

**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 six member districts of the **WINDHAM CENTRAL SUPERVISORY UNION** (WCSU) and, alternatively, the proposed formation of a modified unified union school district 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 **LELAND & GRAY TOWNS Act 46 Study Committee** and to assign the new district, if approved, to the WCSU?

**RECOMMENDED ACTION:**

**1. That the State Board of Education finds:**

**a. that the proposed formation of a new unified union school district by six member districts of the WCSU is “in the best interests of the State, the students, and the school districts” pursuant to 16 V.S.A. § 706c(b); and alternatively**

**b. that the proposed formation of a new modified unified union school district within the WCSU is “in the best interests of the State, the students, and the school districts.”**

**2. That the State Board of Education votes to approve the attached report of the WCSU Study Committee.**

**3. That the State Board of Education votes to approve the assignment of the new school district, if approved, to the WCSU for administrative, supervisory, and transitional services pursuant to 16 V.S.A. § 706h beginning on the date on which the district becomes a legal entity pursuant to 16 V.S.A. § 706g.**

**STATUTORY AUTHORITY:** 16 V.S.A. § 706c; Act 46 of 2015; Act 153 of 2010, Secs. 2-4, as amended; Act 156 (2012), Sec. 17, as amended

**BACKGROUND INFORMATION:** The WCSU consists of ten school districts located in nine towns, representing six distinct models of education governance:

- three elementary school districts, each of which operates a school offering PK/K-6 (Jamaica; Townshend; Windham)
- two elementary school districts that have entered into a contract to operate one school offering K-6 (Brookline; Newfane), operated by a joint contract board
- one union high school district of which the previous five elementary school districts are members, which operates a school offering 7-12 (Leland & Gray UM/HSD)
- one PK-12 town school district that operates a school offering PK-8 and pays tuition for 9-12 (Marlboro)
- two PK-12 town school districts, both of which operate a school offering PK-6 and pay tuition for 7-12 (Dover; Wardsboro)
- one PK-12 town school district that pays tuition for all grades (Stratton)

A study committee formed by the town elementary school districts of Brookline, Jamaica, Newfane, Townshend, and Windham, on their own behalf and representing the Leland & Gray UM/HSD, proposes to create a new unified union school district (New Unified District).

Alternatively, it recommends creation of a modified unified union school district pursuant to the criteria, processes, and timeline in Act 153, as amended; Act 156, Sec. 17, as amended by Act 56, Sec. 3 (2013); and Act 46.

The Study Committee identifies the following school districts as “necessary” to the proposal pursuant to 16 V.S.A. § 706b(b)(1): Brookline; Newfane; and Leland & Gray UM/HSD.

The Study Committee identifies the following school districts as “advisable” to the proposal pursuant to 16 V.S.A. § 701b(b)(2): Jamaica; Townshend; and Windham.

In FY2016, the combined average daily membership (ADM) of the three necessary districts was 397.75 and the ADM of all six districts was 559.27 (“necessary” – Brookline: 53.10; Newfane: 99.00; and Leland & Gray: 245.65; “advisable” – Jamaica 59.98; Townshend: 81.67; and Windham: 19.87).

### **I. West River Education District**

If approved by the State Board and the voters of all five town elementary districts before July 1, 2017, the New Unified District would be eligible for incentives and protections under Act 153, Secs. 2-5, because it would be a unified union district formed by the merger of at least four existing districts.

The New Unified District, which would be known as the West River Education District, would provide for the education of all resident PK-12 students by operating one or more schools for each grade. The proposal would unify all existing school districts into a single supervisory district responsible for operating four elementary schools and one middle/high school. It would replace all current governing bodies, including a joint contract board, with one unified union school board.

The New Unified District would be governed by an eleven-member school board – nine members would represent and be elected by each of the five towns in a number that is closely proportional to the town’s relative population and two members would be elected at-large.

No later than July 1, 2019, the Unified Board would be required to develop policy and programs for offering intra-district choice in grades for which the New Unified District operates multiple school buildings. Among other factors, the policies would be required to address transportation, socio-economic equity, and unity of siblings.

A currently operating elementary school building could not be closed unless approved by the voters of the town in which the building is located.

If an elementary school building other than the building currently operated jointly by the Brookline and Newfane Elementary School Districts is closed and would no longer be used for public education purposes, then 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 the building currently operated jointly by the Brookline and Newfane districts is closed, then it would be sold to the towns of Brookline and Newfane pursuant to the terms of the districts’ current joint contract agreement or as mutually agreed by the two towns.

All future votes on the budget, Board membership, and other public questions 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 all five town elementary school districts vote in favor of the proposal, then the New Unified District will begin full operation as a unified union schools district on July 1, 2019.
- If the voters in one of the “advisable” elementary school districts does not vote in favor of the proposal, but the voters in the other four elementary school districts approve the proposal, then a modified unified union school district will be formed and will begin full operation on July 1, 2019.
- No union school district will be formed in any other circumstance.

## **II. West River Modified Union Education District**

If a modified unified union school district (MUUSD) is created, then it would be a PK-12 district providing (1) PK-12 education for the four towns that voted to approve the merger and (2) Grade 7-12 education for students residing in the one district that did not approve merger (the Non-Member Elementary District or NMED). The NMED would continue to provide for the education of its resident PK-6 students, elect representatives to its elementary school board, and adopt its own elementary school budget.

Although most of the proposed Articles of Agreement for the New Unified District would apply to the MUUSD, the Study Committee’s proposal includes detailed information concerning

board membership, board votes, assessment for services, and other issues that are specific to the MUUSD and to the NMED. See Articles 17-18 for more details.

If (1) the MUUSD is formed and (2) the voters of the NMED vote no later than March 31, 2018 to join the MUUSD, then the MUUSD would be presumed to consent to admission of the NMED and there would be no need for a subsequent vote of the MUUSD to comply with 16 V.S.A. § 721.

\* \* \*

The Study Committee observes that the “example of the Leland & Gray Board looking at the needs of the children as a whole, rather than town by town, demonstrates the ability of a unified district board to consider the needs and aspirations of the students of all five towns as one group.” In addition, having “ a single decision making board for the five schools enhances the ability to promote consideration of the needs and opportunities for all schools in ways that lead to collaboration and efficiency.”

The Committee’s report and appendices examine a number of factors, including demographic data, enrollment projections, relative investment per equalized pupil, the assets and debts of each district, the relative value of real property, and the potential tax impact of the loss of small school grants and “phantom pupils.” The proposal also includes a table that compares potential ways in which a decision to merge would and would not support each of the five educational and fiscal goals of Act 46.

**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 identified a range of potential educational benefits of merger, including:

1. Establishment of intra-district elementary school choice that would allow parents to match student needs with the particular focus of the school (the Committee expressed the concern that this would not be equitably available to all students without the increased availability of transportation)
2. Greater continuity for elementary students moving from one town to another within the New Unified District
3. Increased ability for students to attend and participate in special programs offered in the four elementary school buildings
4. Better coordination of guidance and mental health services across elementary schools and better alignment with services provided at the middle/high school

## **FISCAL IMPLICATIONS:**

The Study Committee identified \$61,180 in immediate annual cost reductions related to the elimination of duplicative financial audits, accounting software, and school board expenses. It also anticipated that there would be cost savings by increased buying and contracting power through the economies of scale. In addition, the Study Committee's report anticipates other potential long-term financial benefits from: the centralization of accounting, food service, evaluation, and human resources; the sharing and flexible assignment of teachers, administrators, and staff; and the reduction of dramatic tax fluctuations by spreading unanticipated expenses across a larger system. *See also* Act 153, as amended, for cost implications to the State.

*See* pages 5-14 and the Appendices for a more detailed discussion of educational and fiscal elements of the proposal and *see* the Committee's Worksheet for an overview of those elements in the proposal that address the goals identified by Act 46, Section 2.

The 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.

### **STAFF AVAILABLE:**

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

## **Leland & Gray Towns Act 46 Study Committee Report**

Brookline, Jamaica, Newfane, Townshend, and Windham

December 9, 2016

Authorization to engage in this Act 46 Study Committee was voted in the affirmative by the following boards of directors on the following dates:

- Brookline Board of Directors, on June 9, 2016;
- Jamaica Board of Directors, on June 7, 2016;
- Newfane Board of Directors, on June 9, 2016;
- Townshend Board of Directors, on June 6, 2016;
- Windham Board of Directors, on June 6, 2016.

The Secretary of Education was advised of the formation of this Act 46 Study Committee, pursuant to 16 VSA §706b, by letter dated June 14, 2016. The study committee named itself the Leland & Gray Towns Act 46 Study Committee and elected Joe Winrich as chairperson.

Recommended Articles of Agreement, pursuant to the requirements of 16 V.S.A, Chapter 11, Subchapter 3, as are set forth herein below, were agreed upon by the Leland & Gray Towns Act 46 Study Committee at its duly warned meeting of November 21, 2016.

