportional to the town’s population. Directors shall be elected by the voters of all forming districts. The ballot is categorized to represent each town’s apportioned seats on the Kingdom East District Board of School Directors.

At no time will a town within the Kingdom East School District have less than one board member with a single vote for the Board of School Directors.

The Kingdom East District Board of School Directors shall also evaluate and consider the advisability of continuing the at-large “hybrid” model after the first three years of operation.

The initial membership on the fifteen (15) member Kingdom East District Board of School Directors will be as follows: In the event that all advisable districts do not vote YES there may be fewer board members.

Number of School Board Members by Town

Town (2010 Census)	Board Members
Burke (1753)	2
Concord (1235)	2
Lunenburg (1302)	2
Lyndon (5981)	4
Newark (581)	1
Sutton (1029)	2
Wheelock (811)	1
Sheffield (703)	1

Article 10 School Directors – Election and Term

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

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

Town/District	1 Year Term	2 Year Term	3 Year Term
Burke		1	1
Concord	1		1
Lunenburg	1		1
Lyndon	1	2	1
Newark			1
Sheffield		1	
Sutton	1	1	
Wheelock	1		

Pursuant to the provisions of 16 VSA §706j(b), elected school directors shall be sworn in and assume the duties of their office. The term of office for School Directors elected at the March 7, 2017 election shall be one, two, or three years respectively, with the first (one year) terms expiring at the annual meeting in the spring of 2018, as established under 16 VSA §706j. Thereafter, terms of office shall begin and expire on the date of the Kingdom East School District’s annual meeting.

Article 11 Vote to Establish Unified Union and Election of School Directors

The proposal forming this Union School District will be presented to the voters of each forming school district on March 7, 2017.

The candidates for the new Union School District Board of School Directors will be elected on the same date, as required by law. Nominations for the office of union school director representing any town shall be made by filing with the clerk of that school district/town proposed as a member of the union, a statement of nomination signed by at least 30 voters in that district or one percent of the legal voters in the district, whichever is less, and accepted in writing by the nominee. A statement shall be filed not less than 30 nor more than 40 days prior to the date of the vote.

Article 12 Establishment of Unified Union and Operating Authority

Upon an affirmative vote of the electorates of the school districts, and upon compliance with 16 VSA §706g, Kingdom East 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. Kingdom East shall, between the date of its organizational meeting under 16 VSA §706j and June 30, 2018, develop school district policies, adopt curriculum, educational programs, assessment measures and reporting procedures in order to fulfill the Education Quality Standards (State Board Rule 2000), prepare for and negotiate contractual agreements, set the school calendar for Fiscal Year 2019, prepare and present the budget for Fiscal Year 2019, prepare for Kingdom East District Annual Meeting(s) and transact any other lawful business that comes before the Board, provided, however, that the exercise of such authority by Kingdom East shall not be construed to limit or alter the authority and/or responsibilities of the School Districts of Burke, Concord, Lunenburg, Lyndon, Newark, Sutton, and USD #37 (Millers Run).

Kingdom East shall commence full educational operations on July 1, 2018.

Article 13 Annual Budget and Australian Ballot Voting

Kingdom East School District Board of School Directors shall propose annual budgets in accordance with 16 VSA Chapter 11. The annual budget vote, the election of board members, and other public questions shall be conducted by Australian ballot pursuant to 17 VSA Chapter 55. The ballots shall be comingled.

Article 14 Forming School Districts Cease to Exist

On July 1, 2018, when Kingdom East 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 Kingdom East 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. There is still uncertainty about when the status of Caledonia North Supervisory Union and Essex-Caledonia Supervisory Union will change due to complications of school districts electing not to join a unified union.

Article 15 School Attendance and Enrollment During the First Year

For at least the first year that Kingdom East is fully operational and providing educational services, students will attend elementary school and middle school according to their town of residence, or in the case of Sheffield and Wheelock, Miller's Run School; provided however,

with parental consent, the Board of School Directors may adjust student enrollment based upon individual student circumstances and needs of Kingdom East. After July 1, 2019, the Board of School Directors will have the authority to adjust school attendance boundary lines and school configurations within Kingdom East through the adoption of a Board policy. This policy shall include the opportunity for parent participation and input.

Article 16 Input on Policy and Budget Development

The Kingdom East School District Board of School Directors shall provide opportunity for local input on policy and budget development. Structures to support and encourage public participation within the Union School District will be established by Kingdom East School District Board of School Directors on or before June 30, 2018.

Article 17 Subsequent Admission

Any district that votes NO to the merger will have one year from the date of the vote (on or before March 8, 2018) to reconsider by vote of that community (16 VSA 721) and be admitted to Kingdom East without a vote to affirm from the new Union School District.

Appendices: Following these Articles are Appendices which address the details from our study including a Cost Benefit Analysis and Student Enrollment information.

APPENDICES

APPENDIX A - Kingdom East and CNSU Act 46 Study Committee information

A1: Kingdom East Act 46 Committee Charge

The following motion was approved unanimously at the July 14, 2016 Kingdom East Governance Study Committee Meeting:

- (a) In accordance with Title 16 S706(b), Act 46, and Acts 153 / 156, impartially study the benefits and challenges of forming a union district comprising the towns of Burke, Concord, Sheffield, Wheelock, Lyndon, Lunenburg, Sutton, and Newark.
- (b) Contract with outside person(s) to support the work of the Committee within the established budget. This may include, but is not limited to: process facilitation, data analysis, facilitation of committee discussions, legal counsel, Community forum Support, and minutes Clerk.
- (c) Consider if there is a benefit to our communities to invite other districts as advisable members of the committee. As outlined in Title 16 S706b (2) the committee has the final determination of what districts, if any, are deemed advisable.
- (d) Engage the communities with at least one public forum held in each of the participating towns, including necessary towns, to hear community hopes and concerns prior to commencing and / or during the study.

A2: Act 46 Exploratory Committee Work

The following information shows the timeline during a year long process of meetings, information sessions, committee member input, public input and decision making that led to this report. In addition, local school boards included Act 46 on their agendas beginning in the fall of 2015 and regularly discussed updates in the process and timeline.

Fall 2015

September 14, 2015 4 :00 pm Lyndon Town School
Act 46 Public Information Meeting: Representatives from the VSBA and VSA met with any board members in the region to share information about Act 46

November 18, 2015 6:00 pm CNSU
CNSU Exploratory Committee met to discuss possibilities and questions to consider concerning Act 46

December 3, 2015 6:00 pm CNSU
CNSU Act 46 Exploratory Committee, election of Chair, overview of study goals, process.

December 12, 2015 6:00 pm Forest & Parks Conf. Rm, Rt. 2, St
Johnsbury

Caledonia North Supervisory Union chair, business manager, and superintendent met with ECSU school board chairs. The group discussed the opportunities and challenges of a single prek-8 regional school district. Essex Caledonia Supervisory Union and Caledonia North with the work of an exploratory committee, considered all of the K-8 school districts in this region of the Northeast Kingdom forming one district. This included 13 towns. This group decided against this configuration and this first preliminary exploratory committee dissolved after one meeting.

December 16, 2015 6:00 pm CNSU
 CNSU Act 46 Exploratory Committee: discussion of necessary or advisable, communication strategies

Winter/Spring 2016: Caledonia North Supervisory Union engaged consultant Mike Deweese in conducting an exploratory study to consider pursuing a merged school district.

January 21, 2016 6:00 pm CNSU
 CNSU Act 46 Exploratory Committee: Discussion of benefits for Act 46 and logistics.

February 18, 2016 6:00 pm CNSU
 CNSU Act 46 Exploratory Committee: Discussion of pros and cons of joining the districts operating schools in ECSU and CNSU. The group put together a presentation and conducted input sessions in towns, called the “Road Show.”

Public Input Sessions, the “Road Show”

March 14	6:30 pm	Burke Town School
March 7	7:00 pm	Lyndon Town School
March 19	10:00 am	Lyndon Town School
March 7	7:00 pm	Miller’s Run School
March 9	6:30 pm	Newark Street School
March 16	6:00 pm	Sutton Village School

A3: Act 46 Community Feedback, March 2016

At each “Road Show” event, the public were provided time to give input and feedback. The following chart shows summaries of concerns and the work of the Kingdom East Committee in addressing these concerns in creating the Articles of Agreement.

	Summary of Concerns	<i>Kingdom East Committee Detail to address the concern</i>
1	Small schools will eventually be closed	<i>Article 4 states that no school can be closed without the affirmative vote of the town in which the school is located.</i>
2	Teachers will be moved around and teacher assignments will change	<i>Article 3 addresses teacher contracts. All arrangements around teacher assignment and transfers will be part of the new negotiated agreements.</i>

	Summary of Concerns	<i>Kingdom East Committee Detail to address the concern</i>
3	Schools will lose their uniqueness	<i>The new school board will work to assure schools are able to maintain individual school core values.</i>
4	One town will out vote another	<i>One single district will have all citizens' votes co-mingled. Article 9 addresses representation on the board and no single town holds a majority of seats.</i>
5	School choice will have too many or too few students in a school.	<i>Article 17 states that students will attend their school of residence. The new board will develop a policy and guidelines around school choice for preK-8 within the new school district.</i>
6	Community participation	<i>Article 18 addresses community input.</i>
7	Losing choice for grades 9-12	<i>Article 2 states that this new district provides school choice for grades 9-12.</i>
8	Losing resources to more expensive big city schools (both within and without our district).	<i>Article 13 addresses how budgets will be formed. Article 9 addresses board configuration which includes no one larger town having a majority vote.</i>
9	Having a single town dominate consolidated school board	<i>Article 9 addresses board configuration which includes no one larger town having a majority vote.</i>
10	Loss of local control and local community center.	<i>Article 18 addresses community input. Article 9 provides the new board with at least one representative from each town. Article 4 states that no school can be closed without the affirmative vote of the town in which the school is located.</i>

April 6, 2016 6:00 pm CNSU
 CNSU Act 46 Exploratory Committee: Release of the *Final Report of the CNSU Act 46 Exploratory Committee* completed by M.R. Deweese, Act 46 Implementation Project Consultant. The committee recommends (page 14 line 459) "To create an Act 46 formal Study Committee (Section 706) and to invite Lunenburg TSD, Concord TSD and Waterford TSD to join the Study Committee. Next the school boards of CNSU decide whether or not to form a study committee"

Spring of 2016
 Caledonia North School Boards each approve the formation of an Act 46 formal Study Committee (Section 706) as does Lunenburg Board of School Directors and Concord Board of School Directors in Essex-Caledonia Supervisory Union.

Summer 2016- Present

Caledonia North Supervisory Union Formed an Act 46 Section 706 Study Committee with Concord and Lunenburg from Essex Caledonia Supervisory Union

A4: Act 46 Study Committee Meetings and Activities

The following chart outlines the work of the Act 46 706 Study Committee.

June 14 CNSU 6:30 PM	Elect Chair, determine seats, review charge, authorize grant, timeline.	June 30 CNSU 6:30 PM	Interview consultants, select consultants, select attorney plan timeline.
Jul 14 CNSU 6:30 PM	Goals and values, work plan and timeline, outreach, communication	Jul 28 CNSU 6:30 PM	Data and presentation, timeline communication plan
Aug 11 Concord 6:30 PM	Data and presentation, timeline, communication plan	Aug 25 CNSU 6:30 PM	Review Articles of Agreement template
Sept 8 CNSU 6:30 PM	Articles of Agreement	Sep 22 CNSU 6:30 PM	Articles of Agreement, communication plan
Oct 13 Concord 6:30 PM	Articles of Agreement: Website launched with information concerning committee work: https://kegcvt.wordpress.com	Oct 27 CNSU 6:30 PM	Edit/finalize/vote on Articles of Agreement report, send articles to the Agency of Education and attorney
Nov 10 CNSU 6:30 PM	Review draft warrants, articles, petitions, timelines	Nov 19 Lyndon Town School 10-12AM	Public information session and input, transportation provided
Dec 3 Concord School 10-12AM	Public information session and input, transportation provided	Dec 8 CNSU 6:30PM	Respond to the Agency of Education, Prepare for State Board of Education meeting Dec 20
	During the months of September, October, November and December, each individual school board included Act 46 on their agenda and answered questions and received input	Dec 22 CNSU 6:30PM	(Tentative) Respond to State Board of Education, plan forums, public information sessions, meeting warnings. Meetings will continue in January and February to plan for information sessions

	<p>from the local boards and the public. In addition, the Lunenburg Board scheduled a meeting on Wednesday November 30 for the superintendent and board to share information with the public on Act 46.</p>		<p>and to prepare for the vote on Town Meeting Day.</p>
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The Study Committee through continued discussion addressed the practical aspects of preparing Articles of Agreement and also the opportunities and challenges of merging our school districts.

Discussion of Opportunities given Act 46

- One school district board operating with the best interests of all students, pre-K-8 and paying tuition grades 9-12. This replaces seven district boards and two supervisory union boards;
- Greater continuity, consistency, and coordination of teaching and learning;
- Increased opportunities across school and districts including mobility of resources and services for students;
- Greater promise for full implementation of Vermont's Education Quality Standards;
- One budget, not nine; one audit, not nine;
- Greater efficiencies and economies of scale;
- Financial and tax incentives for four years.

Discussion of Challenges given Act 46

- Loss of local boards, local control, school property; concern over public community school building use;
- Concern over potential greater state control and one larger district board control;
- Geography- distance between schools;
- Concern of increased costs;
- Consideration of changes in the governor and legislature and the longevity of Act 46 as it currently exists including potential changes in the near or distant future;

On October 27, 2016, the committee voted unanimously to move forward with the Report and send the Articles to the electorate of each town for a March 7, 2016 vote. In subsequent meetings, all individual school boards have approved bringing the vote on the Articles to the electorate on March 7, 2016.

APPENDIX B –Addressing the Goals of Act 46 and Educational Quality

When the study committee formed they began earnest conversations about how to meet the goals of Act 46. Caledonia North Supervisory Union (CNSU) has a rich tradition of working together as a group to address the needs of all our students. Over time, this was not always easy, but CNSU struggled through difficult conversations. Examples include a combined Teachers' Contract and some shared teacher positions. In former years there was an SU wide band and chorus and sports program. Currently, CNSU purchases some items in bulk and coordinates expensive purchases such as technology equipment and photo copiers. In the past CNSU provided distance learning for a middle school Latin program with the neighboring Danville School. Individual school districts have also moved most of the following to the supervisory union: special education, food service, and transportation. ECSU has made similar coordination efforts.

As the Kingdom East Governance Study Committee worked to consider the goals of Act 46, they reviewed the considerable work completed thus far and addressed future possibilities of merging school districts into one district. Although the committee can not speak for all of the residents of ECSU and CNSU, from the onset of the Act 46 discussion, the Kingdom East committee recognized that boards hesitated to combine forces because they felt the voters want a strong, clear, local voice which the current board structure includes.

What follows is a summary taken from minutes, notes, data and conversations of the Kingdom East Governance Study Committee on how a merged district would meet the goals of Act 46.

Goal #1: The proposed unified school district will provide substantial equity in the quality and variety of educational opportunities.

Both Caledonia North (CNSU) and Essex-Caledonia (ECSU) have either considered or embraced the concept of equitable opportunity and for a number of years have strived to achieve common areas for teaching and learning, including curriculum, instruction, assessment, grading and reporting, professional learning and most recently co-curricular programs such as a CNSU basketball team. CNSU and ECSU educators have made progress toward these ends. However, we are two separate supervisory unions with duplicated efforts, steps, procedures, processes, programs and personnel used to achieve the same ends.

While coordinated and quality work has been an area of strong intent, local control and preferences for teaching and learning, and two different supervisory unions one without a dedicated curriculum director, have provided both variation and challenges along the way. With one Board sharing an eye toward what is best for all students pre-K-12, rather than seven school boards governing local pre-K-8, there is greater promise to share the political will to realize one system and the achievement of greater equity and opportunity for all students. The conversations around our promising practices that have the greatest impact on student learning, in particular with disadvantaged children, have begun. However, with the current governance structures in individual school districts, there is less ability to be nimble and flexible in reassessing and allocating programs and services in areas of most need. Charts B6 and B7, later in this report, show the variation in time and programs currently in our schools.