### Committee Members

Joe Winrich, Townshend,

Chairperson

Patti Dickson, Jamaica

Brud Sanderson, Townshend

Carolyn Partridge, Windham

Drew Hazelton, Jamaica

Emily Long, Newfane

Erin Zargo, Brookline

Heidi Russ, Townshend

Ian Doak, Newfane

Kelli Warriner, Newfane

Ken McFadden, Newfane

Kris Jerz, Townshend

Neil Pelsue, Newfane

Pam Tweedy, Jamaica

Sherry Greene, Brookline

### Committee Support

William Anton, WCSU Superintendent

John Everitt, VSBA Consultant

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## Record of Committee Deliberations

### **Exploratory Committee**

During the spring of 2016, Windham Central Supervisory Union (WCSU) formed an Act 46 Exploratory Committee with the charge:

*To consider the goals and provisions of Act 46 and to recommend to the school boards of the Windham Central Supervisory Union actions that might be taken in a coordinated way to maximize benefits for students, taxpayers, and communities.*

The exploratory process considering a case for action that included:

- Relatively flat resident student enrollment,
- Recent difficult budget decisions trending toward reducing student opportunities,
- The state intent to move toward sustainable models of educational governance,
- The potential loss of state supports for small schools and enrollment protections, and
- The incentives to support local action.
- The case for action was strong enough for the exploratory committee to recommend that WCSU form unified union school district study committees.

The exploratory committee reviewed possible options for unified districts with special attention to the following evaluation criteria. The new structure should:

1. Strengthen educational opportunities for all students throughout the region;
2. Assure the ability to focus on the needs of the individual student;
3. Assure strong community connections;
4. Provide the opportunity to function more efficiently, to put more resources into quality and equity of education, and to address taxpayer concerns; and
5. Result in incentives for homestead taxpayers.

### **Study Committee Deliberations**

The recommendations of the exploratory committee resulted in the formation of two Act 46 Study Committees. One committee was to study the formation of a PK-12 district focused on the towns in the Leland & Gray Middle/High School Union - Brookline, Jamaica, Newfane, Townshend, and Windham. The unified district would be eligible for incentives and protections under the provisions of either a regional education district or a modified unified union school district. The other committee was to study the formation of a PK-12 unified district providing education in either Grades PK-6 or PK-8 and tuitioning students in the upper grades - Wardsboro, Marlboro, and Dover. Voter acceptance of the Leland & Gray Towns would form a unified district eligible for merger incentives. If voters accepted both the Leland & Gray Towns' proposal and the



Wardsboro, Marlboro, and Dover proposal then both unified districts would be eligible for merger incentives.

The study committee for the Leland & Gray Towns met during the summer and fall of 2016 to continue the work of the exploratory committee. The study committee examined the possibilities of a unified school district in terms of:

- Student learning opportunities,
- Efficiency and effectiveness, and
- Financial implications.

During the early deliberations, Jamaica was interested in leaving the Leland & Gray Union School District and changing their structure to offer a PK-6 elementary school and pay tuition for students in Grades 7-12. The Jamaica citizens voted to remain in the Leland & Gray Union. Other similarly structured systems in the area were pursuing their own unification possibilities.

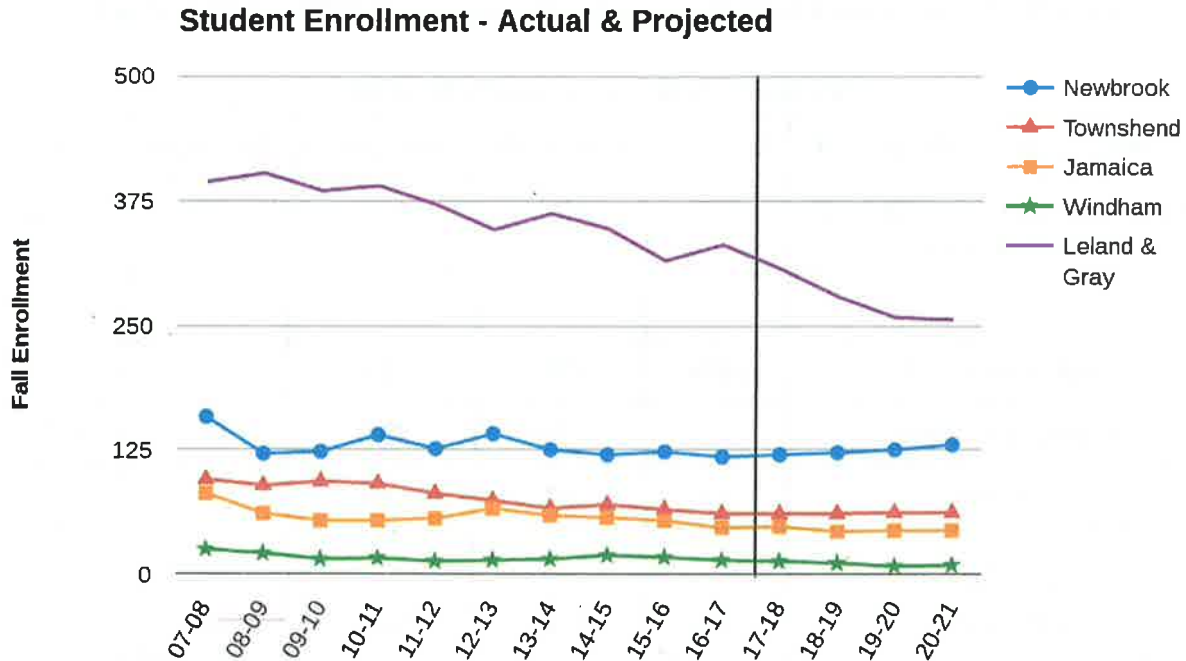
The work of the committee included actions to reach out to citizens of the five towns with the goal of ensuring that citizens had knowledge of the study and how they might provide input. The committee took the following steps:

- Discussed study committee progress at regular town school district board meetings,
- Provided multiple notices of each committee meeting,
- Encouraged participation by members of the public attending study committee meetings,
- Engaged a consultant to support activities to connect and communicate with the public,
- Posted meeting agendas and minutes on the WCSU Act 46 website,
- Video taped meetings and posted the videos on Brattleboro Community TV and Youtube,
- Established a blog containing easily accessible materials and resources to understand the work of the committee and the way to provide input or ask questions (<http://wcsu-committee.blogspot.com/>)
- Distributed press releases and public service announcements about the work of the committee,
- Used town Front Porch Forum to disseminate information,
- Developed and used an email list to send information to citizens,
- Developed an informational flyer, and
- Distributed the informational flyer through the schools, at national election polling stations, town offices and libraries, and places frequently visited in the community.

## Student learning opportunities

An integral aspect of the study committee was to develop a shared understanding of the four elementary schools and one union middle/high school involved. Each principal made a presentation to the committee about the school and town. The presentations included demographics, enrollment, programs, student supports, and achievement on state assessments. The charts and graph below show some of the information considered by the committee.

Enrollment in the elementary schools has declined somewhat, but with Kindergarten enrollment in three of the four elementary schools holding steady, the next several years are projected to remain steady as well while these groups work their way through the grades. The situation at the middle/high school is quite different. Although enrollment from the elementary schools will be steady into the next few years, the secondary school has lost enrollment numbers from smaller elementary cohorts and from declining tuition students. Total enrollment is declining. Graduating classes in the sixty student range will be replaced by entering classes in the fifty student range. The current secondary principal has begun implementing steps to better understand and reverse the decline of tuition students. He has a focus on open communication with secondary choice districts and is using open house events to showcase the high school to possible tuition districts.



While the achievement test for the Vermont State Assessment System is new and while standardized tests are not the only measure of student academic performance, they are used in many ways for school evaluation and some of those uses have significant

consequences. Overall, using the state assessment system to evaluate the performance of elementary schools with small class sizes has limited value, especially when evaluating the performance of subgroups like students with limited family resources. Nevertheless, the committee reviewed results of the last two state assessments in order to understand the state evaluation of the performance of the schools.

The chart below shows the percent of students in each school and across Vermont as a whole who are receiving school food support through the Free and Reduced Lunch Programs (FRL). The FRL statistic is a proxy representing students from homes with significant or somewhat limited resources. All the elementary schools have a higher percentage of students from resource limited families than the state as a whole. In Jamaica's case, significantly higher. Results are not publishable for Windham because of privacy concerns for the small number of students in the school.

The chart also shows the percent of students at or above the proficient level on the last two state assessments in English Language Arts and Mathematics. For the most recent assessment, 2015-16, in all but one case, a higher percentage of students in the schools demonstrated levels at or above proficiency compared to students statewide. The students achieved these results even though the FRL percentages were higher than the state. Because of small numbers of students in each school, further analysis of the impact of FRL on assessment results was not used in committee deliberations.

### Vermont State Assessment Results

Students tested in Grades 3-6	Jamaica	Newbrook	Townshend	Windham	Vermont
Free & Reduced Rate (2015-16) for all students K-6	64%	49%	43%	NA	41%
English/LA - 2015	56%	60%	68%	NA	
English/LA - 2016	57%	67%	75%	NA	55%
<i>up/down</i>	+1	+7	+7		
Math - 2015	56%	33%	59%	NA	
Math -2016	54%	44%	81%	NA	47%
<i>up/down</i>	-2	+11	+22		

The committee also reviewed the most recent state assessment results for Leland & Gray Middle/High School (L&G). The FRL rate at L&G is 44% while the statewide average for Grades 7-12 is 35%. The normal impact of higher FRL rates on achievement test results holds true for L&G. Students with larger amounts of resources in their families did better than those with fewer resources. Overall, a smaller percentage of students in L&G demonstrated proficiency on the state assessments than students statewide.

When the assessment results are disaggregated to look more directly at the impact of limited resources on assessment results, students with FRL support demonstrated proficiency at the same or similar rate as students across Vermont. Students not receiving FRL supports did not do as well as students across Vermont.

**Vermont State Assessment Results**  
**Students tested in Grade 7, 8, and 11 in 2015-16**

<b>Students AT or Above Standard</b>	<b>English Language Arts</b>		<b>Mathematics</b>	
	<b>L&amp;G</b>	<b>Vermont</b>	<b>L&amp;G</b>	<b>Vermont</b>
All students	48%	58%	36%	42%
Students without FRL	53%	67%	43%	51%
Students with FRL	41%	39%	25%	25%

During the presentations by the school principals, the committee developed a deeper understanding of the efforts by the schools to provide wide-ranging opportunities for students. Teachers developed and coordinated their instructional skills through both school based and supervisory union based professional development. Parents and community members provide resources and worked as volunteers for both in-school opportunities to expand the curriculum and away from school opportunities to broaden students' experiences beyond their home towns. After-school programs support and extend the learning day for students as well as provide support for families needing supervision of their children beyond school hours. Each principal used slides or handouts when describing the school program. These documents can be found on the blog developed to promote communication in the community about the work of the Act 46 Study Committee. Below is the link to the documents.

<http://wcsu-lgtowns.blogspot.com/p/school-information.html>

Of interest to the committee was the input from principals and WCSU Central Office Administrators about the impact of unification on student learning opportunities. The committee consultant interviewed the principals in a group and other administrators

individually. (The findings of the consultant are included in Attachment A - Student Learning Opportunities.)

The committee considered the consultant's report on administrator interviews, input from community members, and their own experiences as citizens involved in the schools as board members, parents, and volunteers. They took special note of the following:

- Elementary public school choice within a unified district and a unified public Pre-K program offer the most direct benefit for students. Families could choose the school and program that best match the needs of their child and family. Schools could continue to develop their culture and expertise.
- A unified system offers increased flexibility and removes barriers to promote increased opportunities for student learning experiences:
  - A common language of instruction, curriculum expectations, assessments, and approaches makes an easier transition from school to school, especially from elementary school to the middle school at Leland & Gray. Students know what to expect and have an understanding of behavioral and academic expectations.
  - Students could more easily attend and participate in special programs offered in the different schools including concerts, plays, visiting guests, contests, demonstrations, trips, and co-curricular events.
  - Activities now offered only at the secondary level could extend down into the elementary schools.
  - Guidance and mental health services could be better coordinated across elementary schools and aligned with secondary services to improve support to families.
- A unified system promotes focused and aligned professional development for teachers that leads to improved instruction for children.
  - Standards based report cards with teachers trained in the meaning, assessment, and monitoring of important learning objectives provides the basis for ensuring that teachers have clear direction about learning goals and that parents understand the progress that their child is making.
  - Elementary teachers could more easily develop and share instructional units that focus on student preparation for success at the middle school. Students would benefit from the best of what has been developed in all the schools.
- Staff and resources devoted to operations could be made more effective and efficient.
  - Duplication of bookkeeping and accounting systems could be eliminated.

- Building maintenance and repair staff could share their expertise in all the schools. The staff could work together as a crew to get all buildings ready for the start of school or to meet an emergency.
- Many improvements have been made through collaboration at the supervisory union level. More improvements are possible and would be more readily accomplished with a unified structure, but unification itself does not guarantee improvements.
- Past experiences with teachers across schools meeting together and a temporary shared principal have demonstrated increased collaboration when these two schools were under one umbrella.
- Flexibility in assigning teachers and staff to meet changing needs and enrollment offers new possibilities to ensure students receive quality opportunities.
- Having a single decision making board for the five schools enhances the ability to promote consideration of the needs and opportunities for all schools in ways that lead to collaboration and efficiency. One example is the possibility for a shared substitute teacher pool for all schools that would increase the retention and quality of substitute teacher instruction for children.
- The example of the Leland & Gray Board looking at the needs of the children as a whole, rather than town by town, demonstrates the ability of a unified district board to consider the needs and aspirations of the students of all five towns as one group. Despite this example, some fears of unification remain, including:
  - Turning authority and decision making over to a new board without the study committee answering many educational and operating questions,
  - The new board members' ability and desire to relate to citizens in their neighboring towns,
  - Fewer operational decisions made by the boards with more decision making left to the superintendent, and
  - In tight budgets, the possibility for programs for schools in the smaller towns being shortchanged with children receiving less than a quality education.

### **Efficiency and effectiveness**

Through the efforts of the Windham Central Supervisory Union Boards, the schools and districts have worked increasingly over the past several years to consolidate management and educational services and to otherwise bring about effective and efficient operating procedures and practices. Through this process, both formal and informal agreements, management systems, and operating procedures have evolved between and among these member school districts, laying a foundation for the creation of a unified district system. This foundational work includes:

- Progress on development of a unified curriculum,
- Teacher compensation and working conditions in four of the five schools negotiated jointly,
- Consolidating two elementary schools into one joint contract school,
- Unified special education delivery system,
- Special education and paraprofessionals under one WCSU contract, and
- Coordination of transportation contracts.

The twelve entities in WCSU offer little flexibility in the sharing of resources and the hiring and deployment of teachers and staff. As a unified district, materials and equipment would be purchased for use across all schools. Teachers and staff could be assigned to schools depending on the changing needs of students and changing enrollment. This flexibility would benefit students while not increasing costs. As an example, the prior change in WCSU to a unified special education system brought efficiencies and flexibility to the districts that have improved services to children with special needs and reduced spending.

Duplication of effort and resources exists in operational matters including accounting systems, audits, state and federal reports, transportation contracts, food service operation, grant application and tracking, and explaining the governance structure to the federal e-rate program and other grant sources. Reducing the number of entities to two unified districts plus the supervisory union offers the possibility of reducing redundancy thus opening time for efforts that bring savings and efficiency.

The removal of duplication and different accounting processes would free up staff and administrative time to move forward on new ways to increase efficiencies - cooperative buying; professional development; substitute teacher systems; seamless information technology devices, systems, and support; and building repair, maintenance, and improvement. As further efficiencies take hold, the door is opened to other efficiencies. (See Attachment B for further details on efficiency and effectiveness.)