A merged district could include:

- Pre-K-8 curriculum with common goals, articulated outcomes, 8th grade exit outcomes and aspirations for high school and beyond;
- Consistency of quality of teaching and learning; also facilities and more concrete resources and conditions for teaching and learning in all of our schools;
- Opportunity for public school choice – we have a variety of distinct unique pre-K-8 schools, for example, one small school with less than 70 pupils, another larger with about 400 pupils. The potential for choice allows families to consider mobility and magnet type offerings, and more flexible pathways for elementary and middle school students within Kingdom East;
- Greater access and flexibility of programming within and across schools;
- Greater continuity and commonality - while personalizing education;
- Maximized sharing of specialists, coaches, guidance and specialized personnel, student learning opportunities, and professional learning opportunities; also equipment, staff, and all human, fiscal, and physical resources;
- Greater overall program coherence;
- Greater opportunities for school principals to invest more time in instructional leadership, to focus on teaching and learning.

Goal #2: The proposed unified school district will lead students to achieve or exceed the State's Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly. Vermont's Education Quality Standards are in place to ensure that all students are afforded equitable and high quality opportunities to achieve or exceed rigorous and relevant standards and outcomes.

Implementing EQS is well underway in ECSU and CNSU. ECSU schools participated last year in the Pilot EQS Integrated Field Review; however, centralizing planning, implementation, and evaluation of student opportunities, performance, and achievement will more likely result in greater coordination of a seamless pre-K-8 curriculum, instructional practices, assessment measures, professional learning, and accountability across all schools, grades, and programs. This can also allow the opportunity to work with our Independent High School partners in the region to build and develop continuity. Currently our work on Personal Learning Plans, Proficiency-Based Learning (PBL), and personalized learning are all underway to varying degrees in school districts. For example, CNSU and ECSU have adopted some proficiency based report cards and engaged in professional development to support this work. We can improve. There can be more growth. The time and focus of one single district governed by a single board is likely to achieve greater fidelity within a consistent timeline and broad goals to assure we are serving all children. A single board can create strategic goals based on the input from the entire community.

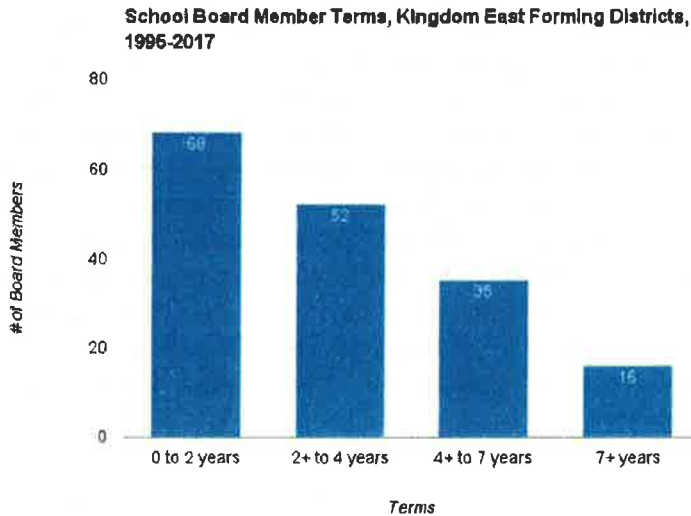
Goal #3: The proposed union school district could maximize operational efficiencies through increased flexibility to manage, share, and transfer resources.

Efficiencies include potential cost saving measures concerning ratios of students to staff, sharing of positions, pooling work projects, and bundling personnel services. In consolidation, there would be one board, replacing our current nine boards (seven school district boards and two supervisory union boards). Over time there may be more competition for board seats and

increased influence of board members on the educational outcomes for all children. There could be greater participation and consistency on encouraging greater focus on quality and commitment to student learning. When reviewing our data on school board membership, over the last 22 years we have had 171 school board members; the most common length of a term served was one year. The data was collected by reviewing names on district records in CNSU and ECSU for the last 22 years. Each individual received a tally mark, once all were tallied, the numbers were commingled to illustrate totals.

B1: Board Member Terms 1995-2017

Board Member Terms 1995-2017 in Kingdom East forming Districts					
# of Years	# of Board Members	% of total	# of Years	# of Board Members	% of total
1	43	25%	9	1	1%
2	25	15%	10	4	2%
3	30	18%	11	2	1%
4	22	13%	12	1	1%
5	10	6%	13	2	1%
6	16	9%	14	0	0%
7	9	5%	15	1	1%
8	5	3%	16	0	0%
Total:					171



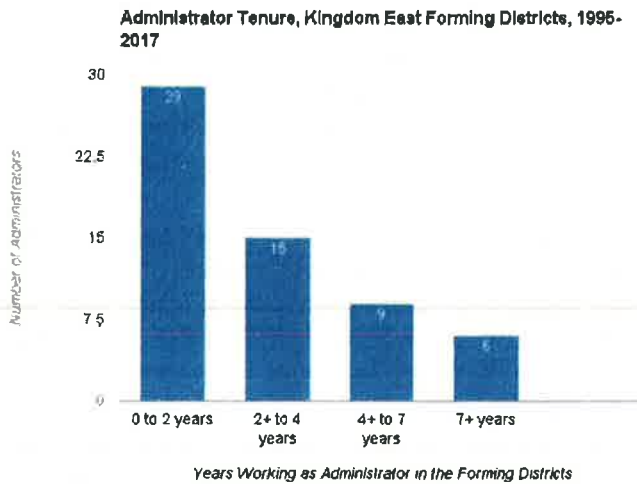
Consistency in leadership and direction improves outcomes. Given multiple board members and board turnover in the past, a single board allows for the potential for clearly articulated goals and longevity from board members. In our current system, creating focused intentional educational goals to support student achievement has been spread out with the

individual boards and influenced by board turnover. In the current structure, some board members stop serving mid-term, or board seats become vacant. Currently we struggle to have all board members attend all meetings. The Kingdom East Committee strongly encourages and anticipates that a new board will create local Advisory Committees, or other school building based structures and strategies to maintain local input and participation. The new Kingdom East Board could accomplish this local participation through procedures for district policies which will encourage engagement in the life of the school.

A single district will also build one budget (instead of nine), one audit (instead of nine), a single treasurer, and an equalized tax rate, with greater forecasting and leveling of funding and taxation over the years. We anticipate greater stability in building and central office leadership due to a focus on supporting our school leaders. Now, administrative time is focused on multiple boards. There are board meetings, board committee meetings, and work sessions related to governance most every evening, Monday through Thursday. The schedule for the Superintendent and key central office administrative positions includes repetitive leadership work, one could argue, resulting in high turnover. Over the past 22 years we have had 59 school and district administrators (principals and superintendents). As with board member data, this data was collected by reviewing names on district records in CNSU and ECSU. For the 9 administrative positions (7 school principals and 2 superintendents) the most common length of time the administrators served was one year. The chart and bar graph below show that just under 50% of administrators in schools in the Kingdom East forming districts served two or fewer years and 75% served 4 or fewer years.

B2: Administrative Tenure, Kingdom East Forming Districts, 1995-2017

# of years as Administrator	# of administrators	% of total
1	19	32%
2	10	17%
3	11	19%
4	4	7%
5	5	8%
6	2	3%
7	3	5%
8	2	3%
9	0	0%
10	1	2%
11	1	2%
12	1	2%



Consistency and focus of leadership influences outcomes. A single district could improve the consistency and focus. Additionally, with increased flexibility and mobility for students and staff within a single district, we could, over time, continue to "right size" our student, teacher and staff ratios. We predict more opportunities for sharing across schools in areas such as facilities, maintenance, transportation, food services, operations, technology, data, teacher leadership, guidance, and other specialty areas to support teaching and learning. Additionally, we could see greater possible access to sports, after school, recreation, and extra-curricular activities for students.

Goal #4: *The proposed union school district will promote transparency and accountability.*

Transparency and accountability are priorities for all of our work now as a Supervisory Union; however, we would expect that accountability measures would be more efficient and transparency will remain a priority. With one board, one set of accountability systems, and unified outcome measures, rather than multiple sets, we are likely to gain ground in this regard. We would, as mentioned before, have a single audit, single budget, treasurer, streamlined reporting, and data management. We would have greater focus on enrollment trends, data from high school and post school outcomes and aspirations. Increased consistency of data, accounting, and reporting leads to transparency.

Goal #5: *The proposed union school district will deliver education at a cost that parents, voters, and taxpayers value.*

Our seven communities would see immediate tax incentives for four years. We would have one budget and tax rate across the district. We would likely experience greater predictability and stability in future years. Economies and efficiencies of scale would likely lead to lower costs over the long run. Several schools would maintain their small schools grants. Our communities would incur no penalties for inaction.

Student Opportunities and Enrollment Data

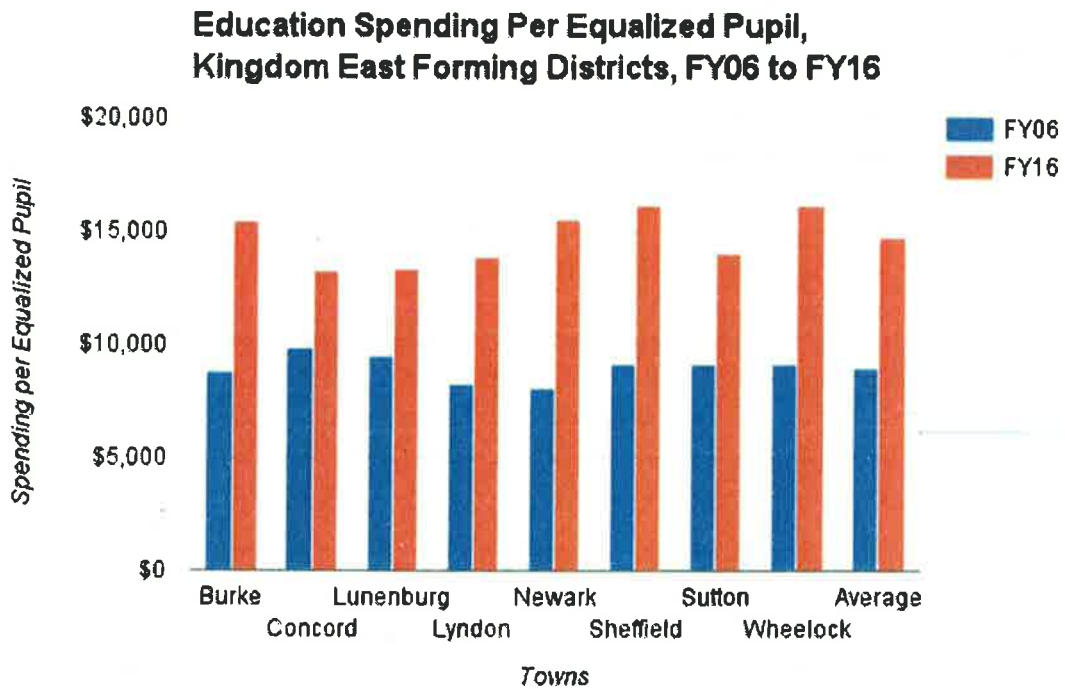
To meet the goals of Act 46, the following trends support the claim that both CNSU and ECSU have experienced declining student populations, increased costs, and uneven opportunities for children. Chart B3: Equalized Pupils, Kingdom East Forming Districts, 2007-2016 illustrates that in the past ten years equalized pupils have dropped by just over 220, about 10%. At the same time the cost of education, per equalized pupils, has increased by, on average, \$5,743, or about 64%. During this same period of time the consumer price index has increased at a considerably lower rate. Part of the increase is associated with unfunded mandates. Other costs linked to declining population could be addressed with a single school district.

Chart B3: Equalized Pupils, Kingdom East Forming Districts, 2007-2016

	FY07	FY16	% change
Burke	283.19	283.6	0.14%
Concord	203.56	218.78	7.48%
Lunenburg	226.96	174.14	-23.27%
Lyndon	856.37	731.76	-14.55%
Newark	79.98	77.57	-3.01%
Sheffield	125.04	105.48	-15.64%
Sutton	179.42	161.78	-9.83%
Wheelock	118.23	97.45	-17.58%
Total	2072.75	1850.56	-10.72%

B4: Education Spending Per Equalized Pupils, Kingdom East Forming Districts, FY06, FY16

Education Spending Per Equalized Pupil, Kingdom East Forming Districts, FY06, FY16			
	FY06	FY16	% change
Burke	\$8,793	\$15,421	75.4
Concord	\$9,785	\$13,236	35.3
Lunenburg	\$9,499	\$13,372	40.8
Lyndon	\$8,269	\$13,897	68.1
Newark	\$8,093	\$15,503	91.6
Sheffield	\$9,115	\$16,162	77.3
Sutton	\$9,161	\$14,026	53.1
Wheelock	\$9,115	\$16,162	77.3
Average	\$8,979	\$14,722	64.0



Student Teacher Ratios, FY17, FY18

Student teacher ratios are based on total number of pupils per grade divided by the total number of full time equivalent (FTE) classroom core content teachers in the specific grade. The following data show student teacher ratios for commingled schools in Kingdom East grades K-8. Pre-K is not included as some schools operate pre-K while others have their pre-K children participate in partnerships with local programs. We do not have data for 9-12; all students are tuitioned to local independent and public high schools. Most students attend Lyndon Institute or St. Johnsbury Academy.

The following numbers are taken from our actual student enrollment on October 1, 2016 for the 2016-17 school year. These numbers are projected forward for the 2017-18 year. The 2017-18 year includes anticipated kindergarten numbers. The full time equivalent (FTE) is created by including the commingled total number and percentage of full time classroom teachers in each school. The student teacher ratio is calculated by dividing the number of students by the FTE. The numbers vary in each particular school. Overall, the average student teacher ratios for 2016-17 range from the lowest at 1:12.8 to the highest of 1:15.3. The numbers anticipated for 2017-18, based on our preliminary draft budgets, range from 1:11.4 at the low end and 1:15.3 at the high end.

B5: K-8 Average Student Teacher Ratios, Kingdom East Forming Districts, FY17, FY18

	Number of Students 2016-17	FTE 2016-17	Number of Students 2017-18	FTE 2017-18	2016-17 Student Teacher Ratio	2017-18 Anticipated Student Teacher Ratio
K	145	9.5	108	9.5	15.3	11.4
1	110	8.5	145	9.5	12.9	15.3
2	118	9	110	8.5	13.1	12.9
3	127	9	118	7.5	14.1	15.7
4	132	8.75	127	8.75	15.1	14.5
5	130	8.75	132	8.75	14.9	15.1
6	119	9.29	130	9.66	12.8	13.5
7	135	9.81	119	9.66	13.8	12.3
8	103	7.79	135	10.18	13.2	13.3

School Program Information

Goals 1, 2 and 5 of Act 46 address equity, quality and variety of programs, having students meet or exceed state standards, and the delivery of education at a cost that the electorate can afford. The following summary of program offerings in schools in the Kingdom East forming districts illustrate a wide variety of programs in various schools. The data show that some schools offer content such as world language (Spanish) or band and chorus, while other schools do not offer these programs. Furthermore, the variation is illustrated in the average number of minutes between schools in core content areas such as mathematics, reading and writing. As stated in the earlier appendices, goals of Act 46 include providing equitable opportunities across schools, grades and content areas. The following data illustrate our current variation. Average numbers are taken by calculating the amount offered per child per week, in each grade, as reported by principals. These numbers are then averaged across the grades per school.