### **Financial Implications**

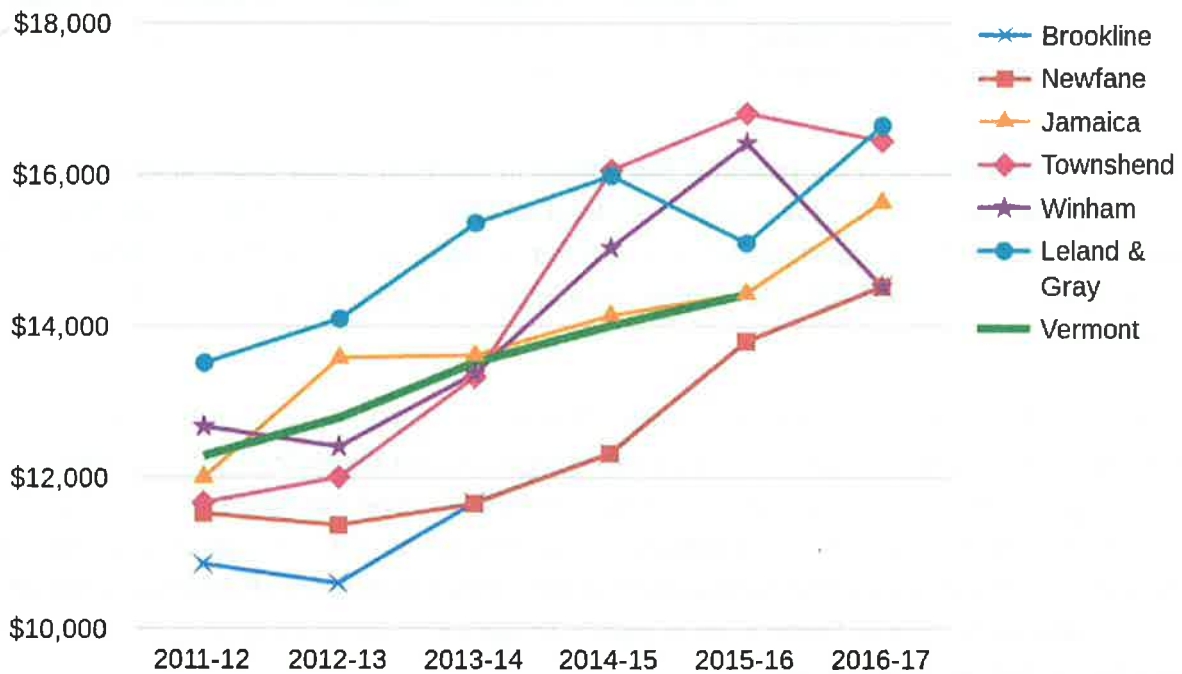
Another aspect of the committee's work was to look at the financial implications of moving from separate entities to a unified district. The committee studied the current and past equalized per pupil costs and the resulting homestead tax rates prior to CLA. The committee also analyzed the impact if the State small school grants and the protection for rapidly declining enrollment were not in place.

### Basic Information for the 2016-17 School Year

2016-17	Brookline	Newfane	Jamaica	Townshend	Windham	Leland & Gray
Equalized Pupils	46	84	56	74	21	297
Equalized Per Pupil Spending	\$14,524	\$14,525	\$15,638	\$16,441	\$14,523	\$16,646
Average number of students per teacher (2015-16)	14.5	14.5	10.0	11.4	8.6	9.6
Homestead Tax Rate	\$1.58	\$1.62	\$1.67	\$1.71	\$1.59	\$1.72

Because the equalized per pupil spending amount offers comparisons over time, the committee reviewed the trends from 2011-12 through the current year. Although the trend lines were comparable, there were significant differences among the elementary schools. There also were several instances where annual changes differed substantially from the trend for that town or school. In all but one case, the rates of increases were greater than the state as a whole. The graph below shows this information.

#### Equalized Per Pupil Investment



To examine the impact of unification and the State incentives, the committee calculated the equalized per pupil cost and resulting homestead tax rates if the schools were currently united using existing budgets, removing immediate savings, and adding the impact of the State tax rate incentive. The chart below shows the details of this comparison.



**Calculated Tax Impact If Three Districts Had Been Unified for 2016-17**

Equalized Pupils	577
Education Fund Spending in Budgets	\$9,208,489
Less Immediate Savings	
Five Audits	-\$32,000
Accounting Software	-\$6,000
Four Fewer School Board Expenses	-\$23,180
Unified Education Fund Spending	\$9,147,309
Unified Homestead Tax Rate	\$1.63
Unified Homestead Tax Rate with 8 ¢ Incentive	\$1.55

The chart below shows the comparison of the calculated unified rate with the current PK-12 town rates.

**Pre-CLA Homestead Residential Tax Impact If Districts Were Unified in 2016-17**

	Brookline	Jamaica	Newfane	Townshend	Windham
Current PK-12 Homestead Tax Rate	\$1.58	\$1.67	\$1.62	\$1.71	\$1.59
Change in Unified District (With incentive)	-\$0.03	-\$0.11	-\$0.07	-\$0.15	-\$0.03

The committee was also interested in the impact in terms of actual dollar amounts resulting from unification. This analysis showed all towns contributing less from their residential homestead grand list, some more than others, for a total lower contribution of the towns combined of \$103,000. These calculations included the state tax rate incentive.

The committee was well aware that some of the towns in the study received substantial benefit from the state supports of small schools grants and protections from rapidly declining enrollment. The analysis of these supports showed the homestead residential tax impact if these supports were removed. Not only would the per pupil cost go up, but the penalty for exceeding the local spending threshold would have an additional impact. The estimates for loss of these state supports ranged from close to nothing in two towns to a 62 ¢ increase in one town.

As the committee reviewed comparisons of PK-6 equalized per pupil cost, they wanted to understand the impact of special education variability, especially in schools with lower enrollments where intensive services for a few students can distort the use of equalized per pupil cost for program comparison purposes. This analysis removed special education expenses and calculated per pupil spending using the number of enrolled students. The belief was that this amount was a better proxy for comprehensiveness of

program than the equalized education fund per pupil spending which included the state small school grant and protection for rapidly declining enrollment.

The total PK-6 spending per enrolled student ranged from \$18,646 to \$27,783. With special education spending removed, the range widened somewhat to \$15,494 to \$25,887. The trend was that per pupil spending was larger when the enrollment was smaller.

Since the assets and debts of the Forming Districts would be assumed by the new unified union, the committee wanted to understand the current status of each Forming District. The most recent audit available was the basis of the analysis. The amounts in the chart below come from the districts' audits for June 30, 2015. Capital assets include the land, buildings and improvements, and equipment; cash assets are the total of all categories of available funds and receivables; liabilities are all the short term obligations; and debt includes long-term liabilities not to be liquidated in one year. Since Brookline and Newfane run a joint contract school, these two towns and the Newbrook School were combined.

The audits from the 2014-15 school year show some differences among the five schools. After equalizing for the number of elementary students, assets range from \$5,647 per student to \$17,370 per student with the high school being an outlier with a liability of \$3,193 per student.

**Assets and Debts on June 30, 2015**

	<b>Jamaica Elementary</b>	<b>Townshend Elementary</b>	<b>Windham Elementary</b>	<b>Newbrook Elementary</b>	<b>Leland &amp; Gray</b>
<b>Capital Assets</b>	\$321,877	\$610,793	\$227,819	\$602,819	\$4,523,760
<b>Cash &amp; Receivables</b>	\$278,465	\$87,237	\$50,722	\$417,567	\$1,089,333
<b>Liabilities</b>	\$49,700	\$216,901	\$24,515	\$202,536	\$1,251,910
<b>Debt</b>	\$10,102	\$46,497	\$10,850	\$10,800	\$5,418,193
<b>Net Position</b>	\$540,540	\$434,632	\$243,176	\$807,050	-\$1,057,010
<b>Students</b>	47	61	14	118	331
<b>Assets per Student</b>	\$11,501	\$7,125	\$17,370	\$6,839	-\$3,193

The committee also reviewed the values of the school buildings and school owned land in each Forming District. Two sources were used - insured values and town lister values. These values are shown in the chart below.

**Building and Land Values on November 1, 2016**

	<b>Jamaica Elementary</b>	<b>Newbrook Elementary</b>	<b>Townshend Elementary</b>	<b>Windham Elementary</b>	<b>Leland &amp; Gray</b>
Building Value (Insured Value)	\$1,619,200	\$3,187,300	\$3,022,800	\$722,700	\$5,857,800
Building Value (Town Appraisal)	\$704,300	\$1,366,300	\$1,575,500	\$306,200	\$8,932,700
Land Value (Town Appraisal)	\$149,300	\$145,700	\$85,000		\$155,600

(Leland & Gray also owns a 49.5 acre parcel of land in Somerset listed at \$30,400.)

There were several financial benefits from creating a unified system including:

- Combining the five school budgets into one allows for multi-year planning for significant projects that can be prioritized and made a focus of a single-year budget without causing a dramatic increase in per pupil cost and thus residential homestead tax rate.
- Spreading unanticipated large costs, including special education and facility maintenance, over a larger budget increases budget stability.
- Savings are achieved from the flexibility to share and assign teachers and staff to meet the changing needs of students in the schools.
- Using economy of scale to increase the buying and contracting power of the school district can reduce expenses while maintaining programs.
- The tax rate incentive to smooth the financial transition as well as the continuation of the small schools grants provide critical supports to maintaining existing elementary programs at a sustainable cost to residential taxpayers.

The committee’s financial analysis documents are in Attachment C.

**Consequences for Not Merging**

Prior to concluding the Act 46 Study, the committee reviewed the consequences for the towns not coming together to form a unified district. Act 46 spells out the following steps for any town school district not merging into a larger unified system:

The district will:

1. Perform a self-evaluation in relation to the goals of Act 46.
2. Meet with like districts in the region to discuss regional improvement.
3. Submit a proposal as to how it will meet the Act 46 goals including detailed actions.

The Secretary of the Vermont Agency of Education will:

1. Review proposals and discuss them with the districts.
2. Submit a proposed plan to the State Board by June 1, 2018 to merge districts and change boundaries to the extent necessary to meet the State's education goals.