B6: Average Number of Minutes per week, Allied Arts, Kingdom East Forming Districts, FY17

2016-17 Average Number of Minutes Per Week, K-8							
	Art	Music	Band or Chorus	PE	Health	Guidance	World Language
Burke	60	60	30	120	60	60	40
Concord	90	90	elective	90	45	45	0
Lunenburg	105	105	75	105	75	0	0
Lyndon	40	40	elective	80	40	33	33
Newark	45	50	0	50	0	50	0
Millers Run	50	50	0	50	0	0	0
Sutton	50	45	0	75	30	0	0

B7: Core Content Instruction Hours, Kingdom East Forming District, FY17

FY17 Average minutes of class time per day in grades/content area	Burke	Concord	Lunenburg	Lyndon	MillersRun	Newark	Sutton
K math	70	80	50	90	60	75	40
K reading	70	80	60	100	60	110	70
K writing	30	30	30	45	45	55	30
K social studies	50	0	45	30	20	20	0
K science	30	30	22.75	30	20	20	10
1 math	70	80	60	90	70	75	60
1 reading	110	80	60	100	120	110	60
1 writing	30	30	45	45	30	55	60
1 social studies	30	30	30	30	30	20	45
1 science	30	30	45	30	30	20	45
2 math	80	80	70	80	70	60	60
2 reading	80	80	100	60	120	80	60
2 writing	50	30	45	45	30	50	60
2 social studies	30	30	30	25	30	45	45
2 Science	30	30	30		30	60	45

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FY17 Average minutes of class time per day in grades/content area	Burke	Concord	Lunenburg	Lyndon	MillersRun	Newark	Sutton
3 math	80	80	90	80	70	65	60
3 reading	80	80	45	70	60	80	60
3 writing	50	30	45	70	40	50	45
3 social studies	30	30	30	40	50	45	30
3 science	30	30	45		30	60	15
4 math	85	90	80	60	90	70	60
4 reading	humanities-integrated model total 125 min/day	90	60	humanities model 100 min	75	70	60
4 writing		90	65		60	40	60
4 social studies		20	Rotate w/science 45		30	30	30
4 science	45	20	45	40	30	60	60
5 math	75	90	75	60	50	65	60
5 reading	humanities-integrated model total 130 min/day	90	75	60	55	70	45
5 writing		90	75	50	20	40	40
5 social studies		20	75	Included in Reading	50	30	30
5 science	50	20	75	60	55	60	60

FY17 Average minutes of class time per day in grade/content area	Burke	Concord	Lunenburg	Lyndon	MillersRun	Newark	Sutton	
6 math	60	75	75	60	50	70	60	
6 reading	humanities-integrated model total 120 min/day	Humanities Model 90 minutes	75	Humanities model 120 min	55	Integrated ELA	20	
6 writing			75		20	54	20	
6 social studies			75		50	60	30	
6 science	60	75	75	60	55	60	60	
7 math	60	75	75	60	50	70	50	
7 reading	humanities-integrated model total 120 min/day	Humanities Model	75	Humanities model 120 min	55	Integrated ELA	20	
7 writing			75		75	20	54	20
7 social studies			75		50	60	30	
7 science	60	75	75	60	55	60	60	
8 math	60	75	75	75 (Accelerated 85)	50	75	60	
8 reading	humanities-integrated model total 120 min/day	Humanities	75	Humanities model 120 min	55	Integrated ELA	20	
8 writing			75		75	20	50	20
8 social studies			75		50	60	30	
8 science	60	75	75	60	55	60	60	

While a Kingdom East School District does not necessarily mean all children in all schools will receive the exact same programs, it allows for flexibility to share and adapt. The data show there is a wide variety in the number of minutes provided in content areas such as math and reading. Additionally, there is variety in how programs are delivered such as a humanities model versus separate English and social studies content classes. Goal 2 of Act 46 addresses the need for all students to meet and exceed State Standards in these content areas. Currently the strengths and limitations of programs, minutes of classes per week, allied arts and co curricular programs, are bounded by the flexibility and resources of one small school district.

The data presented above does not include comparisons between school districts in a number of other areas such as intervention programs (for tutoring struggling learners), enrichment programs (to extend learning), content coaches (math and literacy to improve teaching practices), after school programs, and resources dedicated toward maintaining and improving the physical plant. When these other areas are considered, similar patterns emerge.

Different school districts have varying amounts of dedicated resources to improve student learning and create an effective physical plant.

For example, given content area coaches, some districts have their own dedicated full time math and literacy coach, other schools share a coach through the supervisory union services. Other schools have limited access to a math and literacy coach. A merged district allows the ability to share, right size, prioritize all programs, and determine how to best meet the Educational Quality Standards in for all children. One Kingdom East School District does not necessarily mean all schools will receive the exact same programs, it allows for flexibility to adapt and prioritize. A merged school district and board can review the instructional outcome data, and create goals, across schools, to maximize programs to best meet the needs of students in achieving the State Standards. It also allows a single board to consider the collective goals and focus resources on the most pressing needs.

APPENDIX C - School Assets and Debts

Goal 5 of Act 46 states that newly formed union school district will deliver education at a cost that parents, voters, and taxpayers value. School Assets and Debts include the physical plant and comparisons of resources in each of the Kingdom East forming school districts.

C1: School Buildings and Site Values, Insurable Values and Square Footage, June 2016, Kingdom East Forming Districts

Overall Facilities - Site Values, Kingdom East Forming Districts, June 2016

Name	Property Type	Building Value	Personal Property	Improvements Insurable	Square footage	Total Insured Value	Date built
CNSU Municipal Building	School	\$0	\$59,500	\$0		\$1,059,500	01/01/1921
Burke School	School	\$2,519,900	\$201,600	\$24,500	14840	\$2,746,000	01/01/1978
Burke School #4	School	\$271,300	\$7,100	\$0	1700	\$278,400	01/01/1990
Burke School Arts Bldg #3	School	\$245,400	\$15,000	\$0	1750	\$260,400	01/01/1985
Burke School - Gym/Cafeteria	School	\$700,500	\$50,000	\$0	4784	\$750,500	01/01/1950
Burke Water Supply & Chlorination Sy	Mechanical Building	\$20,400	\$55,000	\$0	0	\$75,400	01/01/2013
Concord School	School	\$4,050,600	\$100,000	\$70,300	26173	\$4,220,900	01/01/1940
Concord School	Gym	\$2,066,400	\$50,000	\$0	14926	\$2,116,400	01/01/1968
Lunenburg	Elementary School	\$1,582,600	\$25,000	\$28,075	10000	\$1,635,675	01/01/1953
Lunenburg	Gilman Middle School	\$2,142,000	\$25,000	\$4,800	11548	\$2,171,800	01/01/1910
Lyndon Town School	School	\$18,853,800	\$1,400,000	\$27,500	95716	\$20,281,300	01/01/1990
LTS Boiler Maintenance Building	Maintenance Building	\$170,535	\$5,900	\$0	0	\$176,435	01/01/1990
LTS Steel Wool Chip Silo	Mechanical Building	\$12,629	\$1,200	\$0	0	\$13,829	01/01/1990
LTS Restrooms/Concessions	Concession Stand	\$40,432	\$1,200	\$0	0	\$41,632	01/01/1990
Lyndon Gazebo	Yard and Outside	\$4,563	\$0	\$0	0	\$4,563	01/01/2000
Sutton School	School	\$4,001,900	\$320,200	\$119,000	23548	\$4,441,100	
Newark School	School	\$1,661,300	\$132,900	\$108,300	9784	\$1,902,500	01/01/1982
Newark Storage Building	Storage	\$3,077	\$600	\$0	0	\$3,677	01/01/1995
Newark Shelter	Shelter	\$121,721	\$0	\$0	0	\$121,721	01/01/1995
Unified #37 District School	School	\$5,055,700	\$404,500	\$8,500	29774	\$5,468,700	01/01/1970
Unified #37 Shelter	Shelter	\$25,044	\$14,900	\$0	0	\$39,944	01/01/2005
Unified #37 Modular Unit	Modular Building	\$0	\$14,900	\$0	0	\$14,900	01/01/2005
Unified #37 Storage Building	Storage	\$11,142	\$1,200	\$0	0	\$12,342	01/01/2005
U37 Steel Wool Chip Silo	Mechanical Building	\$12,629	\$1,200	\$0	0	\$13,829	
		\$33,731,972	\$2,686,900	\$287,800	1000000	\$37,706,672	

School Buildings - Site Values, Kingdom East Forming Districts, June 2016			
School Building	Site Values	Insurable Values	Square Footage
Burke School (Elem. School)	\$ 2,519,000	\$ 2,746,000	14,840
Burke School (Gym/Cafeteria)	\$ 700,500	\$ 750,500	4,784
Burke School (Arts Building)	\$ 245,400	\$ 260,400	1,750
Burke School (Middle School)	\$ 271,300	\$ 278,400	1,700
Total	\$ 3,736,200	\$ 4,035,300	23,074
Lyndon Town School	\$ 18,853,800	\$ 20,281,300	95,716
Total	\$ 18,853,800	\$ 20,281,300	95,716
Newark Street School	\$ 1,661,300	\$ 1,902,500	9,784
Total	\$ 1,661,300	\$ 1,902,500	9,784
Miller's Run UD #37	\$ 5,055,700	\$ 5,468,700	29,774
Total	\$ 5,055,700	\$ 5,468,700	29,774
Sutton Village School	\$ 4,001,900	\$ 4,441,100	23,548
Total	\$ 4,001,900	\$ 4,441,100	23,548
Concord School	\$ 4,050,600	\$ 4,220,900	26,173
Concord School (Gym)	\$ 2,066,400	\$ 2,116,400	14,926
Concord School (Mobile Classroom)	\$ 170,500	\$ 173,500	1,218
Total	\$ 6,287,500	\$ 6,510,800	42,317
Lunenburg School	\$ 1,582,600	\$ 1,635,675	10,000
Gilman Middle School	\$ 2,142,000	\$ 2,171,800	11,584
Total	\$ 3,724,600	\$ 3,807,475	21,584
Grand Total	\$ 43,320,000	\$ 46,447,175	\$ 245,797

C2: Current School-Specific Funds, Trusts, Kingdom East Forming Districts, June 2016

School Funds

School	6/30/2016					
	Tax Stabilization	Capital Reserve	Technology Fund	Equipment Reserve	Maintenance Reserve	Food Service
Burke School	\$	\$ 238,445				\$ (5,051.00)
Lyndon Town School	\$ 356,004	\$	\$ 381,755		\$ 785,892	\$ 14,630.00
Newark Street School	\$ 364,976	\$ 209,236				\$ 8,281.00
Miller's Run UD #37	\$ 56,932	\$ 218,624		\$ 7,966		\$ (1,521.00)
Sutton Village School	\$	\$ 30,384	\$		\$	\$ (13,943.00)
Concord School					\$ 136,036	\$
Lunenburg School					\$ 170,056	\$
Total	\$ 777,912	\$ 696,689	\$ 381,755	\$ 7,966	\$ 1,091,984	\$ 2,396

C3: Debt by School, Kingdom East Forming Districts, June 2016

CNSU Schools Debt					
			Last Payment		
Burke:	Water Note	\$ 25,956	FY19		
(Lease)	Generator	\$ 18,742	FY19		
(Lease)	Wood Pellet Boiler	\$ 36,356	FY19		
		<u>\$ 81,054</u>			
Lyndon:	None				
Newark:	Building Bond	\$ 31,542	FY19		
				Based on Current Student	
Sheffield:	Building Bond	\$ 215,096	FY20	%	52.39%
Sutton:	Building Bond	\$ 41,580	FY18		
				Based on Current Student	
Wheelock:	Building Bond	\$195,470	FY20	%	47.61%
CNSU:	Infinite Visions	\$ 40,281	FY18	Annual Maintenance Thereafter	
	(Lease)			\$ 11,451	Annual Payment
Total CNSU Debt		\$ 510,374			

(Concord and Lunenburg have no capital projects, debts as of June, 2016)

Food Service Surplus/Deficit, Kingdom East Forming Districts As of June, 2016	
Town	Deficit/ Surplus
Burke	-\$5,051
Lyndon	\$14,630
Millers Run	-\$15,021
Newark	\$8,281
Sheffield	-\$3,769
Sutton	-\$13,943
Concord/Lunenburg	Food service is included in their general fund
Total	-\$14,873

(Concord and Lunenburg have reported food service debts as of June 2016)

APPENDIX D - Financial Information

Goal 5 of Act 46 states that newly formed union school district will deliver education at a cost that parents, voters, and taxpayers value. Financial modeling takes assumptions of current education costs and expenditures and uses predictive modeling to forecast future school district financial obligations.

Financial Modeling, assumptions

Creating a financial model for future costs and tax rates can be both complicated and lack precision; there is no way to forecast with certainty regional or national economic trends and legislation. All of our numbers in Appendix D are based on the following model and assumptions.

Model

Graphs show predicted tax rates for FY17 through FY 24 for each town in Kingdom East based on the following model and assumptions.

- 1) The rates begin with year FY17 and skip FY18; the FY18 budget has not yet been finalized.
- 2) All budgets from each forming district were added together to get to the new Kingdom East total budget. All equalized pupils from each forming district were also added together to get to the total Kingdom East equalized pupils.
- 3) The new Kingdom East total education spending was divided by the new Kingdom East total equalized pupils to get to the new Kingdom East education spending per equalized pupil cost.
- 4) The education spending per equalized pupil cost was divided by the Dollar Equivalent Yield (formerly known as the Base Education Rate) to arrive at a merged, Kingdom East tax rate.

- 4) The merged district tax rate was divided by the Common Level of Appraisal (for each specific town), resulting in the estimated tax rates for each town. The CLA is received from the Vermont Department of Taxes.
- 5) Affirmative vote- towns vote “yes” on the merger- the dashed line on the graph
 - a) The \$.08, .06, .04 and .02 savings were applied to the rate above. This cannot exceed a 5% rise or drop, which is part of Act 46. This 5% limit is referred to as the “throttle.”
 - b) The Small Schools Grants are included in the tax rate. These are funds provided by the state for our smallest schools. If we merge, we are able to keep these grants. If we do not merge, we are not able to keep the grants.
 - c) With an affirmative vote schools keep the updated hold harmless benefit (see 7b below), formerly called the “phantom students.” Phantom students are not counted in this model.
 - d) The budget increased by 2.5% each year. This estimate is based on continued slower growth and savings as a result of cost sharing. This equates to a 3% increase in the tax rate (approximately). This is based on the assumption of continued slower growth and savings as a result of cost sharing from the merger.
- 6) Negative vote- towns vote “no” on the merger -- the solid line on the graph
 - a) A 3% yearly increase in the budget was estimated. This equates to a 3.5% increase in the tax rate (approximately). This estimate is based on average increases from previous years.
 - b) Any tax stabilization funds (used to reduce tax rates) are not included in the tax rate. They were subtracted to arrive at the true Education Spending cost.
 - c) The “hold harmless” funds (for phantom pupils) would be subtracted as well (as of FY21) to arrive at the true Education Spending cost. Phantom students are not counted in this model.
- 7) Other Assumptions
 - a) \$230,000 savings in the first year. This is based one supervisory union or Kingdom East school district office, one each of: superintendent, business manager, special education director, central office facility; re-organization and allocation of central office services.
 - b) “Phantom Students” have been removed due to the new hold harmless statute beginning in FY19. Phantom Students are no longer carried from year to year, but reset based on actual equalized pupils from the previous year. Phantom students are not counted in this model.

The equalized pupil count stays constant for all years in this model. There are no predictions for the increase or decrease in equalized pupils

Tax Rate Starting Point

The following charts illustrate the initial data used for financial modeling. Each column is labeled with the values listed below. Column A is the actual Equalized Pupil numbers based on a fixed starting point, set by the state. Column B lists the number of equalized Phantom Students. Phantom students are number of non-existent students, a placeholder value, used to protect schools from dramatic increases or decreases in students. Keeping a number of phantom

students stabilizes school budgets from drastic changes due to student. Column D is the 2016-17 budget. Column E shows the amount of tax stabilization used in the FY17 budget. Several towns have tax stabilization funds which help offset budget increases. Column F lists the revenue minus the tax stabilization. Column G lists the costs for supervisory union services. Both Concord and Lunenburg do not separate these costs out in their budget as specific central office administrative services, they are embedded in other budget line items. Other assessment columns (H and I) include the business office and special education services at the supervisory union central office. Column J, Education Spending, is the total budget minus the revenue. Column K is the Education Spending (column J) divided by the FY17 Equalized Pupils (column B), this is called the cost per equalized pupil, sometimes shortened to “per pupil cost.” Column L is the Tax Rate before the Common Level of Appraisal (CLA) the tax rate is calculated by taking the Per Pupil Cost (column K) divided by the Dollar Equivalent Yield (\$ Yield); the \$ Yield was formerly known as the Base Education Rate. Column M lists the CLA provided by the Vermont Department of Taxes. This number is an adjustment for property values for each given town that reflects the fair market value of property. Depending on the CLA in a particular town, the tax rate is adjusted. If the CLA is higher this has the impact of lowering the tax rate and vice versa. Column N lists the tax rate with the CLA applied. Columns O through R list various accounts in each district including reserve, tax stabilization, long term debt and lease balances (these funds are also listed in Charts C2 and C3).

Chart D1 shows the base education rate is also known as the Dollar Equivalent Yield (\$ Yield). The Base Education Homestead Rate is also known as the Homestead Tax Rate (HTR). For this modeling, calculations were made using the Dollar Equivalent Yield (\$Yield) and Base Education Homestead Rates in chart D1.

D1: Dollar Equivalent Yield and Base Education Homestead Rate

Base Education Rate	\$9,701	(\$ Yield)	<i>*Now known as the Dollar Equivalent Yield</i>
Base Education Homestead Rate	\$1.00	(HTR)	<i>*Homestead Tax Rate</i>

D2: Yes Vote Tax Calculations, Column A-F

A	B	C	D	E	F
Town	FY17 Equalized Actual Pupils	Phantom Students	FY17 Total Budget	Use of Tax Stabilization	(SPED & Other) Revenue
Burke	294.36	0.00	\$5,481,070		\$896,976
Lyndon	694.47	9.28	\$12,050,329	\$200,000	\$1,874,555
Newark	80.11	0.00	\$1,699,315	\$107,500	\$332,330
Sheffield	103.50	0.00	\$2,023,641		\$336,310
Sutton	151.58	4.04	\$2,681,365		\$482,946
Wheelock	75.08	18.96	\$1,838,678		\$305,571
Concord	228.87	0.00	\$4,711,561		\$936,828
Lunenburg	180.12	0.00	\$3,110,860		\$551,898
Merged	1808.09		\$33,366,819	\$307,500	\$5,717,414

*Reduced by
\$230,000
(merger savings)

* w/out Tax
Stabilization

D2: Yes Vote Tax Calculations, Column G-L

A	G	H	I	J	K	L
Town	Assessments			(D-F) Total	(J/B) Per Pupil Cost (No Reserve)	K/BER*\$ Yield Tax Rate (Before CLA)
	SU Administrative	Business Office	SPED	Ed Spending		
Burke	\$140,318	\$28,135	\$40,173	\$4,584,094	\$15,573	\$1.6053
Lyndon	\$335,470	\$67,266	\$96,045	\$10,175,774	\$14,653	\$1.5104
Newark	\$38,188	\$7,657	\$10,933	\$1,366,985	\$17,064	\$1.7590
Sheffield	\$49,337	\$9,893	\$14,125	\$1,687,331	\$16,303	\$1.6805
Sutton	\$74,182	\$14,874	\$21,239	\$2,198,419	\$14,503	\$1.4950
Wheelock	\$44,828	\$8,989	\$12,834	\$1,533,107	\$20,420	\$2.1049
Concord		167,950	\$382,979	\$3,774,733	\$16,493	\$1.7001
Lunenburg		131,183	\$316,500	\$2,558,962	\$14,207	\$1.4645
Merged	\$682,323	\$435,947	\$894,828	\$27,879,405	15,419	1.5895

D3: Yes Vote Tax Calculations, Columns M-R

A Town	M from Dept. of Taxes CLA	N (L/M) Tax Rate (After CLA)	O Reserve Account Balance	P Tax Stabilization Balance	Q Long Term Debt Balance	R Lease Balance
Burke	101.12%	\$1.5875	\$275,000		\$25,956	\$44,698
Lyndon	101.28%	\$1.4913	\$209,506	\$581,087		
Newark	106.88%	\$1.6458	\$208,858	\$139,255	\$32,078	
Sheffield	102.01%	\$1.6474	\$92,645	\$29,783	\$164,024	
Sutton	111.79%	\$1.3374	\$35,295		\$42,160	
Wheelock	108.88%	\$1.9332	\$84,192	\$27,065	\$149,877	
Concord	103.81%	\$1.6377	\$136,000			
Lunenburg	103.54%	\$1.4144	\$169,000			
	.08 Incentive	\$1.509				

D4: No Vote Tax Calculations, Columns A-D

A Town	B FY17 Equalized Pupils (Actual)	C Phantom Students	D Total Budget w/out Merger Grant	Loss of Merger Grant \$ 150,000	FY17 Total Budget Including Increased Spending for a No Vote	Revenue (Includes Small Schools Grant & any Tax Stabilization)
Burke	294.36	0.00	\$ 5,481,070	\$ 24,420	\$ 5,505,490	\$ 896,976
Lyndon	694.47	9.28	\$ 12,050,329	\$ 57,614	\$ 12,107,943	\$ 2,074,555
Newark	80.11	0.00	\$ 1,699,315	\$ 6,646	\$ 1,705,961	\$ 439,830
Sheffield	103.50	0.00	\$ 2,023,641	\$ 8,586	\$ 2,032,227	\$ 336,310
Sutton	151.58	4.04	\$ 2,681,365	\$ 12,575	\$ 2,693,940	\$ 482,946
Wheelock	75.08	18.96	\$ 1,838,678	\$ 6,229	\$ 1,844,907	\$ 305,571
CNSU Total	1399.10	32.28	\$ 25,774,398	\$ 116,070	\$ 25,890,468	\$ 4,536,188
Concord	228.87	0.00	\$ 4,711,561	\$ 18,987	\$ 4,730,548	\$ 936,829
Lunenburg	180.12	0.00	\$ 3,110,860	\$ 14,943	\$ 3,125,803	\$ 551,898
ECSU Total	408.99	0.00	\$ 7,822,421	\$ 33,930	\$ 7,856,351	\$ 1,488,727
Merged	1808.09		\$ 33,596,819	\$ 150,000	\$ 33,746,819	\$ 6,024,915

Includes the \$230,000
of merger savings

D5: No Vote Tax Calculations, Columns E-I

A	E	F	G	H	I	
Town	Small Schools Grant	Use of Tax Stabilization	(SPED & Other) Revenue	Assessments		
				SU Administrative	Business Office	SPED
			<i>* w/out Tax Stabil.</i>			
Burke	\$ -		\$ 896,976	\$ 140,318	\$ 28,135	\$ 40,173
Lyndon	\$ -	\$ 200,000	\$ 1,874,555	\$ 335,470	\$ 67,266	\$ 96,045
Newark	\$ 98,586	\$ 107,500	\$ 233,744	\$ 38,188	\$ 7,657	\$ 10,933
Sheffield	\$ 56,072		\$ 280,238	\$ 49,337	\$ 9,893	\$ 14,125
Sutton	\$ 111,888		\$ 371,058	\$ 74,182	\$ 14,874	\$ 21,239
Wheelock	\$ 50,956		\$ 254,615	\$ 44,828	\$ 8,989	\$ 12,834
CNSU Total	\$ 317,502	\$ 307,500	\$ 3,911,186	\$ 682,323	\$ 136,814	\$ 195,349
Concord	\$ 50,000		\$ 886,829		167,950	\$ 382,979
Lunenburg	\$ 98,832		\$ 453,066		131,183	\$ 316,500
ECSU Total	\$ 148,832	\$ -	\$ 1,339,895	\$ -	299,133	\$ 699,479
Merged	\$ 466,334	\$ -	\$ 5,251,081	\$ 682,323	\$ 435,947	\$ 894,828
			\$ 773,834			

D6: No Vote Tax Calculations, Columns J-N

A	J	K	L	M	N
	(D-F)	(J/B)	K/BER*\$ Yield	from Dept. of Taxes	(L/M)
	Actual Per Pupil Cost		Tax Rate		Tax Rate
	(No Phantoms, No Reserves)		(Before CLA)	CLA	(After CLA)
Town	Total Ed Spending	No Reserves)	(Before CLA)	CLA	(After CLA)
Burke	\$ 4,608,514	\$ 15,656	\$ 1.6139	101.12%	\$ 1.5960
Lyndon	\$ 10,233,388	\$ 14,736	\$ 1.5190	101.28%	\$ 1.4998
Newark	\$ 1,472,217	\$ 18,377	\$ 1.8944	106.88%	\$ 1.7724
Sheffield	\$ 1,751,989	\$ 16,927	\$ 1.7449	102.01%	\$ 1.7105
Sutton	\$ 2,322,882	\$ 15,324	\$ 1.5797	111.79%	\$ 1.4131
Wheelock	\$ 1,590,292	\$ 21,181	\$ 2.1834	108.88%	\$ 2.0053
CNSU Total	\$ 21,979,282				
Concord	\$ 3,843,719	\$ 16,794	\$ 1.7312	103.81%	\$ 1.6677
Lunenburg	\$ 2,672,737	\$ 14,839	\$ 1.5296	103.54%	\$ 1.4773
ECSU Total	\$ 6,516,456				
Merged	\$ 28,495,738	15,760	1.6246	.08 Incentive	\$ 1.545

D7: Estimated Tax Rates from Merged District including Incentives

	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Unified Union Rate	\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7889	\$1.8426	\$1.8979
Incentive		-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000
Incentive Rate		\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979

D8: Estimated Tax Rates for Merged District with 5% Throttle

	ESTIMATED TAX RATES WITH 5% THROTTLE															
	Equalized FY17	w/CLA FY17	Equalized FY19	w/CLA FY19	Equalized FY20	w/CLA FY20	Equalized FY21	w/CLA FY21	Equalized FY22	w/CLA FY22	Equalized FY23	w/CLA FY23	Equalized FY24	w/CLA FY24		
Burke	\$1.6053	\$1.5875	\$1.5571	\$1.5399	\$1.6262	\$1.6082	\$1.6968	\$1.6780	\$1.7689	\$1.7493	\$1.8426	\$1.8222	\$1.8979	\$1.8769		
Lyndon	\$1.5104	\$1.4913	\$1.5371	\$1.5375	\$1.6262	\$1.6057	\$1.6968	\$1.6754	\$1.7689	\$1.7466	\$1.8426	\$1.8193	\$1.8979	\$1.8739		
Newark	\$1.7590	\$1.6458	\$1.6710	\$1.5635	\$1.6262	\$1.5216	\$1.6968	\$1.5876	\$1.7689	\$1.6551	\$1.8426	\$1.7240	\$1.8979	\$1.7757		
Sheffield	\$1.6805	\$1.6474	\$1.5965	\$1.5650	\$1.6262	\$1.5942	\$1.6968	\$1.6634	\$1.7689	\$1.7341	\$1.8426	\$1.8063	\$1.8979	\$1.8605		
Sutton	\$1.4950	\$1.3374	\$1.5571	\$1.3929	\$1.6262	\$1.4547	\$1.6968	\$1.5179	\$1.7689	\$1.5824	\$1.8426	\$1.6483	\$1.8979	\$1.6977		
Wheelock	\$2.1049	\$1.9332	\$1.9997	\$1.8366	\$1.8997	\$1.7447	\$1.8047	\$1.6575	\$1.7689	\$1.6247	\$1.8426	\$1.6923	\$1.8979	\$1.7431		
Concord	\$1.7001	\$1.6377	\$1.6151	\$1.5558	\$1.6262	\$1.5666	\$1.6968	\$1.6346	\$1.7689	\$1.7040	\$1.8426	\$1.7750	\$1.8979	\$1.8282		
Lunenburg	\$1.4645	\$1.4144	\$1.5377	\$1.4851	\$1.6146	\$1.5594	\$1.6953	\$1.6374	\$1.7689	\$1.7085	\$1.8426	\$1.7796	\$1.8979	\$1.8330		

D9: Estimated Delta of Tax Rates, Merged District

	ESTIMATED DELTA					
	FY19	FY20	FY21	FY22	FY23	FY24
Burke	-\$0.0482	\$0.0209	\$0.0915	\$0.1636	\$0.2373	\$0.2926
Lyndon	\$0.0467	\$0.1158	\$0.1864	\$0.2585	\$0.3322	\$0.3875
Newark	-\$0.0879	-\$0.1327	-\$0.0621	\$0.0100	\$0.0836	\$0.1389
Sheffield	-\$0.0840	-\$0.0543	-\$0.0163	-\$0.0884	-\$0.1621	\$0.2174
Sutton	-\$0.0621	\$0.1312	\$0.2018	\$0.2739	\$0.3476	\$0.4028
Wheelock	-\$0.1052	-\$0.2052	-\$0.3002	-\$0.3360	-\$0.2623	-\$0.2070
Concord	-\$0.0850	-\$0.0739	-\$0.0033	\$0.0688	\$0.1425	\$0.1978
Lunenburg	\$0.0732	\$0.1501	\$0.2308	\$0.3045	\$0.3781	\$0.4334

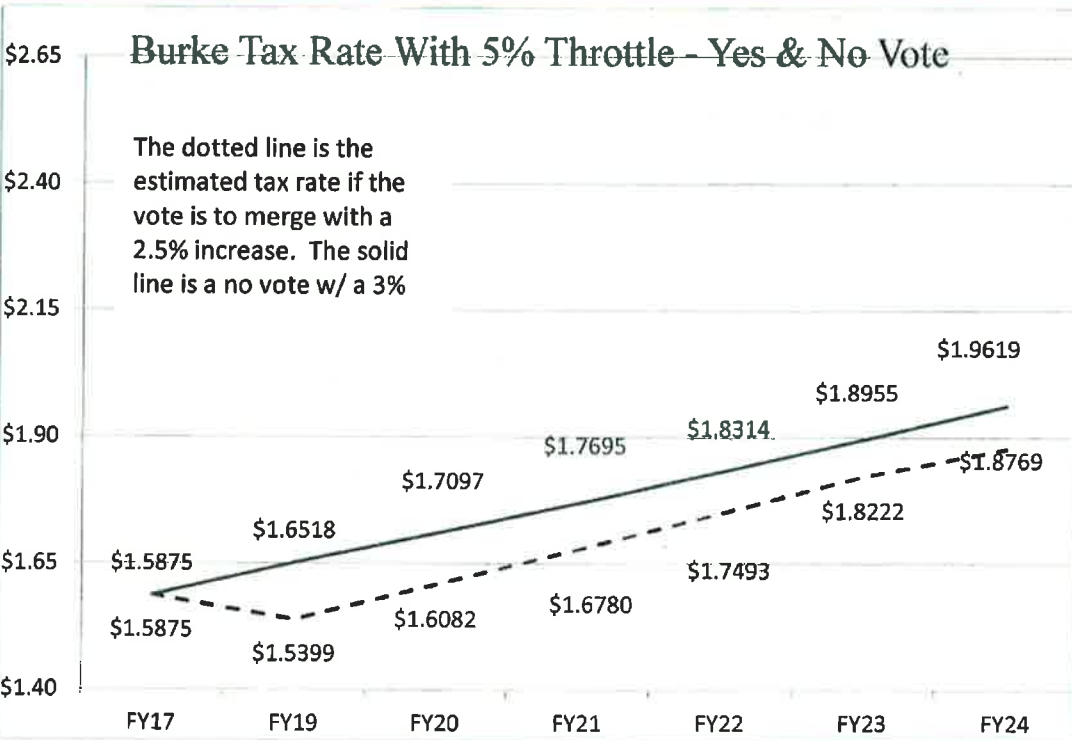
D10: Comparison of Merged and Non-Merged Tax Rates

Comparison of Merged and Non-Merged Tax Rates				
		N	(L24 / CLA Below)	(N24 / CLA Below)
Town	CLA	Estimated FY17	Without Incentive	With .08 Incentive
Burke	1.0112	1.5875	1.5718	1.4927
Lyndon	1.0128	1.4913	1.5694	1.4904
Newark	1.0688	1.6458	1.4871	1.4123
Sheffield	1.0201	1.6474	1.5581	1.4797
Sutton	1.1179	1.3374	1.4218	1.3503
Wheelock	1.0888	1.9332	1.4598	1.3863
Concord	1.0381	1.6377	1.5311	1.4541
Lunenburg	1.0354	1.4144	1.5351	1.4578