The Vermont State Board of Education will:

1. Issue a required plan by November 30, 2018 to merge districts or realign supervisory unions as necessary.
2. Make annual decisions, beginning in FY20, about small school grants for districts that have not merged voluntarily.

### Study Committee Conclusions

The members of the Act 46 Study Committee for Brookline, Jamaica, Newfane, Townshend, and Windham understood the four goals of Act 46 and identified a number of aligned and unaligned impacts of governance unification while keeping a focus on how best to serve the needs of the families and children of the towns. The most significant impacts are recorded in the chart below. Some of the impacts are aligned with and support the goals of Act 46 and others are not aligned and detract from the goals of Act 46.

#### Governance Unification Impacts on Act 46 Goals

Act 46 Goal 1 - Equity of Opportunity	
<p>Aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Elementary school choice would allow families access to the program most beneficial to their children.</li> <li>● The special programs and activities of the four elementary schools could be shared across schools.</li> <li>● Middle and high school activities could begin in all the elementary schools.</li> </ul>	<p>Not aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Without additional bus routes, elementary school choice might be limited to students with sufficient family resources to provide their own transportation.</li> </ul>
● Act 46 Goal 2 - Achieve or Exceed the State Quality Standards	
<p>Aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Coordination and alignment of instructional experiences and expectations typically leads to a more successful elementary preparation for middle school.</li> <li>● Teaching staff can more easily share</li> </ul>	<p>Not aligned with Act 46</p>

<p>varied programs, units, and ideas across schools.</p> <ul style="list-style-type: none"> <li>● A shared teacher substitute pool would increase quality of substitute teaching.</li> <li>● Increasing the accuracy of the standards based student progress reporting system would improve efforts to ensure all students are getting the instruction they need.</li> </ul>	
<p>Act 46 Goal 3 - Maximize Operational Efficiencies</p>	
<p>Aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Centralizing accounting, food service, evaluation, human resources, staff and teacher contracts, and annual audits would save funds and focus leadership efforts on student learning.</li> <li>● Shared and flexible assignment of teachers, staff, and administrators would be more easily accomplished.</li> <li>● Spreading unanticipated expenses across a larger system would reduce dramatic budget fluctuations.</li> <li>● The current joint teacher negotiation for multiple contracts would become one negotiation for one contract.</li> </ul>	<p>Not aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Additional bus routes to support elementary school choice may add additional cost.</li> </ul>
<p>Act 46 Goal 4 - Promote Transparency and Accountability</p>	
<p>Aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Standardized performance measures would more clearly identify needs for improvement in instruction.</li> <li>● Standard accounting methods would allow direct financial comparisons.</li> <li>● The standards based reporting system for student progress would communicate more clearly to parents and be a basis for program and school evaluation.</li> </ul>	<p>Not aligned with Act 46</p> <ul style="list-style-type: none"> <li>● Unified budgets would be more difficult for citizens to understand the amount of resources being allocated to the different schools.</li> <li>● Citizens would be distanced from school governance.</li> <li>● If a five-town school meeting replaced individual school district meetings that change might reduce the existing town discussions about annual school budgets.</li> </ul>
<p>Act 46 Goal 5 - Education delivered at a cost that parents, voters, and taxpayers value.</p>	
<p>Aligned with Act 46</p>	<p>Not aligned with Act 46</p>

<ul style="list-style-type: none"> <li>● The four years of residential tax incentives, the annual small school grants continuation, and the one-time transition grant assist taxpayers while supporting a transition to a unified system.</li> <li>● School choice and greater collaboration expand learning opportunities for students.</li> <li>● Potential for cost savings from economy of scale for purchasing, maintenance, and flexible staffing.</li> </ul>	
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After wide ranging study, including informative presentations on the four elementary school programs, the committee members saw both benefits and drawbacks to forming a unified district. The members further felt that given the substantial push toward governance merger by the Vermont Legislature, the voters of the five towns should be given the opportunity to make an informed decision.

With that understanding in mind, the members of the committee concluded that offering articles of agreement to the voters of Brookline, Jamaica, Newfane, Townshend, and Windham for their consideration was the best course of action and in their best interest.

## **Articles of Agreement**

The Leland & Gray Towns Act 46 Study Committee recommends that the following Articles of Agreement be approved by the electorates of each of the named school districts in order to create a Unified Union School District or a Modified Unified Union School District to be named the West River Education District (Unified District).

### **Article 1 - Necessary and Advisable Towns**

- A. The school districts of Brookline, Newfane, Leland and Gray Middle/High School Union #34 are necessary to the establishment of the West River Education District.
  
- B. The school districts of Jamaica, Townshend, and Windham are advisable to the establishment of the Unified District.
  
- C. If all town school districts vote to approve the merger, the Unified District is established pursuant to 16 VSA Chapter 11.

- D. In the event the necessary town school districts and a majority of the advisable town school districts all vote to approve the merger, but one district votes NO, a Modified Unified Union School District (MUUSD) will be formed pursuant to the provisions of Act 156 of 2012. In this case, the MUUSD will be named the West River Modified Union Education District.
- E. If a Unified District is formed under this article, then the town school districts shall be referred to as the Elementary Forming Districts and the Leland and Gray Union Middle/High School District shall be referred to herein as the High School Forming District. The Elementary Forming Districts and the High School Forming District are referred to collectively herein as the “forming districts”. If a MUUSD is established, then the town school district (the “Non-Member District”) that did not vote to join the Unified District will be a member of the Unified District for Grades 7-12 with voting membership on the Board for matters related to Grades 7-12.
- F. Except as otherwise expressly referenced herein, the West River Education District and the West River Modified Union Education District will hereafter be referred to as the Unified District.

## **Article 2 - Grades included**

The Unified District will operate schools for students in Pre-Kindergarten through Grade Twelve as determined by the Unified District Board (hereinafter referred to as the “Board”).

## **Article 3 - Transportation**

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

## **Article 4 - Employee Contracts, Recognition, and Collective Bargaining**

The Unified District Board will comply with 16 VSA Chapter 53, subchapter 3, regarding the recognition of the representatives of employees of the respective forming districts as the representatives of the employees of the Unified District and will commence negotiations pursuant to 16 VSA Chapter 57 for teachers and 21 VSA Chapter 22 for other employees. In the absence of new collective bargaining agreements on July 1, 2019, 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, 2019 until their respective termination dates.

## **Article 5 - Curriculum alignment**

The Forming Districts recognize their obligations to standardize curricula and to otherwise standardize their operations.

## **Article 6 - Special Funds and Indebtedness**

### **A. Capital Debt**

The Unified District shall assume all capital debt as may exist on June 30, 2019, 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, 2019. In addition, reserve funds will be transferred to the Unified District on June 30, 2019 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, 2019. Scholarship funds or similar accounts, held by school districts prior to June 30, 2019, that have specified conditions of use will be used in accordance with said provisions.

## **Article 7 - Real and Personal Property**

### **A. Transfer of Property to the Unified District.**

No later than June 30, 2019, 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, but excluding the land and buildings of the Leland & Gray High School, 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, 2019.

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 Brookline/Newfane Joint School 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 Brookline and Newfane as part of their Joint School Agreement 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 Brookline and Newfane, for the sum of One Dollar, in conformance with the terms of the Agreement between the two town school districts for 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, 2019.

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 the Unified District and prior to the sale to the town(s). In the event Brookline and/or Newfane 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. In the event that, and at such subsequent time as, the Unified School District determines that any real property, including land and buildings, conveyed to it by

the Leland & Gray High School District is or are unnecessary to the continued operation of the Union School District and its educational programs, the Union School District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Union School District Board of School Directors.

- E. The Unified District 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 8 - Composition of the school board**

The Unified District Board will be comprised of eleven members. Nine members will be elected from the electorate in individual towns and two members will be elected at large from the entire electorate of the Forming Districts. Votes of the entire electorate are counted together without being first counted at the town level.

For the nine members elected in individual towns, representation on the Unified District Board will be closely proportional to the fraction that the town’s population bears to the aggregate population of the Unified District. Initial Board composition will be based upon the year 2010 Federal Census and shall be recalculated promptly following the release of each subsequent decennial census. However, at no time will a Forming District have less than one member on the Board. Subject to the previous sentence, each proportionality calculation shall be rounded to the nearest whole number.

For the two members elected at large, the members will be elected by a vote of the entire electorate of all towns joining the unified union school district or modified union school district. Votes of the entire electorate are counted together without being first counted at the town level.