*starting point

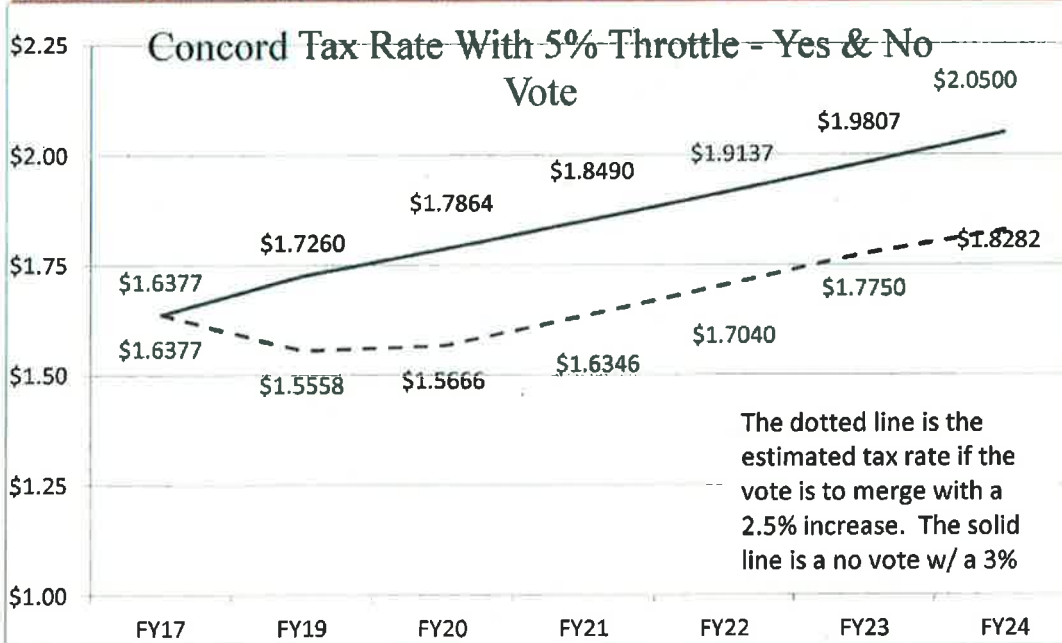
D11: Burke Financial Model

Burke										
Kingdom East Unified Union Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7889	\$1.8426	\$1.8979		
Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000		
Incentive Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979		
With incentives and 5% Throttle										
		FY17	FY19	FY20	FY21	FY22	FY23	FY24		
Burke Estimated Tax Rate With Yes Vote		\$1.5875	\$1.5399	\$1.6082	\$1.6780	\$1.7493	\$1.8222	\$1.8769		
Burke Estimated Tax Rate No Vote		\$1.5875	\$1.6518	\$1.7097	\$1.7695	\$1.8314	\$1.8955	\$1.9619		
Tax Rate Change			-\$0.0654	\$0.0029	\$0.0727	\$0.1440	\$0.2169	\$0.2716		
Tax Rate Loss Due to Throttle			-\$0.0172	-\$0.0180	-\$0.0188	-\$0.0196	-\$0.0204	-\$0.0210		
Conventional Incentive										
			FY19	FY20	FY21	FY22	FY23	FY24		
Unified Union Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979		
Burke	Conventional 5 Cents	\$1.5875	\$1.5075	\$1.4475	\$1.4075	\$1.3875	\$1.3875	\$1.3875		
Burke	With 5% Throttle	\$1.5875	\$1.5399	\$1.6082	\$1.6780	\$1.7493	\$1.8222	\$1.8769		
Conventional Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000		
Consolidated Year										
Fiscal Year			1	2	3	4	5	6		
UU District Homestead Goal Rate		FY17	FY19	FY20	FY21	FY22	FY23	FY24		
Transition Choice		\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7889	\$1.8426	\$1.8979		
Conventional 5 cents			-\$0.0654	\$0.0029	\$0.0727	\$0.1440	\$0.2169	\$0.2716		
None				Penalty	Penalty	?	?	?		
Consolidated Year										
Fiscal Year			1	2	3	4	5	6		
Current CLA Tax Rate		FY17	FY19	FY20	FY21	FY22	FY23	FY24		
Burke	Current Tax	\$1.588	\$1.588	\$1.588	\$1.588	\$1.588	\$1.588	\$1.588		
Burke	Incentive Property Tax	\$1.588	\$1.540	\$1.608	\$1.678	\$1.749	\$1.822	\$1.897		
Burke	Savings	\$0.0000	-\$47.64	\$20.71	\$90.51	\$161.82	\$234.67	\$289.34		
								5 YEAR SAVINGS FROM INCENTIVES ONLY		
								-\$749		
CLA										
	Burke	101.1250%								
Savings Over Time With a Yes Vote		FY17	FY19	FY20	FY21	FY22	FY23	FY24	5-Yr SAVINGS	6-Yr SAVINGS
Assessed Value		\$1.5875	\$1.6399	\$1.6882	\$1.7380	\$1.7893	\$1.8422	\$1.8969		
Tax Savings \$	100,000	\$0	\$47.11	-\$20.48	-\$89.51	-\$160.03	-\$232.07	-\$286.13	-\$769	-\$741
Tax Savings \$	150,000	\$0	\$70.67	-\$30.72	-\$134.27	-\$240.04	-\$348.11	-\$429.20	-\$1,162	-\$1,112
Tax Savings \$	200,000	\$0	\$93.59	-\$39.59	-\$177.06	-\$318.70	-\$462.79	-\$570.91	-\$1,570	-\$1,509
Tax Savings \$	250,000	\$0	\$112.20	-\$51.20	-\$223.78	-\$400.07	-\$580.18	-\$715.34	-\$1,971	-\$2,022
Tax Savings \$	300,000	\$0	\$131.44	-\$61.44	-\$288.53	-\$480.08	-\$695.22	-\$858.40	-\$2,365	-\$2,428
Tax Savings \$	350,000	\$0	\$164.89	-\$71.68	-\$313.29	-\$560.10	-\$812.26	-\$1,001.47	-\$2,759	-\$2,594



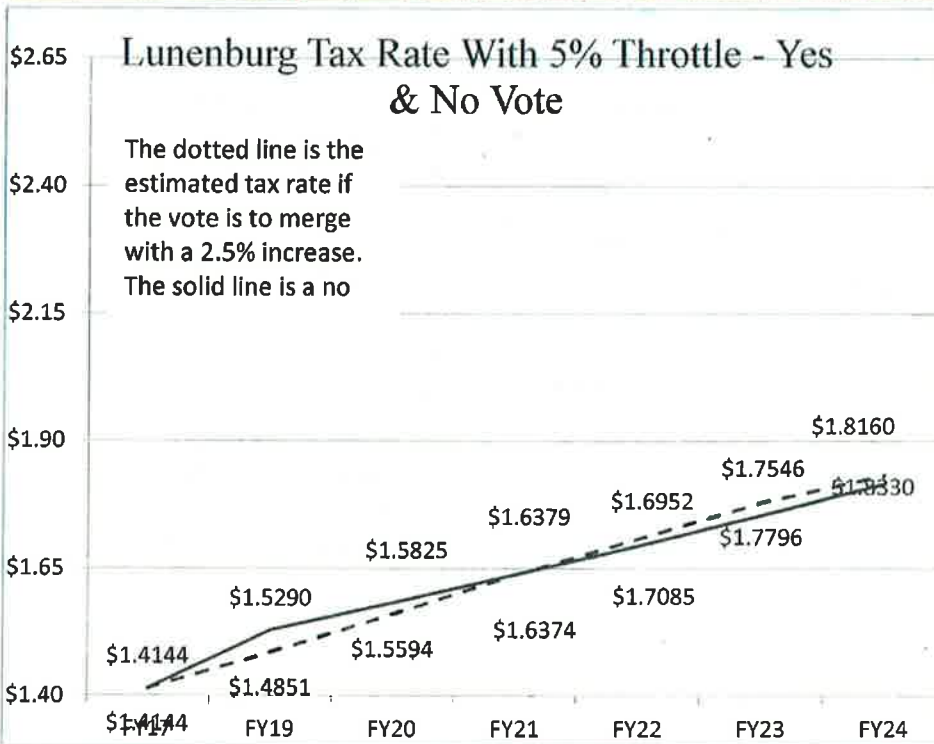
D12: Concord Financial Model

Concord											
Kingdom East Unified Union Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7839	\$1.8426	\$1.8979			
Incentive			-\$0.0800	-\$0.0800	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000			
Incentive Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979			
With Incentives and 5% Throttle		FY17	FY19	FY20	FY21	FY22	FY23	FY24			
Concord Estimated Tax Rate With Yes Vote		\$1.6377	\$1.5558	\$1.5666	\$1.6346	\$1.7040	\$1.7750	\$1.8282			
Concord Estimated Tax Rate No Vote		\$1.6377	\$1.7260	\$1.7864	\$1.8490	\$1.9137	\$1.9807	\$2.0500			
Tax Rate Change			-\$0.1443	-\$0.1336	-\$0.0856	\$0.0039	\$0.0749	\$0.1281			
Tax Rate Loss Due to Throttle			-\$0.0013	-\$0.0597	-\$0.0623	-\$0.0649	-\$0.0676	-\$0.0697			
Conventional Incentive			FY19	FY20	FY21	FY22	FY23	FY24			
Unified Union Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979			
Concord	Conventional 5 Cents	\$1.6377	\$1.5577	\$1.4977	\$1.4577	\$1.4377	\$1.4377	\$1.4377			
Concord	With 5% Throttle	\$1.6377	\$1.5558	\$1.5666	\$1.6346	\$1.7040	\$1.7750	\$1.8282			
Conventional Incentive			-\$0.0800	-\$0.0800	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000			
Consolidated Year			1	2	3	4	5	6			
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24			
LU District Homestead Goal Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7839	\$1.8426	\$1.8979			
Transition Choice											
Conventional 5 cents			-\$0.1443	-\$0.1336	-\$0.0856	\$0.0039	\$0.0749	\$0.1281			
None				Penalty	Penalty	?	?	?			
Consolidated Year			1	2	3	4	5	6			
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24			
Current CLA Tax Rate		\$1.6377	\$1.6377	\$1.6377	\$1.6377	\$1.6377	\$1.6377	\$1.6377	5 YEAR SAVINGS FROM INCENTIVES ONLY		
Concord	Current Tax	\$1.638	\$1.638	\$1.638	\$1.638	\$1.638	\$1.638	\$1.638			
Concord	Incentive Property Tax	\$1.638	\$1.556	\$1.567	\$1.635	\$1.704	\$1.775	\$1.828			
Concord	Savings	\$0.0000	-\$81.89	-\$71.17	-\$3.17	\$86.29	\$137.25	\$190.50	-\$238		
CLA	Concord		FY17	FY19	FY20	FY21	FY22	FY23	FY24	5-Yr SAVINGS	5-Yr SAVINGS
Savings Over Time With a Yes Vote			\$1.6377	\$1.5558	\$1.5666	\$1.6346	\$1.7040	\$1.7750	\$1.8282		
Assessed Value											
Tax Savings	\$ 100,000	\$0	\$78.88	\$68.65	\$3.05	-\$63.69	-\$132.22	-\$183.31	-\$308	-\$229	-\$229
Tax Savings	\$ 150,000	\$0	\$118.32	\$102.89	\$4.58	-\$95.79	-\$198.32	-\$275.27	-\$462	-\$344	-\$344
Tax Savings	\$ 200,000	\$0	\$138.48	\$119.48	\$7.47	-\$128.35	-\$263.07	-\$365.66	-\$609	-\$471	-\$471
Tax Savings	\$ 250,000	\$0	\$171.38	\$171.38	\$7.63	-\$159.64	-\$339.54	-\$458.78	-\$770	-\$599	-\$599
Tax Savings	\$ 300,000	\$0	\$205.06	\$205.66	\$9.16	-\$191.57	-\$398.65	-\$550.54	-\$924	-\$718	-\$718
Tax Savings	\$ 350,000	\$0	\$278.08	\$239.04	-\$10.88	-\$223.50	-\$462.76	-\$642.29	-\$1,076	-\$832	-\$832



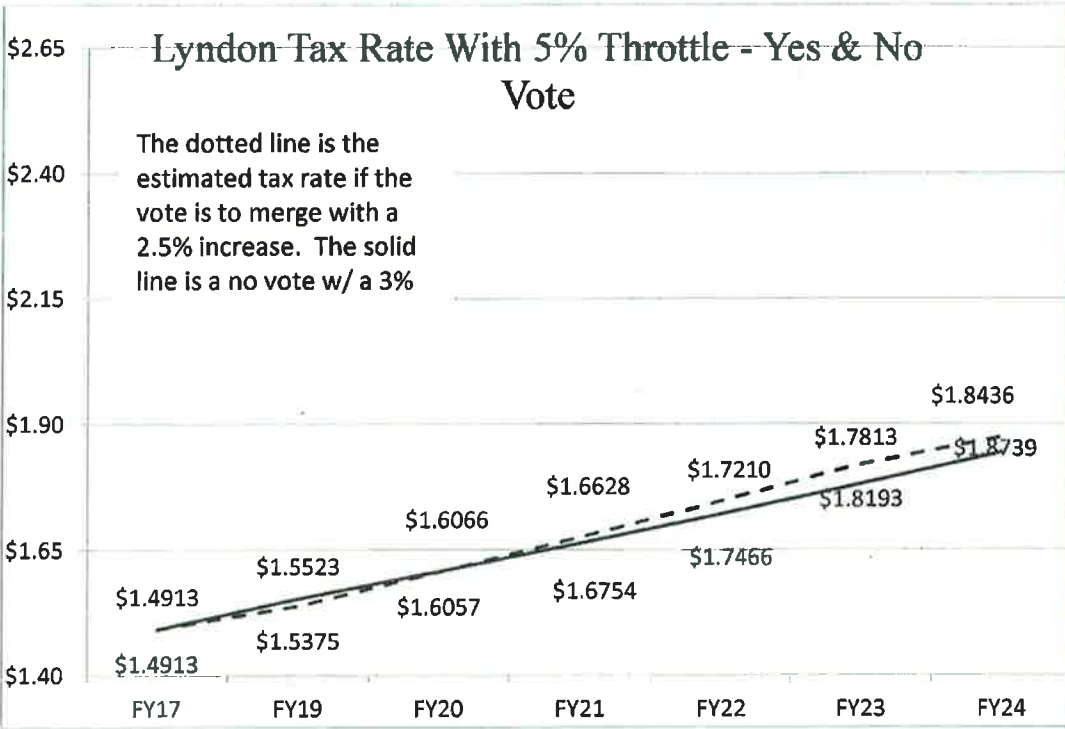
D13: Lunenburg Financial Model

Lunenburg											
Kingdom East Unified Union Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7830	\$1.8426	\$1.8979			
Incentive			-\$0.0800	-\$0.0800	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000			
Incentive Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979			
With Incentives and 5% Throttle		FY17	FY19	FY20	FY21	FY22	FY23	FY24			
Lunenburg Estimated Tax Rate With Yes Vote		\$1.4144	\$1.4851	\$1.5594	\$1.6374	\$1.7085	\$1.7796	\$1.8330			
Lunenburg Estimated Tax Rate No Vote		\$1.4144	\$1.5290	\$1.5825	\$1.6379	\$1.6952	\$1.7546	\$1.8160			
Tax Rate Change			\$0.0207	\$0.0949	\$0.1729	\$0.2440	\$0.3151	\$0.3685			
Tax Rate Loss Due to Throttle			-\$0.0720	-\$0.0869	-\$0.0895	-\$0.0605	-\$0.0630	-\$0.0849			
Conventional Incentive			FY19	FY20	FY21	FY22	FY23	FY24			
Unified Union Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979			
Lunenburg Conventional 8 Cents		\$1.4144	\$1.3344	\$1.2744	\$1.2344	\$1.2144	\$1.2144	\$1.2144			
Lunenburg With 5% Throttle		\$1.4144	\$1.4851	\$1.5594	\$1.6374	\$1.7085	\$1.7796	\$1.8330			
Conventional Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000			
Consolidated Year			1	2	3	4	5	6			
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24			
UU District Homestead Goal Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7368	\$1.7830	\$1.8426	\$1.8979			
Transition Choice											
Conventional 8 cents			\$0.0207	\$0.0949	\$0.1729	\$0.2440	\$0.3151	\$0.3685			
None				Penalty	Penalty	?	?	?			
Consolidated Year			1	2	3	4	5	6	5 YEAR SAVINGS FROM INCENTIVES ONLY		
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24			
Current CLA Tax Rate		\$1.4144	\$1.4144	\$1.4144	\$1.4144	\$1.4144	\$1.4144	\$1.4144			
Lunenburg Current Tax		\$1.414	\$1.414	\$1.414	\$1.414	\$1.414	\$1.414	\$1.414			
Lunenburg Incentive Property Tax		\$1.414	\$1.485	\$1.559	\$1.637	\$1.709	\$1.780	\$1.833			
Lunenburg Savings		\$0.0000	\$70.72	\$144.98	\$222.95	\$294.04	\$385.19	\$418.58	-\$1.518		
CLA		Lunenburg	103.8400%								
Savings Over Time With a Yes Vote			FY17	FY19	FY20	FY21	FY22	FY23	FY24	5-Yr SAVINGS	8-Yr SAVINGS
Assessed Value			\$1.4144	\$1.4851	\$1.5594	\$1.6374	\$1.7085	\$1.7796	\$1.8330		
Tax Savings	\$ 150,000	\$0	-\$68.30	-\$140.02	-\$215.32	-\$283.99	-\$352.71	-\$404.27	-\$1,396	-\$1,455	
Tax Savings	\$ 150,000	\$0	-\$192.45	-\$210.09	-\$322.99	-\$425.99	-\$529.08	-\$608.41	-\$2,084	-\$2,197	
Tax Savings	\$ 200,000	\$0	-\$278.67	-\$278.67	-\$429.29	-\$566.82	-\$704.05	-\$807.18	-\$2,788	-\$3,055	
Tax Savings	\$ 250,000	\$0	-\$350.05	-\$380.05	-\$538.31	-\$709.88	-\$881.77	-\$1,010.68	-\$3,491	-\$3,841	
Tax Savings	\$ 300,000	\$0	-\$420.06	-\$420.06	-\$645.97	-\$851.97	-\$1,058.12	-\$1,212.81	-\$4,189	-\$4,609	
Tax Savings	\$ 350,000	\$0	-\$239.06	-\$490.07	-\$753.64	-\$993.97	-\$1,234.48	-\$1,414.55	-\$4,887	-\$5,126	



D14: Lyndon Financial Model

Lyndon										
Kingdom East Unified Union Rate		\$1.6895	\$1.6371	\$1.6862	\$1.7368	\$1.7839	\$1.8426	\$1.8979		
Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000		
Incentive Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979		
With Incentives and 5% Throttle		FY17	FY19	FY20	FY21	FY22	FY23	FY24		
Lyndon Estimated Tax Rate With Yes Vote		\$1.4913	\$1.5375	\$1.6057	\$1.6754	\$1.7466	\$1.8193	\$1.8739		
Lyndon Estimated Tax Rate No Vote		\$1.4913	\$1.5523	\$1.6066	\$1.6628	\$1.7210	\$1.7813	\$1.8436		
Tax Rate Change			\$0.0270	\$0.0953	\$0.1650	\$0.2382	\$0.3089	\$0.3635		
Tax Rate Loss Due to Throttle			-\$0.0197	-\$0.0208	-\$0.0214	-\$0.0224	-\$0.0233	-\$0.0240		
Conventional Incentive			FY19	FY20	FY21	FY22	FY23	FY24		
Unified Union Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979		
Lyndon Conventional 8 Cents		\$1.4913	\$1.4113	\$1.3513	\$1.3113	\$1.2913	\$1.2913	\$1.2913		
Lyndon With 5% Throttle		\$1.4913	\$1.5375	\$1.6057	\$1.6754	\$1.7466	\$1.8193	\$1.8739		
Conventional Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000		
Consolidated Year			1	2	3	4	5	6		
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24		
UU District Homestead Goal Rate		\$1.6895	\$1.6371	\$1.6862	\$1.7368	\$1.7889	\$1.8426	\$1.8979		
Transition Choice										
Conventional 8 cents			\$0.0270	\$0.0953	\$0.1650	\$0.2382	\$0.3089	\$0.3635		
None				Penalty	Penalty	?	?	?		
Consolidated Year			1	2	3	4	5	6	5 YEAR SAVINGS FROM INCENTIVES ONLY	
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24		
Current CLA Tax Rate		\$1.4913	\$1.4913	\$1.4913	\$1.4913	\$1.4913	\$1.4913	\$1.4913		
Lyndon Current Tax		\$1.491	\$1.491	\$1.491	\$1.491	\$1.491	\$1.491	\$1.491		
Lyndon Incentive Property Tax		\$1.491	\$1.537	\$1.606	\$1.675	\$1.747	\$1.819	\$1.874		
Lyndon Savings		\$0.0000	\$46.12	\$114.36	\$184.06	\$255.25	\$327.99	\$362.57	-\$1.310	
CLA		Lyndon	101,280,000							
Savings Over Time With a Yes Vote		FY17	FY19	FY20	FY21	FY22	FY23	FY24	5-Yr SAVINGS	6-Yr SAVINGS
Assessed Value		\$1.4913	\$1.5375	\$1.6057	\$1.6754	\$1.7396	\$1.8193	\$1.8739		
Tax Savings \$	100,000	\$0	-\$45.54	-\$112.02	-\$191.73	-\$252.03	-\$323.65	-\$377.74	-\$1,248	-\$1,291
Tax Savings \$	150,000	\$0	-\$68.31	-\$169.38	-\$272.60	-\$378.04	-\$485.77	-\$566.60	-\$1,872	-\$1,941
Tax Savings \$	200,000	\$0	-\$92.47	-\$224.47	-\$352.11	-\$452.70	-\$546.33	-\$674.11	-\$2,490	-\$2,714
Tax Savings \$	250,000	\$0	-\$128.30	-\$322.30	-\$454.34	-\$630.07	-\$809.61	-\$944.34	-\$3,121	-\$3,403
Tax Savings \$	300,000	\$0	-\$176.76	-\$438.76	-\$645.20	-\$876.08	-\$1,133.21	-\$1,333.21	-\$4,745	-\$4,084
Tax Savings \$	350,000	\$0	-\$239.39	-\$595.22	-\$858.07	-\$1,162.10	-\$1,533.46	-\$1,922.06	-\$6,369	-\$4,526



D15: Newark Financial Model

Newark							
Kingdom East Unified Union Rate	\$1.5895	\$1.6371	\$1.6862	\$1.7388	\$1.7889	\$1.8426	\$1.8979
Incentive		-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000
Incentive Rate		\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979
With Incentives and 5% Throttle							
	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Newark Estimated Tax Rate With Yes Vote	\$1.6458	\$1.5635	\$1.5216	\$1.5876	\$1.6551	\$1.7240	\$1.7757
Newark Estimated Tax Rate No Vote	\$1.6458	\$1.8345	\$1.8987	\$1.9651	\$2.0339	\$2.1051	\$2.1788
Tax Rate Change		-\$0.1955	-\$0.2374	-\$0.1714	-\$0.1039	-\$0.0350	\$0.0167
Tax Rate Loss Due to Throttle		\$0.0063	-\$0.1047	-\$0.1092	-\$0.1139	-\$0.1166	-\$0.1222
Conventional Incentive							
		FY19	FY20	FY21	FY22	FY23	FY24
Unified Union Rate		\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979
Newark's Conventional 5 Cents	\$1.6458	\$1.5658	\$1.5058	\$1.4658	\$1.4458	\$1.4458	\$1.4458
Newark's With 5% Throttle	\$1.6458	\$1.5635	\$1.5216	\$1.5876	\$1.6551	\$1.7240	\$1.7767
Conventional Incentive		-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000
Consolidated Year							
Fiscal Year		1	2	3	4	5	6
UU District Homestead Goal Rate	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Transition Choice							
Conventional 5 cents		-\$0.1955	-\$0.2374	-\$0.1714	-\$0.1039	-\$0.0350	\$0.0167
None			Penalty	Penalty	?	?	?
Consolidated Year							
Fiscal Year		1	2	3	4	5	6
Current CLA Tax Rate	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Newark Current Tax	\$1.646	\$1.646	\$1.646	\$1.646	\$1.646	\$1.646	\$1.646
Newark Incentive Property Tax	\$1.646	\$1.563	\$1.522	\$1.588	\$1.650	\$1.724	\$1.776
Newark Savings	\$0.0000	-\$82.29	-\$124.19	-\$58.14	\$9.32	\$78.25	\$129.97
CLA	Newark	106.9500%					
Savings Over Time With a Yes Vote	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Assessed Value	\$1.6458	\$1.5635	\$1.5216	\$1.5876	\$1.6551	\$1.7240	\$1.7757
Tax Savings \$ 100,000	\$0	\$76.99	\$116.19	\$54.40	-\$8.72	-\$73.21	-\$121.60
Tax Savings \$ 150,000	\$0	\$115.49	\$174.29	\$81.60	-\$13.08	-\$109.81	-\$182.40
Tax Savings \$ 200,000	\$0	\$163.76	\$233.76	\$110.16	-\$19.08	-\$145.00	-\$241.84
Tax Savings \$ 250,000	\$0	\$212.04	\$293.48	\$138.00	-\$26.80	-\$183.02	-\$304.00
Tax Savings \$ 300,000	\$0	\$260.32	\$353.58	\$166.20	-\$35.16	-\$219.63	-\$364.80
Tax Savings \$ 350,000	\$0	\$308.60	\$413.67	\$194.40	-\$43.52	-\$256.23	-\$426.00
Tax Savings \$ 400,000	\$0	\$356.88	\$473.77	\$222.60	-\$51.88	-\$292.83	-\$487.20
Tax Savings \$ 450,000	\$0	\$405.16	\$533.87	\$250.80	-\$60.24	-\$329.43	-\$548.40
Tax Savings \$ 500,000	\$0	\$453.44	\$593.97	\$279.00	-\$68.60	-\$366.03	-\$609.60
Tax Savings \$ 550,000	\$0	\$501.72	\$654.07	\$307.20	-\$76.96	-\$402.63	-\$670.80
Tax Savings \$ 600,000	\$0	\$550.00	\$714.17	\$335.40	-\$85.32	-\$439.23	-\$732.00
Tax Savings \$ 650,000	\$0	\$598.28	\$774.27	\$363.60	-\$93.68	-\$475.83	-\$793.20
Tax Savings \$ 700,000	\$0	\$646.56	\$834.37	\$391.80	-\$102.04	-\$512.43	-\$854.40
Tax Savings \$ 750,000	\$0	\$694.84	\$894.47	\$420.00	-\$110.40	-\$549.03	-\$915.60
Tax Savings \$ 800,000	\$0	\$743.12	\$954.57	\$448.20	-\$118.76	-\$585.63	-\$976.80
Tax Savings \$ 850,000	\$0	\$791.40	\$1,014.67	\$476.40	-\$127.12	-\$622.23	-\$1,038.00
Tax Savings \$ 900,000	\$0	\$839.68	\$1,074.77	\$504.60	-\$135.48	-\$658.83	-\$1,099.20
Tax Savings \$ 950,000	\$0	\$887.96	\$1,134.87	\$532.80	-\$143.84	-\$695.43	-\$1,160.40
Tax Savings \$ 1,000,000	\$0	\$936.24	\$1,194.97	\$561.00	-\$152.20	-\$732.03	-\$1,221.60
Tax Savings \$ 1,050,000	\$0	\$984.52	\$1,255.07	\$589.20	-\$160.56	-\$768.63	-\$1,282.80
Tax Savings \$ 1,100,000	\$0	\$1,032.80	\$1,315.17	\$617.40	-\$168.92	-\$805.23	-\$1,344.00
Tax Savings \$ 1,150,000	\$0	\$1,081.08	\$1,375.27	\$645.60	-\$177.28	-\$841.83	-\$1,405.20
Tax Savings \$ 1,200,000	\$0	\$1,129.36	\$1,435.37	\$673.80	-\$185.64	-\$878.43	-\$1,466.40
Tax Savings \$ 1,250,000	\$0	\$1,177.64	\$1,495.47	\$702.00	-\$194.00	-\$915.03	-\$1,527.60
Tax Savings \$ 1,300,000	\$0	\$1,225.92	\$1,555.57	\$730.20	-\$202.36	-\$951.63	-\$1,588.80
Tax Savings \$ 1,350,000	\$0	\$1,274.20	\$1,615.67	\$758.40	-\$210.72	-\$988.23	-\$1,650.00
Tax Savings \$ 1,400,000	\$0	\$1,322.48	\$1,675.77	\$786.60	-\$219.08	-\$1,024.83	-\$1,711.20
Tax Savings \$ 1,450,000	\$0	\$1,370.76	\$1,735.87	\$814.80	-\$227.44	-\$1,061.43	-\$1,772.40
Tax Savings \$ 1,500,000	\$0	\$1,419.04	\$1,795.97	\$843.00	-\$235.80	-\$1,098.03	-\$1,833.60
Tax Savings \$ 1,550,000	\$0	\$1,467.32	\$1,856.07	\$871.20	-\$244.16	-\$1,134.63	-\$1,894.80
Tax Savings \$ 1,600,000	\$0	\$1,515.60	\$1,916.17	\$899.40	-\$252.52	-\$1,171.23	-\$1,956.00
Tax Savings \$ 1,650,000	\$0	\$1,563.88	\$1,976.27	\$927.60	-\$260.88	-\$1,207.83	-\$2,017.20
Tax Savings \$ 1,700,000	\$0	\$1,612.16	\$2,036.37	\$955.80	-\$269.24	-\$1,244.43	-\$2,078.40
Tax Savings \$ 1,750,000	\$0	\$1,660.44	\$2,096.47	\$984.00	-\$277.60	-\$1,281.03	-\$2,139.60
Tax Savings \$ 1,800,000	\$0	\$1,708.72	\$2,156.57	\$1,012.20	-\$285.96	-\$1,317.63	-\$2,200.80
Tax Savings \$ 1,850,000	\$0	\$1,757.00	\$2,216.67	\$1,040.40	-\$294.32	-\$1,354.23	-\$2,262.00
Tax Savings \$ 1,900,000	\$0	\$1,805.28	\$2,276.77	\$1,068.60	-\$302.68	-\$1,390.83	-\$2,323.20
Tax Savings \$ 1,950,000	\$0	\$1,853.56	\$2,336.87	\$1,096.80	-\$311.04	-\$1,427.43	-\$2,384.40
Tax Savings \$ 2,000,000	\$0	\$1,901.84	\$2,396.97	\$1,125.00	-\$319.40	-\$1,464.03	-\$2,445.60
Tax Savings \$ 2,050,000	\$0	\$1,950.12	\$2,457.07	\$1,153.20	-\$327.76	-\$1,500.63	-\$2,506.80
Tax Savings \$ 2,100,000	\$0	\$1,998.40	\$2,517.17	\$1,181.40	-\$336.12	-\$1,537.23	-\$2,568.00
Tax Savings \$ 2,150,000	\$0	\$2,046.68	\$2,577.27	\$1,209.60	-\$344.48	-\$1,573.83	-\$2,629.20
Tax Savings \$ 2,200,000	\$0	\$2,094.96	\$2,637.37	\$1,237.80	-\$352.84	-\$1,610.43	-\$2,690.40
Tax Savings \$ 2,250,000	\$0	\$2,143.24	\$2,697.47	\$1,266.00	-\$361.20	-\$1,647.03	-\$2,751.60
Tax Savings \$ 2,300,000	\$0	\$2,191.52	\$2,757.57	\$1,294.20	-\$369.56	-\$1,683.63	-\$2,812.80
Tax Savings \$ 2,350,000	\$0	\$2,239.80	\$2,817.67	\$1,322.40	-\$377.92	-\$1,720.23	-\$2,874.00
Tax Savings \$ 2,400,000	\$0	\$2,288.08	\$2,877.77	\$1,350.60	-\$386.28	-\$1,756.83	-\$2,935.20
Tax Savings \$ 2,450,000	\$0	\$2,336.36	\$2,937.87	\$1,378.80	-\$394.64	-\$1,793.43	-\$2,996.40
Tax Savings \$ 2,500,000	\$0	\$2,384.64	\$2,997.97	\$1,407.00	-\$403.00	-\$1,830.03	-\$3,057.60
Tax Savings \$ 2,550,000	\$0	\$2,432.92	\$3,058.07	\$1,435.20	-\$411.36	-\$1,866.63	-\$3,118.80
Tax Savings \$ 2,600,000	\$0	\$2,481.20	\$3,118.17	\$1,463.40	-\$419.72	-\$1,903.23	-\$3,180.00
Tax Savings \$ 2,650,000	\$0	\$2,529.48	\$3,178.27	\$1,491.60	-\$428.08	-\$1,939.83	-\$3,241.20
Tax Savings \$ 2,700,000	\$0	\$2,577.76	\$3,238.37	\$1,519.80	-\$436.44	-\$1,976.43	-\$3,302.40
Tax Savings \$ 2,750,000	\$0	\$2,626.04	\$3,298.47	\$1,548.00	-\$444.80	-\$2,013.03	-\$3,363.60
Tax Savings \$ 2,800,000	\$0	\$2,674.32	\$3,358.57	\$1,576.20	-\$453.16	-\$2,049.63	-\$3,424.80
Tax Savings \$ 2,850,000	\$0	\$2,722.60	\$3,418.67	\$1,604.40	-\$461.52	-\$2,086.23	-\$3,486.00
Tax Savings \$ 2,900,000	\$0	\$2,770.88	\$3,478.77	\$1,632.60	-\$469.88	-\$2,122.83	-\$3,547.20
Tax Savings \$ 2,950,000	\$0	\$2,819.16	\$3,538.87	\$1,660.80	-\$478.24	-\$2,159.43	-\$3,608.40
Tax Savings \$ 3,000,000	\$0	\$2,867.44	\$3,598.97	\$1,689.00	-\$486.60	-\$2,196.03	-\$3,669.60
Tax Savings \$ 3,050,000	\$0	\$2,915.72	\$3,659.07	\$1,717.20	-\$494.96	-\$2,232.63	-\$3,730.80
Tax Savings \$ 3,100,000	\$0	\$2,964.00	\$3,719.17	\$1,745.40	-\$503.32	-\$2,269.23	-\$3,792.00
Tax Savings \$ 3,150,000	\$0	\$3,012.28	\$3,779.27	\$1,773.60	-\$511.68	-\$2,305.83	-\$3,853.20
Tax Savings \$ 3,200,000	\$0	\$3,060.56	\$3,839.37	\$1,801.80	-\$520.04	-\$2,342.43	-\$3,914.40
Tax Savings \$ 3,250,000	\$0	\$3,108.84	\$3,899.47	\$1,830.00	-\$528.40	-\$2,379.03	-\$3,975.60
Tax Savings \$ 3,300,000	\$0	\$3,157.12	\$3,959.57	\$1,858.20	-\$536.76	-\$2,415.63	-\$4,036.80
Tax Savings \$ 3,350,000	\$0	\$3,205.40	\$4,019.67	\$1,886.40	-\$545.12	-\$2,452.23	-\$4,098.00
Tax Savings \$ 3,400,000	\$0	\$3,253.68	\$4,079.77	\$1,914.60	-\$553.48	-\$2,488.83	-\$4,159.20
Tax Savings \$ 3,450,000	\$0	\$3,301.96	\$4,139.87	\$1,942.80	-\$561.84	-\$2,525.43	-\$4,220.40
Tax Savings \$ 3,500,000	\$0	\$3,350.24	\$4,199.97	\$1,971.00	-\$570.20	-\$2,562.03	-\$4,281.60
Tax Savings \$ 3,550,000	\$0	\$3,398.52	\$4,260.07	\$1,999.20	-\$578.56	-\$2,598.63	-\$4,342.80
Tax Savings \$ 3,600,000	\$0	\$3,446.80	\$4,320.17	\$2,027.40	-\$586.92	-\$2,635.23	-\$4,404.00
Tax Savings \$ 3,650,000	\$0	\$3,495.08	\$4,380.27	\$2,055.60	-\$595.28	-\$2,671.83	-\$4,465.20
Tax Savings \$ 3,700,000	\$0	\$3,543.36	\$4,440.37	\$2,083.80	-\$603.64	-\$2,708.43	-\$4,526.40
Tax Savings \$ 3,750,000	\$0	\$3,591.64	\$4,500.47	\$2,112.00	-\$612.00	-\$2,745.03	-\$4,587.60
Tax Savings \$ 3,800,000	\$0	\$3,639.92	\$4,560.57	\$2,140.20	-\$620.36	-\$2,781.63	-\$4,648.80
Tax Savings \$ 3,850,000	\$0	\$3,688.20	\$4,620.67	\$2,168.40	-\$628.72	-\$2,818.23	-\$4,710.00
Tax Savings \$ 3,900,000	\$0	\$3,736.48	\$4,680.77	\$2,196.60	-\$637.08	-\$2,854.83	-\$4,771.20
Tax Savings \$ 3,950,000	\$0	\$3,784.76	\$4,740.87	\$2,224.80	-\$645.44	-\$2,891.43	-\$4,832.40
Tax Savings \$ 4,000,000	\$0	\$3,833.04	\$4,800.97	\$2,253.00	-\$653.80	-\$2,928.03	-\$4,893.60
Tax Savings \$ 4,050,000	\$0	\$3,881.32	\$4,861.07	\$2,281.20	-\$662.16	-\$2,964.63	-\$4,954.80
Tax Savings \$ 4,100,000	\$0	\$3,929.60	\$4,921.17	\$2,309.40	-\$670.52	-\$3,001.23	-\$5,016.00
Tax Savings \$ 4,150,000	\$0	\$3,977.88	\$4,981.27	\$2,337.60	-\$678.88	-\$3,037.83	-\$5,077.20
Tax Savings \$ 4,200,000	\$0	\$4,026.16	\$5,041.37	\$2,365.80	-\$687.24	-\$3,074.43	-\$5,138.40
Tax Savings \$ 4,250,000	\$0	\$4,074.44	\$5,101.47	\$2,394.00	-\$695.60	-\$3,111.03	-\$5,199.60
Tax Savings \$ 4,300,000	\$0	\$4,122.72	\$5,161.57	\$2,422.20	-\$703.96	-\$3,147.63	-\$5,260.80
Tax Savings \$ 4,350,000	\$0	\$4,171.00	\$5,221.67	\$2,450.40	-\$712.32	-\$3,184.23	-\$5,32