**Initial Number of Unified District Board Members by Town**  
(Population from 2010 census)

Brookline (530 - 11%)	1 Member
Jamaica (1035 - 21%)	2 Members

Newfane (1,726 - 35%)	3 Members
Townshend (1,232 - 25%)	2 Members
Windham (419 - 8%)	1 Member
At Large	2 Members
Total (4,942)	11 Members

**Article 9 - School Directors – Election and Term**

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

**Distribution of Initial Board Member Terms**

Town	Two-Year Term Starting 2017 Ending March 2019	Three-Year Term Starting 2017 Ending March 2020	Four-Year Term Starting 2017 Ending March 2021
Brookline			1
Jamaica	1	1	
Newfane	1	1	1
Townshend	1	1	
Windham			1
At Large		1	1

**Article 10 - 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 in

conformance with state statute. A statement shall be filed not less than 30 nor more than 40 days prior to the date of the vote.

Nominations for the office of at large union school director shall be made by filing with the clerk of any school district/town proposed as a member of the union, a statement of nomination in conformance with state statute. A statement shall be filed not less than 30 nor more than 40 days prior to the date of the vote.

### **Article 11 - 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, the Unified District shall have and exercise all of the authority which is necessary in order for it to prepare for full educational operations beginning on July 1, 2019. The Unified District shall, between the date of its organizational meeting under 16 VSA §706j and June 30, 2019, 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 2020, prepare and present the budget for Fiscal Year 2020, prepare for the Unified District Annual Meeting(s) and transact any other lawful business that comes before the Board, provided, however, that the exercise of such authority by the Unified District shall not be construed to limit or alter the authority and/or responsibilities of the School Districts of Brookline, Jamaica, Newfane, Townshend, Windham, and Leland and Gray #34.

The Unified District shall commence full educational operations on July 1, 2019.

### **Article 12 - Annual Budget and Australian Ballot Voting**

The Unified 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 13 - Forming School Districts Cease to Exist**

On July 1, 2019, when the Unified District becomes fully operational and begins to provide educational services to students, the forming districts that voted shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business not given to the Unified District under these articles and state law. Such business shall be completed as soon as practicable, but in no event any later than December 31, 2019.

## **Article 14 - School closing**

No school closings are anticipated or proposed on July 1, 2019. No elementary schools will be closed within its boundaries after the effective date of merger unless the electorate of the town in which the school is located consents to closure. Closing a school means the Unified Board will no longer use the facility in the provision of direct educational services to students.

## **Article 15 - School Attendance and Enrollment**

The Board of School Directors shall develop policy and programs for offering intra-district choice to the families or guardians of students matriculating in grades for which the Unified District operates multiple buildings as soon as practicable, but no later than July 1, 2019. Choice may be limited only where necessary to the legitimate operational needs of the Unified District and any applicable legal requirements. Policies respecting choice shall consider issues including, but not limited to, transportation, socio-economic equity, proximity to the selected building, unity of siblings, and the capacities of receiving schools and sending schools.

## **Article 16 - Local participation in policy and budget development**

The Unified District Board will take appropriate steps to include residents from all member towns in policy and budget development.

Since the Leland & Gray School Board already includes member towns in policy and budget development, the new Unified District Board can follow their established record of engagement. Steps currently in place include:

- Holding meetings in different member towns,
- Holding several budget information sessions,
- Sharing information on the board and school websites, and
- Making videos of board meetings available online.

## **Article 17 - Modified Unified Union School District**

If a Modified Unified Union School District is formed, the following will apply:

- Initial board members will be elected from the Non-Member Elementary District (NMED) in the same number and for the same terms as described in Articles 8 and 9. Proportionality will be maintained as described in Article 8.
- Board members from the Non-Member Elementary District will have voting powers for all general MUUSD actions and decisions involving Grades 7-12, but will recuse themselves from votes on any PreK-6 program or building decisions within the MUUSD.

- Unified District budget votes will be split into a PK-6 budget and a Grades 7-12 budget. Voters in the Non-Member Elementary District will vote only on the Grades 7-12 budget.

When charging or assessing an NMED for services provided by the Union District, the charge or assessment may be made on the basis of the actual cost incurred by the Union District for providing the service to the NMED. The calculation of the actual cost of charges or assessments to an entity that is not a member may be based upon any relevant factors, including (but not limited to):

1. The cost associated with collecting the underlying data and preparing the separate calculation and assessment for a NMED, which cost would not be needed in the absence of the provision of services to non-members;
2. Reasonable charge for the embedded cost associated with the standby capacity to provide the service to a NMED; and
3. The incremental costs of providing specific services to a NMED. Charges or assessments may also be made on the basis of a reasonable allocation proxy. Charges or assessments to a NMED may be made on a different basis from the costs allocated to the Union District. Charges or assessments may be made on the basis of a reasonable estimate, subject to adjustment when actual costs are known. The Union District Board shall determine the standards for determining charges or assessments. Expectations are that the Union District will not subsidize a NMED and that charges will reflect fairness to the Union District and any NMED. Charges or assessments will comply with state law and applicable accounting standards.

### **Article 18 - Non-member reconsideration**

A district voting to remain independent will have one year to reconsider and join the Unified District by voting in favor of joining no later than March 31, 2018, with admission granted in advance by the Unified District. For the purpose of compliance with 16 VSA §721, the Unified District consents to admission. Thereafter, admission will be determined by state statutes which require favorable votes by both the non-member district and voters of the Unified District.

# Attachments

## **Attachment A**

### **Student Learning Opportunities**

Below is a memo to the Act 46 Study Committee from their VSBA Consultant reporting on the impact of unification on student learning opportunities. The study committee considered this report during their deliberations.

To: Leland & Gray Towns Act 46 Study Committee  
From: John Everitt  
Date: October 10, 2016

Re: Governance unification impact on student learning

During the last several weeks, I visited with the WCSU elementary school principals, curriculum director, business manager, and superintendent about the implications of a governance change on student learning. Their comments, as well as my own observations and analysis, constitute my comments below. Most all of the specific ideas below are from WCSU administrators.

While there were many specific ideas mentioned, the most overarching takeaway I had was that the current WCSU culture and school governance system has each town and school as the center of importance rather than the wider community. This is true even though the towns' youth come together for six years of schooling starting at Grade 7. As the children grow up, their community becomes wider than the town. The young adults' circles of friends cross the towns. Their partners in academics, theater, sports, and other co-curricular activities cross town lines. They make plans for their future with peers from across the towns. As adults, their business and social relationships stretch well beyond their elementary school town.

A unified governance system would provide the structure or platform for collaborative and cooperative actions that would add strength, vitality, and sustainability to the existing school programs. It is not that most of these actions require a unified governance system; it is just that the current governance system presents many barriers that require substantial efforts to overcome.

- Each district acts with its own interests at the forefront which leads to difficult to sustain programs and duplication of efforts.
- The separate school boards often make decisions in isolation requiring the superintendent to be the conduit linking all seven boards.
- Separate teacher and principal hiring, contracts, accountability, and evaluation make it difficult or impossible to move resources where they are needed for a particular effort or assignment.

- Separate accounting systems lock resources into smaller and separated units even when needs shift from month to month and year to year.

These and other barriers require a cumbersome process to respond to situations and needs. Resources are bounded by separate budgets and do not allow for the kind of agility in the system that would provide increased and faster responsiveness to ever-changing dynamics.

Another aspect of the existing governance system to be acknowledged is the quantity of resources required to maintain the boundaries. The duplication of administrative resources for separate accounting systems, separate policy development and enforcement, separate governance meetings, and separate state and federal reporting means that there is reduced administrative time for leadership and improvement in academic and co-curricular programming and for increasing the quality and efficiency of operations. A unified governance system would allow the chief educational leader and staff to spend increased time and focus on improvement and innovation in student learning opportunities. They would have additional time to focus on some of the ideas listed in the next section. Acknowledging this missed opportunity is significant as the committee examines the benefit to students from a unified governance system.

A unified system could lead to a continuous communication culture where the Pre-K and elementary family experiences flow seamlessly into the secondary experience. The culture would be supported by a governance and leadership structure that emphasizes continuous PK-12 opportunities and learning experiences. Students and parents transition to a different school, but not a different communication or policy structure. The focus for all is the complete education of each child. Learning opportunities and relationship building are designed with that focus from the earliest interactions with the area's young children through their completion of high school.

Teachers, staff, and administrators would also experience the common culture and expectations. While each school will have differences, they will not be differences that interfere with communication or collegial learning or cooperation. Teachers will see all students, PreK-12, in all the schools as their responsibility. Competition will be replaced by collaboration and mutual support. Administrators will see their jobs as supporting the entire system. A problem in one school is a cause for assistance from all schools. A celebration in one school is a cause for celebration for all. The work of teachers, staff, and administrators is to work together to achieve better outcomes for all students.

The conversations I had suggest the following unification possibilities and outcomes that would enhance and sustain learning opportunities for students:

1. Students would have a common language of instruction, curriculum expectations, assessments, and approaches. As they transition between elementary schools or from elementary to secondary school, students start the experience on the same footing as other students. The new school uses the same instructional language with familiar approaches.