D16: Sheffield Financial Model

Sheffield								
Kingdom East Unified Union Rate		\$1,5895	\$1,6371	\$1,6862	\$1,7368	\$1,7869	\$1,8426	\$1,8979
Incentive			-\$0,0800	-\$0,0600	-\$0,0400	-\$0,0200	\$0,0000	\$0,0000
Incentive Rate			\$1,5571	\$1,6262	\$1,6968	\$1,7669	\$1,8426	\$1,8979

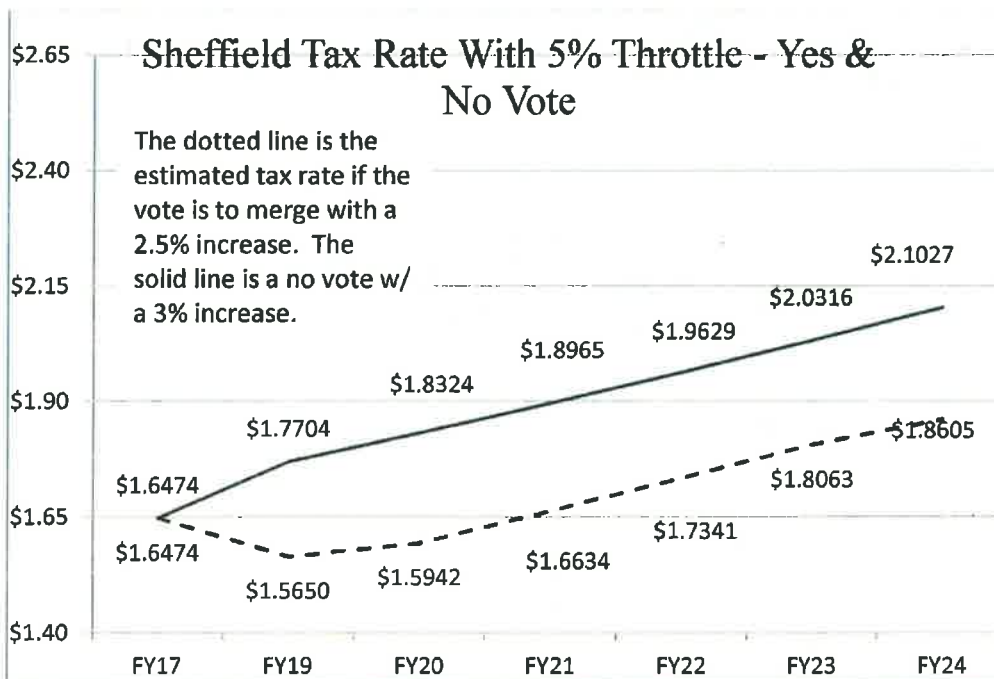
With Incentives and 5% Throttle	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Sheffield Estimated Tax Rate With Yes Vote	\$1,6474	\$1,5650	\$1,5942	\$1,6634	\$1,7341	\$1,8063	\$1,8605
Sheffield Estimated Tax Rate No Vote	\$1,6474	\$1,7704	\$1,8324	\$1,8965	\$1,9629	\$2,0316	\$2,1027
Tax Rate Change		-\$0,1155	-\$0,0883	-\$0,0171	\$0,0536	\$0,1258	\$0,1800
Tax Rate Loss Due to Throttle		\$0,0079	-\$0,0320	-\$0,0334	-\$0,0349	-\$0,0363	-\$0,0374

Conventional Incentive		FY19	FY20	FY21	FY22	FY23	FY24
Unified Union Rate		\$1,5571	\$1,6262	\$1,6968	\$1,7669	\$1,8426	\$1,8979
Sheffield Conventional 8 Cents	\$1,6474	\$1,5674	\$1,5074	\$1,4874	\$1,4474	\$1,4474	\$1,4474
Sheffield With 5% Throttle	\$1,6474	\$1,5650	\$1,5942	\$1,6634	\$1,7341	\$1,8063	\$1,8605
Conventional Incentive		-\$0,0800	-\$0,0600	-\$0,0400	-\$0,0200	\$0,0000	\$0,0000

Consolidated Year Fiscal Year		1	2	3	4	5	6
ULJ District Homestead Goal Rate	FY17	FY19	FY20	FY21	FY22	FY23	FY24
Transition Choice							
Conventional 8 cents		-\$0,1155	-\$0,0883	-\$0,0171	\$0,0536	\$0,1258	\$0,1800
None			Penalty	Penalty	?	?	?

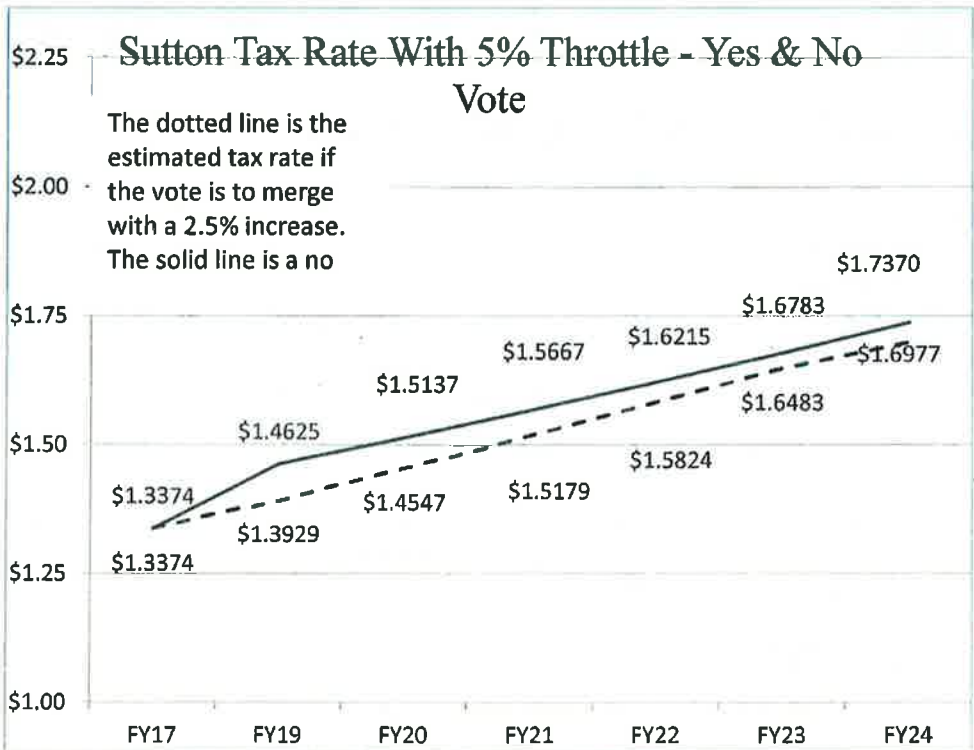
Consolidated Year Fiscal Year		1	2	3	4	5	6	5 YEAR SAVINGS FROM INCENTIVES ONLY
Current CLA Tax Rate	FY17	FY19	FY20	FY21	FY22	FY23	FY24	
Sheffield Current Tax	\$1,647	\$1,647	\$1,647	\$1,647	\$1,647	\$1,647	\$1,647	
Sheffield Incentive Property Tax	\$1,647	\$1,565	\$1,594	\$1,663	\$1,734	\$1,806	\$1,860	
Sheffield Savings	\$0,0000	-\$82,37	-\$53,20	\$15,09	\$66,66	\$158,90	\$213,08	-\$339

CLA	Sheffield	102.0100%	FY17	FY19	FY20	FY21	FY22	FY23	FY24	6-Yr SAVINGS	6-Yr SAVINGS
Savings Over Time With a Yes Vote			\$1,6474	\$1,5650	\$1,5942	\$1,6634	\$1,7341	\$1,8063	\$1,8605		
Tax Savings	\$ 100,000	\$0	\$90,75	\$52,15	-\$15,68	-\$84,97	-\$155,76	-\$205,89	-\$413	-\$332	
Tax Savings	\$ 150,000	\$0	\$121,12	\$79,23	-\$22,52	-\$127,46	-\$233,69	-\$313,39	-\$520	-\$499	
Tax Savings	\$ 200,000	\$0	\$105,68	\$105,68	-\$30,00	-\$165,58	-\$310,17	-\$416,41	-\$819	-\$714	
Tax Savings	\$ 250,000	\$0	\$130,38	\$130,38	-\$39,20	-\$212,43	-\$389,81	-\$522,22	-\$1,030	-\$902	
Tax Savings	\$ 300,000	\$0	\$155,46	\$155,46	-\$47,04	-\$264,91	-\$467,29	-\$625,66	-\$1,239	-\$1,083	
Tax Savings	\$ 350,000	\$0	\$282,62	\$182,94	-\$54,85	-\$297,40	-\$545,19	-\$731,10	-\$1,446	-\$1,163	



D17: Sutton Financial Model

Sutton									
Kingdom East Unified Union Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7388	\$1.7839	\$1.8426	\$1.8979	
Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000	
Incentive Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979	
With Incentives and 5% Throttle		FY17	FY19	FY20	FY21	FY22	FY23	FY24	
Sutton Estimated Tax Rate With Yes Vote		\$1.3374	\$1.3929	\$1.4547	\$1.5179	\$1.5824	\$1.6483	\$1.6977	
Sutton Estimated Tax Rate No Vote		\$1.3374	\$1.4625	\$1.5137	\$1.5667	\$1.6215	\$1.6783	\$1.7370	
Tax Rate Change			-\$0.1021	-\$0.0403	\$0.0228	\$0.0873	\$0.1532	\$0.2027	
Tax Rate Loss Due to Throttle			-\$0.1842	-\$0.1715	-\$0.1700	-\$0.1866	-\$0.1943	-\$0.2002	
Conventional Incentive			FY19	FY20	FY21	FY22	FY23	FY24	
Unified Union Rate			\$1.5571	\$1.6262	\$1.6968	\$1.7689	\$1.8426	\$1.8979	
Sutton	Conventional 8 Cents	\$1.3374	\$1.2674	\$1.1974	\$1.1574	\$1.1374	\$1.1374	\$1.1374	
Sutton	With 6% Throttle	\$1.3374	\$1.3929	\$1.4617	\$1.5179	\$1.5824	\$1.6483	\$1.6977	
Conventional Incentive			-\$0.0800	-\$0.0600	-\$0.0400	-\$0.0200	\$0.0000	\$0.0000	
Consolidated Year			1	2	3	4	5	6	
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24	
UU District Homestead Goal Rate		\$1.5895	\$1.6371	\$1.6862	\$1.7388	\$1.7889	\$1.8426	\$1.8979	
Transition Choice									
Conventional 8 cents			-\$0.1021	-\$0.0403	\$0.0228	\$0.0873	\$0.1532	\$0.2027	
None				Penalty	Penalty	?	?	?	
Consolidated Year			1	2	3	4	5	6	5 YEAR SAVINGS FROM INCENTIVES ONLY
Fiscal Year		FY17	FY19	FY20	FY21	FY22	FY23	FY24	
Current CLA Tax Rate		\$1.3374	\$1.3374	\$1.3374	\$1.3374	\$1.3374	\$1.3374	\$1.3374	
Sutton	Current Tax	\$1.337	\$1.337	\$1.337	\$1.337	\$1.337	\$1.337	\$1.337	
Sutton	Incentive Property Tax	\$1.337	\$1.393	\$1.456	\$1.519	\$1.582	\$1.648	\$1.698	
Sutton	Savings	\$0.0000	\$55.65	\$117.37	\$180.62	\$245.02	\$310.91	\$360.38	-\$1,270
CLA	Sutton	\$111,790015							
Savings Over Time With a Yes Vote		\$1.3374	\$1.3929	\$1.4547	\$1.5179	\$1.5824	\$1.6483	\$1.6977	
Assessed Value									
Tax Savings	\$ 100,000	\$0	-\$49.89	-\$104.99	-\$161.48	-\$219.17	-\$278.12	-\$322.30	-\$1,088
Tax Savings	\$ 150,000	\$0	-\$74.83	-\$157.49	-\$242.22	-\$328.76	-\$417.19	-\$483.04	-\$1,704
Tax Savings	\$ 200,000	\$0	-\$99.78	-\$209.62	-\$321.99	-\$438.99	-\$554.89	-\$643.35	-\$2,105
Tax Savings	\$ 250,000	\$0	-\$124.72	-\$262.46	-\$403.69	-\$547.94	-\$696.31	-\$809.89	-\$2,718
Tax Savings	\$ 300,000	\$0	-\$149.67	-\$314.98	-\$484.43	-\$657.62	-\$834.37	-\$967.07	-\$3,273
Tax Savings	\$ 350,000	\$0	-\$174.61	-\$367.48	-\$565.17	-\$787.11	-\$973.43	-\$1,128.25	-\$3,801