2. Children could be allowed to attend different schools in cases where the change would make a significant difference in the ability of the system to meet specific needs. (The current financial structure promotes keeping children in the town school no matter the circumstances. One recent example is the unfortunate separation of siblings into two schools because of the living situation of the parents.)
3. Children could attend different schools when there is a need to balance class sizes in a particular group. (Recently there was an abundance of students in one grade level in one school, while there were too few students in the same grade level at another school.)
4. Administrators could take advantage of the flexibility of resource assignment in a unified system allowing the deployment of teachers and resources to meet student needs and changes in enrollment. Title I funds to support student learning could be managed in a more coherent manner combining enough resources to make a focused difference. (Currently the funds are divided into 43 different staff segments.)
5. Teachers would continue to move together toward preparing children to succeed at the next level at Leland & Gray. (Standardized math instruction across elementary schools has led to anticipation of a higher level of Grade 8 math, Pre-Algebra, as the cohort of elementary students impacted by the standardized curriculum and professional development enters L&G.)
6. A unified system could more easily have discussions and take actions on important possible opportunities.
  - a. Share resources among teachers and schools. For example, develop shared teaching units and kits of materials for the Next Generation Science Standards with processes to calibrate instruction and assessment with debriefing sessions to improve the units for the following year.
  - b. Change the location of grade levels to better serve particular age needs (for example consideration of Grade 6 moving to L&G).
  - c. Equalize services across schools called for in the Vermont Education Quality Standards. Coordinate guidance and mental health supports across grades and schools recognizing that these and other services are critical components in effective, long-term support for children and families.
  - d. Develop extended experiences (3-5 weeks) for children to attend a specialized program held at a particular school. Some of these experiences could mirror opportunities students can continue at a higher level in middle and high school.
  - e. Develop a common and clear understanding of the expectations for mastery of the Common Core Standards - timing, instruction, assessment, and remediation.
  - f. Improve the standards based report card with all teachers trained in the meaning and assessment of each standard. Monitoring student progress would have comparable information to identify needs for professional development.
  - g. Organize a Pre-Kindergarten system on a scale that provides families with multiple opportunities, provides clear expectations for Kindergarten readiness, and offers professional development to teachers and providers.
  - h. Develop a common teacher substitute system that would have a greater chance of recruiting and retaining a cadre of quality substitute teachers.

7. Increase coordination and efficiencies. Examples include building maintenance, improvement, and capital planning; technology plans and purchases; payroll and bookkeeping; paperwork related to food service operations; and professional development focused on new teachers. This coordination and resulting efficiencies opens resources and leadership time to increase focus on student learning.

From what I have seen and heard about the current educational environment in your five towns and five schools, I suggest you review the statement below as a conclusion about the impact of a governance change on student learning.

*The major intent of Act 46 is to "move the State towards sustainable models of education governance." The current model of governance for Brookline, Jamaica, Newfane, Townshend, Windham, and Leland & Gray Middle/High School may be adequate for the present, but with the changing demographics, the increasing focus on students meeting the Educational Quality Standards, and satisfying the citizens' determination of value for cost, it is not well suited to meet these demands into the future. A more unified governance model, eliminating the barriers of separate governance structures, is more likely to be in a position to build on the strengths and connections of the present in order to meet challenges in a way that takes advantage of opportunities for student learning and organizational efficiencies.*

## **Attachment B**

### **Effectiveness and Efficiencies**

The most significant contribution of unifying school governance in Brookline, Jamaica, Newfane, Townshend, and Windham is the removal of barriers to actions needed to respond to opportunities and changing student populations. The current structure requires multiple decisions by boards meeting at different times and places. Just getting adequate and timely information to the boards and decisions from the boards is a challenge for taking consistent and coordinated actions that need rapid attention or for taking advantage of opportunities.

In WCSU the centralization of special education and support services have demonstrated value to students through the ability to adjust resources to meet needs across schools and through an enhanced communication system within the group of professionals and with families. This more frequent contact among professionals has built a platform for increased sharing of effective practices, problem solving, and professional development. The unification also led to a decrease in special education expenditures. It is this unification that could bring increased effectiveness and efficiency to other aspects of the school system.

Listed below are possibilities for increases in effectiveness and efficiency through governance unification.

#### Teacher staffing

With the current system of teachers hired by each town, there is very limited ability to respond efficiently and effectively to changes in enrollment, to assign teachers to situations that maximize their strengths, and to establish teacher mentoring and professional development relationships. The structure of the Unified District would include a common negotiated agreement for teachers and add greatly needed flexibility in this system with declining enrollment and a substantial number of teachers approaching retirement in the next 5-10 years. Combining part time positions into ones at or close to full-time positions enhances the quantity and quality of the candidate pool when hiring new teachers.

Unified professional development could move the teachers toward a common knowledge base to expand and improve the quality of teacher mentoring and deeper levels of sharing knowledge within the organization. Without a common base, it is not reasonably possible to reduce redundancy in development and sharing teaching units.

### Non-teacher staffing

The flexibility provided by the Unified District governance structure is needed more for non-teacher staff than for teacher staff. It is this group of individuals who are asked to shift their services on a regular basis to meet the ever-changing needs of students and schools. As enrollment changes, students move from one school to another, bus routes change, special maintenance requirements surface, and other demands arise, the ability to easily shift the assignments of the non-teacher staff are critical to efficiency. It is the effective response of this group that helps keep the school environment safe and functioning smoothly. The Unified District governance structure would allow for the building of a non-teacher staff serving all schools with the skills and abilities to flexibly respond to the variety of issues that schools face each year. The current separate units of non-teacher staff make it difficult to build and deploy the skills and abilities critical to improved student outcomes and efficiency.

### Student data collection and reporting

Consistent and systematic use of student data to monitor learning and to improve instruction is essential given an imperative that each student achieve at high levels of academic skills. Work already begun uniting all the students from the five towns into a single PreK-12 data system adds efficiency to reporting and data analysis. The central authority in a unified system to ensure consistency in data definition, assessment, and timing would add value and usefulness to the data management system. As with the other efficiencies the Unified District provides, this efficiency enables a more effective use of time. Parents, students, teachers, administrators, and board members will have improved access to the appropriate data required to make important decisions about their contribution to successful learning and high functioning schools.

### Technology

At present, technology is deployed at different levels in the four elementary schools. In order to prepare all the elementary students for a common entry into Leland and Gray Middle School, a unified approach is needed. Common hardware, software, and online resources could be done more easily in a unified system. Through a common budget and economy of scale, the Unified District would allow a more long-range and strategic approach to using technology in the elementary schools. Such an improvement would set the stage for increased teacher sharing of best uses of technology and the networking of classrooms with each other and connecting with resources around the world.

### Financial accounting and budgeting

The formation of the Unified District would turn the budgeting and accounting systems for five town school districts, one union school district and one joint contract school into

one. The first benefit is the ability to focus more on the the actual expenditures than on the implementation of seven separate systems. This additional focus can be redirected to increasing attention to quality, cost standards, and processes that support teachers and student learning. With a single budget, principals can more easily work together to find ways to share resources and avoid duplication of purchases. There will also be financial savings associated with the reduction to one set of payroll, payable, and receivable processing systems as well as the change to a single audit.

#### Improved utilization of buildings and sport facilities

Under one system, building and grounds services would have the expertise and staff to address physical assets in an ongoing manner as well as the flexibility to shift resources to address particular needs that arise during the year. This flexibility would avoid delays in addressing problems and would be instrumental in developing a long-range capital improvement plan to ensure quality facilities for the community and student learning and opportunities.

#### Centralized contracting

As with the other efficiencies associated with the Unified District, there would be increased opportunities to obtain better service and pricing from a single 600 student system than with the five separate schools. Currently there is some centralized contracting, but the Unified District would provide not only one contracting point, but ways to integrate and share services and goods to get the most efficiency from all contracts.

#### Transportation

Currently WCSU manages several contracts to provide bus transportation. Consolidating these contracts reduces some complexity and adds flexibility. The increase in efficiency in the transportation operation would come more from the management side rather than the student side.

#### Food service

The Unified District structure would facilitate bringing equity and increased quality to this service. Under one system, administrators could more easily take advantage of the special opportunities available for food acquisition and preparation. As with transportation, there would be some, but not substantial increase in efficiency with food service.

## Attachment C Financial Analysis

The two documents below allowed the committee to get an idea of the financial impact of forming a unified system. The analysis work reviewed the impact of the existing state supports of small schools grants and protections from rapidly declining enrollment. The documents show the details of the committee work.