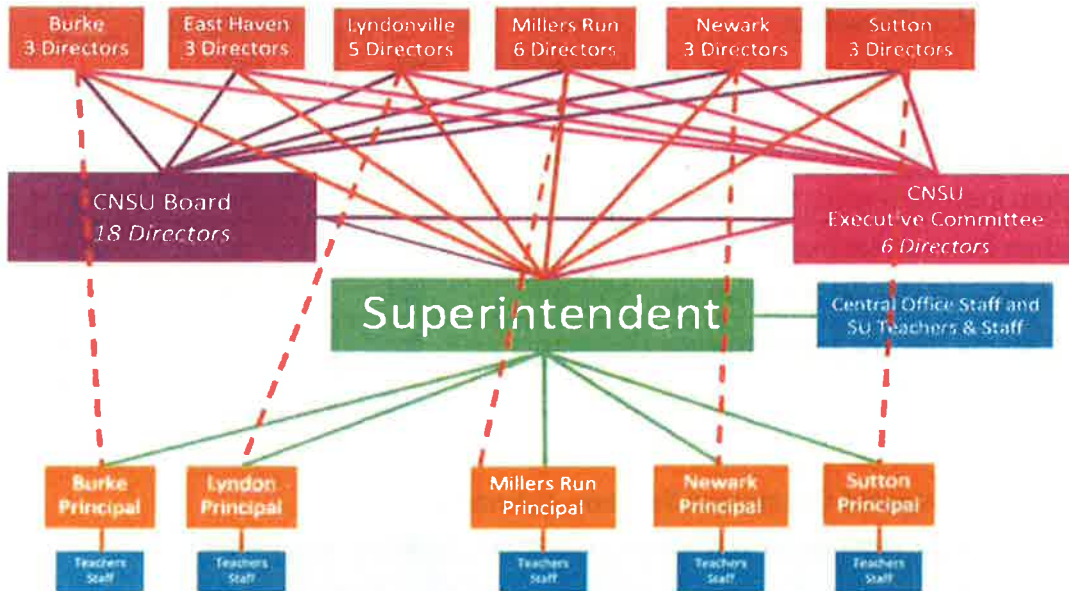
APPENDIX E - Governance Structure

Currently ECSU and CNSU have a number of school boards and school board committees. The following charts illustrates the structure and relationships of the work along with the time commitments associated with the various duties of board members. Charts B1 and B2 in an earlier appendix show school board turnover over the past 22 years. The data in this appendix confirms that a single board allows could creating focused intentional educational goals and more efficient governance structure to support student achievement.

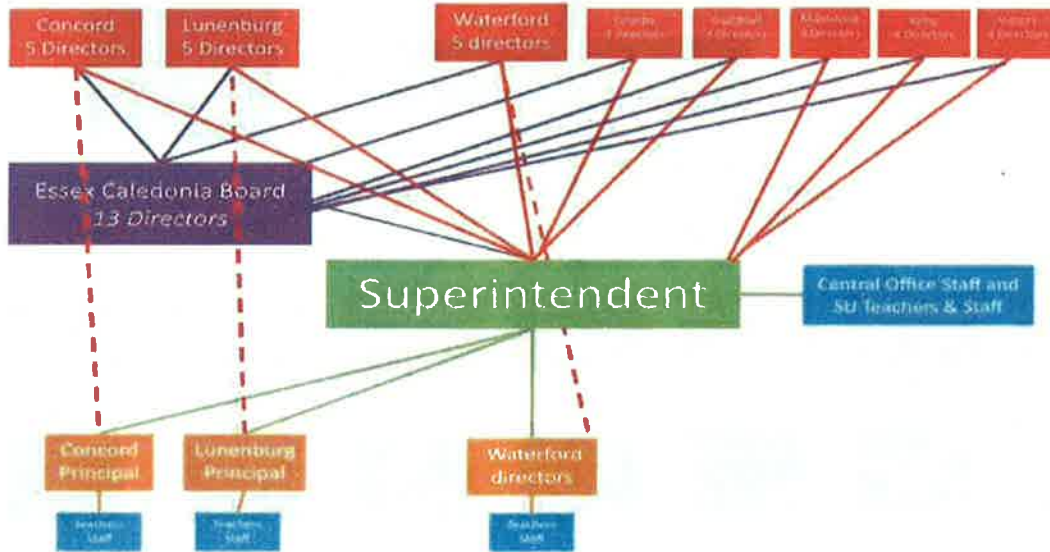
E1: Governance Current Estimated Duties for Kingdom East Forming Districts

Board or Committee	# of board members	Needed total meeting + prep time	Approximate # of meetings per year	Total hours
Burke	3	4	12	144
CNSU Executive	6	4	4	96
CNSU Ad Hoc (eg policy, Act 46)	11	4	20	880
CNSU Support Staff Negotiations	5	4	15	300
CNSU Teacher Negotiations	5	4	15	300
CNSU	18	4	12	864
Concord	5	4	12	240
ECSU	9	4	12	432
ECSU Ad Hoc (eg policy, Act 46)	3	4	20	240
ECSU Negotiations	3	4	15	180
Lunenburg	5	4	12	240
Lyndon	5	4	12	240
Newark	3	4	12	144
Millers Run	6	4	12	288
Sutton	3	4	12	144
Total				4716

E2: Current Governance Structure for Kingdom East Forming Districts, Schematic
Caledonia North Current Governance (23 School Directors)



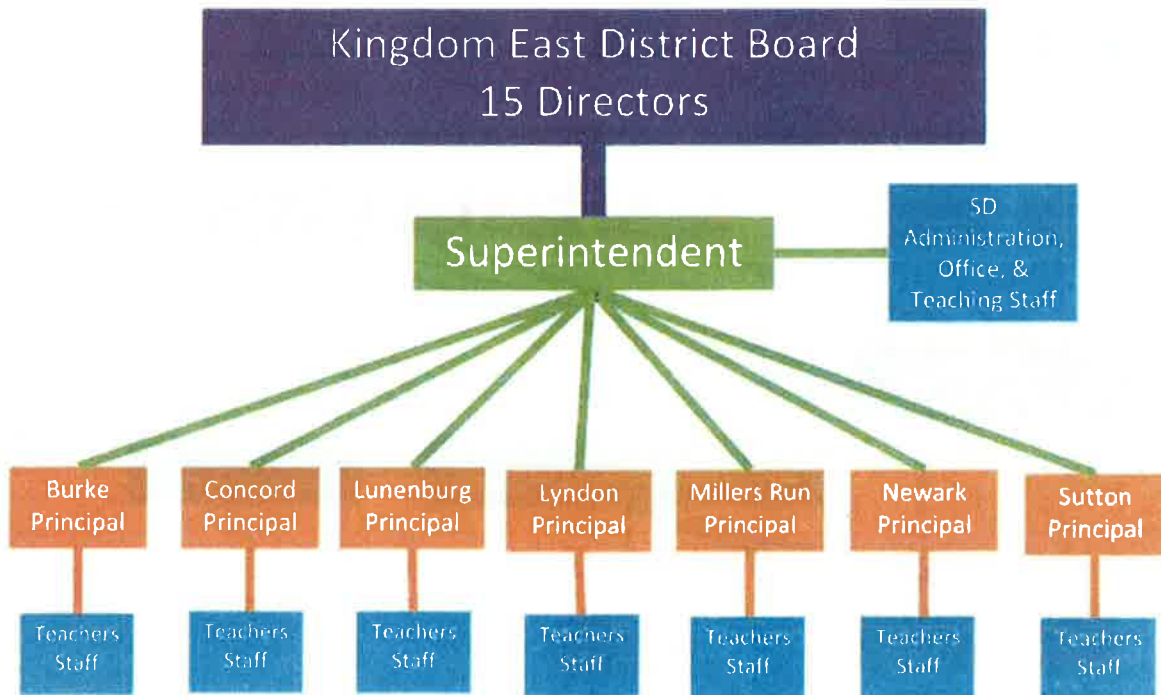
Essex Caledonia Current Governance (30 School Directors)



E3 Kingdom East Possible Governance Duties, Estimated Time

Board or Committee	# of board members	meeting time + prep time	Approximate # of meetings per year	Total hours
Kingdom East	15	5	14	1050
Kingdom East Ad Hoc (eg policy)	3	5	14	210
Kingdom East Ad Hoc (eg facilities)	3	5	14	210
Kingdom East Ad Hoc (eg finance)	3	5	14	210
Kingdom East Ad Hoc (eg negotiations)	3	5	14	210
Kingdom East Ad Hoc (eg human resources)	3	5	14	210
Total				2100

E4 Kingdom East Proposed Governance Structure, Schematic

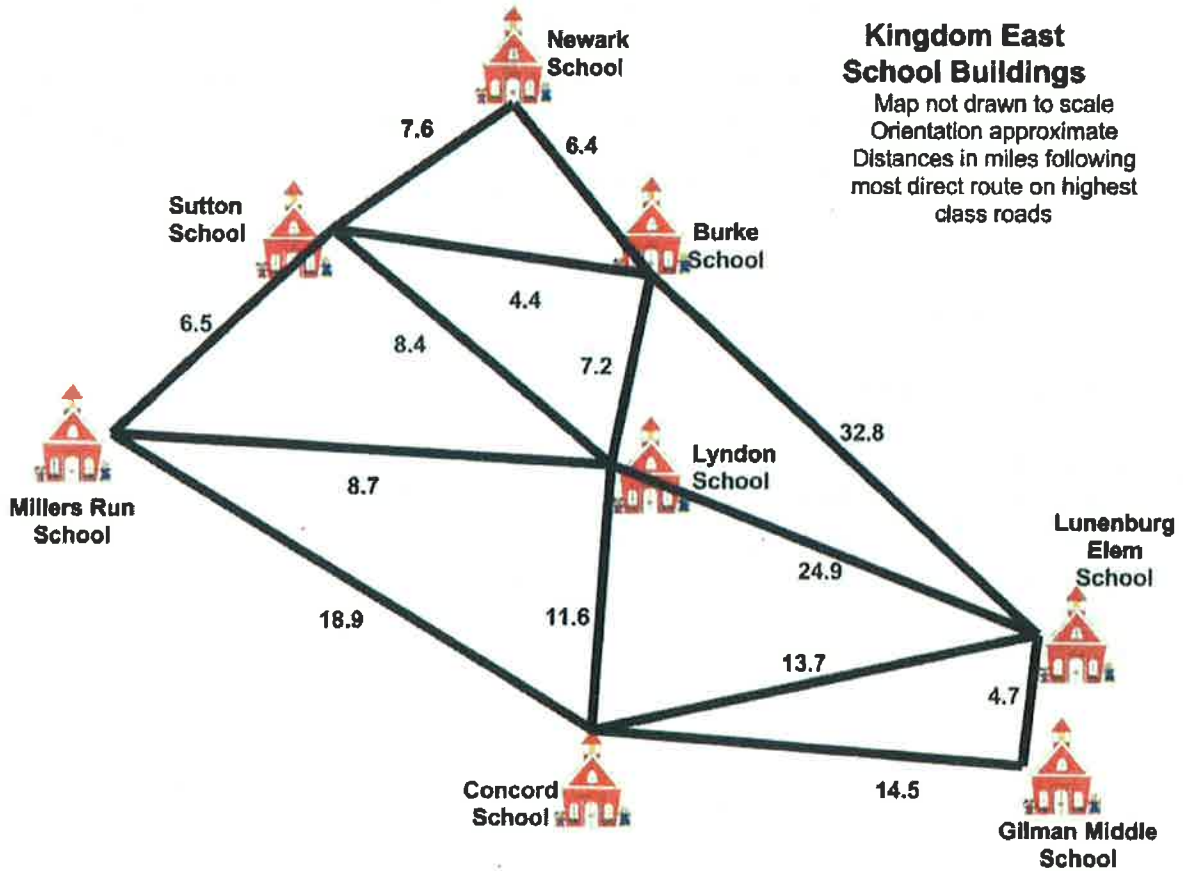


E5 Distances Between Schools

The following data and schematic illustrate the distance from each school to the first, second and third closest school building.

- Burke- closest school is 4.4 miles, next closest schools are 6.4 and 7.2 miles.
- Concord- closest school is 11.6 miles, next closest schools are 13.7 and 18.9 miles.
- Lunenburg- closest school is 13.7 miles, next closest schools are 25.6 and 32.1 miles.
- Lyndon Town School - closest school is 7.2 miles, three other schools are within 8.7 miles.
- Millers Run School - closest school is 6.5 miles, next closest schools are 8.7 and 10.8 miles.
- Newark School - closest school is 6.4 miles, next closest schools are 7.6 and 8.7 miles.
- Sutton School - closest school is 4.4 miles, next closest schools are 6.5 and 7.6 miles.

The following pictorial representation illustrates the approximate distances between school buildings. The lines are not drawn to scale, and the orientation is an estimate. All of the distances are listed in miles. This data was obtained by using google maps and taking the most direct route on the highest class roads (paved in all cases except between Millers Run and Sutton). It should be noted that in several cases the roads between the schools are steep and winding.



APPENDIX F Town census, school configurations

F1: Kingdom East Current and Proposed School Configuration and Enrollment Plan

Town	Current Configuration FY17			Proposed Configuration Beginning July 1, 2018		
	pK	K-8	9-12	pK	K-8	9-12
Burke	operational, choice	Burke Town School	choice	operational, choice	Burke Town School*	choice
Concord	operational, choice	Concord Schools	choice	operational, choice	Concord Schools*	choice
Lunenburg	choice	Lunenburg/Gilman Schools	choice	choice	Lunenburg/Gilman Schools*	choice
Lyndon	operational, choice	Lyndon Town School	choice	operational, choice	Lyndon Town School*	choice
Newark	choice	Newark Street School	choice	choice	Newark Street School*	choice
Sheffield	operational, choice	Millers Run	choice	operational, choice	Millers Run*	choice
Sutton	choice	Sutton Village School	choice	choice	Sutton Village School*	choice
Wheelock	operational, choice	Millers Run	choice	operational, choice	Millers Run*	choice

Currently Act 166 allows universal preschool choice for 10 hrs per week, 35 weeks per year of preschool.
 *Following the merger, the new school board would have the option to institute a school choice policy for K-8 within the Kingdom East School District

F2: Town 2010 Census

Town	2010 Census
Burke	1753
Concord	1235
Lunenburg	1302
Lyndon	5981
Newark	581
Sutton	1029
Wheelock	811
Sheffield	703









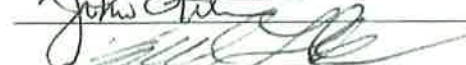





CONCLUDING REMARKS OF THE ACT 46 STUDY COMMITTEE

The comprehensive report for the Kingdom East Act 46 Study Committee including Burke, Concord, Lunenburg, Lyndon, Newark, Sheffield, Sutton and Wheelock has demonstrated a practical, regionally compatible and statutorily compliant plan which the study committee believes will best meet the needs of all children in the eight participating towns.

The plan presented is inclusive and does not leave any school districts isolated. Looking at this corner of the Northeast Kingdom, the committee has taken any interested pre-K through eight operating and 9-12 tuitioning school districts from two supervisory unions to create this proposed unified union. The positive fiscal impact of closing two supervisory unions is represented in this report. Also, this proposal supports existing tuitioning options for high school in each of the forming districts.

The committee has recommended that all of the forming districts be advisable. This was done to protect the option for unification if one or two districts voted not to unify. The "Articles of Agreement" gives any town that voted NO one year to re-vote the unification option.

The report has provided evidence and data throughout that supports this comprehensive proposal. As you can see in the Kingdom East Governance Structure Evolution, the committee has done due diligence in exploring any opportunities for unification with all Northeast Kingdom Districts. Committee members worked collaboratively to present this plan that was unanimously approved on October 27, 2016. The committee would like to thank the Vermont State Board of Education for accepting our report and we look forward to our presentation to Board.

	Nancy Blankenship, Lyndon
	Shannon Chapman, Concord
	Anthony DeMasi, Burke
	Tune Faulkner, Wheelock
	Vickie Florence, Lyndon
	Miranda Fox, Lyndon
	Celeste Girrell, Sutton, chair
	Biff Mahoney, Sheffield
	James Peyton, Lunenburg, assistant chair
	John Peters, Lyndon
	Rachel Roy, Burke
	Cynthia Stuart, Concord
	Kasey Talbot, Newark
	Holly Taylor, Lyndon