### L&G Towns Act 46 Study Committee - Financial Data and Analysis

Brookline, Jamaica, Newfane, Townshend, Windham, and Leland & Gray - 10/5/2016

#### Basic Financial Information (Pre CLA) - 2016-17

Current	Brookline	Jamaica	Newfane	Townshend	Windham	Leland & Gray
Equalized Pupils	46	56	84	74	21	297
PK-6 Spending Per Pupil	\$14,524	\$15,638	\$14,525	\$16,441	\$14,523	\$16,646
School Homestead Tax Rate	\$1.50	\$1.61	\$1.50	\$1.69	\$1.50	\$1.72
PK-12 Homestead Tax Rate	\$1.58	\$1.67	\$1.62	\$1.71	\$1.59	NA

A Look at the Impact of Existing State Supports - This chart shows the State Small Schools Grant for 2016-17 as well as the protection for rapid drops in enrollment (Phantom Students). If these supports, now due for reduction or elimination, were not in place for the current year, four of the five towns would have an increase in the Homestead Tax Rate. The tailing off for all districts of the protection for rapidly declining enrollment will be an issue for Jamaica in the coming years even if there is no merger.

#### Calculated Tax Impact of the Loss of State Supports (2016-17)

Supports	Brookline	Jamaica	Newfane	Townshend	Windham
Small School Grant	\$0	\$84,996	\$0	\$86,190	\$40,250
Phantom Students	0	11.77	1.29	4.11	1.91
Revised Spending per Pupil	\$14,524	\$21,395	\$14,752	\$18,637	\$18,142
Excess Spending Penalty	\$0	\$231	\$0	\$0	\$0
PK-6 Homestead Tax Rate without Supports	\$1.50	\$2.23	\$1.52	\$1.92	\$1.87
Change with supports removed	\$0.00	\$0.62	\$0.02	\$0.23	\$0.37

Analysis - This chart combines all the towns' PK-12 equalized pupils and education fund spending into one budget. Immediate savings are removed and first year unification incentives are added. The incentives include continuation of small schools grants, a level of protection for drops in enrollment, and a tax rate incentive.

**Calculated Tax Impact If the Districts Had Been Unified for 2016-17**

Equalized Pupils	577
Education Fund Spending in Budgets	\$9,208,489
Less Immediate Savings	
<i>Five Audits</i>	-\$32,000
<i>Accounting Software</i>	-\$6,000
<i>Four Fewer School Board Expenses</i>	-\$23,180
Revised Education Fund Spending	\$9,147,309
Unified Homestead Tax Rate	\$1.63
Unified Homestead Tax Rate with 8¢ Incentive	\$1.55

The chart below shows the homestead tax rate impact of unification if the 2016-17 budget were for a single school district instead of the existing five towns, one joint contract school, and one union secondary school.

**Pre-CLA Homestead Residential Tax Impact of a Unified District 2016-17**

	<b>Brookline</b>	<b>Jamaica</b>	<b>Newfane</b>	<b>Townshend</b>	<b>Windham</b>
Current PK-12 Homestead Tax Rate	\$1.58	\$1.67	\$1.62	\$1.71	\$1.59
Change in Unified District (With incentive)	-\$0.03	-\$0.11	-\$0.07	-\$0.15	-\$0.03

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**L&G Towns Act 46 Study Committee  
PK-6 Financial Data and Analysis**

Brookline, Jamaica, Newfane, Townshend, Windham, and Leland & Gray - 10/10/2016

The committee extracted financial information for PK-6 schools to compare the dollar amounts associated with both the current separate school districts and a unified school district with the exact same budgets. No state supports (small school grants or phantom students) or immediate savings of unification are included in total spending amounts. It is important to understand that separating PK-6 spending in analysis provides only a partial look at the financial system prescribed in Act 46. The PK-12 financial picture is a more inclusive analysis.

Spending at Elementary Schools - This chart compares the current school budgets with separate per pupil investments, with a unified school budget with the same per pupil cost. As would be expected, the towns now spending more per pupil would have lower spending and the towns spending less would have higher spending. The total sums to a zero difference as no other factors affect per pupil spending. The amount in the cell for "Total - Current per pupil spending" (\$15,253) is the per pupil spending amount for a unified PK-6 budget.

Town Tax Liability - This chart shows the homestead residential tax liability for each town for PK-6 spending. This amount includes two impactful variables - first, the percents of students at the elementary school and middle/high school and second, the common level of appraisal. As with the chart above, some towns had an increase in tax liability and others a decrease. Note that the total of tax liabilities does not sum to zero. The particular values of the variables mentioned above led to an increase of total tax liability for the unified system. A different combination of values could lead to a decrease in total liability.

**Comparison of Post-CLA Town Tax Liabilities 2016-17 (Without Incentives)**

|                                                  | <b>Brookline</b> | <b>Jamaica</b> | <b>Newfane</b> | <b>Townshend</b> | <b>Windham</b> | <b>Total</b> |
|--------------------------------------------------|------------------|----------------|----------------|------------------|----------------|--------------|
| CLA                                              | 98.52%           | 113.74%        | 108.05%        | 106.90%          | 102.49%        |              |
| Current PK-6 homestead residential tax liability | \$305,038        | \$438,582      | \$783,348      | \$556,834        | \$265,865      | \$2,349,667  |
| Unified PK-6 homestead residential tax liability | \$320,349        | \$427,777      | \$822,662      | \$516,615        | \$279,223      | \$2,366,625  |
| Difference                                       | \$15,311         | -\$10,805      | \$39,314       | -\$40,219        | \$13,358       | \$16,959     |

Act 46 includes residential tax rate incentives so that during the first four years, towns are protected from financial and organizational variables, difficulties, and costs of unification. The chart below shows the tax liability amounts with the first year 8 cent tax rate incentive prorated for the split between elementary and secondary students in each town. The incentive results in a reduction of PK-6 tax liability in each town. The reduction would be more when the incentive is applied to the secondary tax liability. In a unified system, the liability would be PK-12.

**Comparison of Post-CLA Town Tax Liabilities 2016-17 - Current vs. Unified (With Incentives)**

|                                                  | <b>Brookline</b> | <b>Jamaica</b> | <b>Newfane</b> | <b>Townshend</b> | <b>Windham</b> | <b>Total</b> |
|--------------------------------------------------|------------------|----------------|----------------|------------------|----------------|--------------|
| Current PK-6 homestead residential tax liability | \$305,038        | \$438,582      | \$783,348      | \$556,834        | \$265,865      | \$2,349,667  |
| Unified PK-6 homestead residential tax liability | \$304,050        | \$406,012      | \$780,805      | \$490,329        | \$265,016      | \$2,246,211  |
| Difference                                       | -\$988           | -\$32,570      | -\$2,543       | -\$66,505        | -\$849         | -\$103,455   |



## **Attachment D**

### **Brookline - Newbrook Joint Agreement**

#### **Joint School Board Agreement Between The Brookline and Newfane School Districts**

This agreement is made by and between the Brookline Town School District and Newfane Town School District, this 1st day of October, 2009, and they do by this Agreement establish the Brookline/Newfane Joint School Board (the "joint board") to provide for the education, and training of legal pupils attending through grade six, all as authorized by 16 V.S.A. s571, as now constituted and as hereafter amended.

Action to enter into this agreement is based on Voter approval at the Special School District Meeting held in Brookline on June 23, 2009 and at the Special School District Meeting held in Newfane on June 23, 2009.

The joint board agrees as follows:

#### **1. General Supervision.**

A. A school board (the "joint board") shall be established and shall have full authority to take all necessary, appropriate and lawful actions on behalf of the joint board, except as otherwise provided herein. It shall provide for the education of legal Brookline and Newfane pupils through grade six.

B. The joint board shall have the powers enumerated in title 16 V.S.A. s563 and 572, powers of school board. Notwithstanding the above powers, for matters related to the closing of a school in either school district, the joint board will warn an article requesting voter approval in the town school district affected.

#### **2. Composition of the Joint Board.**

The joint board shall consist of eight members: the three duly elected members of the Brookline School Board and the five duly elected members of the Newfane School Board who shall be deemed to have been elected to the Joint School Board by such boards pursuant to 16 V.S.A. S572 (c). Joint Board votes shall be weighted in the following manner:

Brookline: .333/each member

Newfane: 600/each member

#### **3. Officers.**

A. Chair and Vice-Chair. Per provisions of V.S.A. T16 S572 (c), the joint board shall elect from its members a Chair and a Vice-Chair, whose terms of office shall be one year, commencing immediately upon election. The Chair and Vice-Chair shall not be from the same town school board.

B. Clerk. After election of the Chair and Vice-Chair, the joint board shall elect a clerk whose term of office shall be one year, commencing immediately upon election.

#### **4. Initia Staff.**

Upon the effective date of this Agreement, all employees of the Brookline and Newfane Town School Districts shall become employees of the joint board. The joint board will recognize the Agreement between the Windham Central Education Association (WCEA) and the Brookline and Newfane Town School Districts, dated 8/27/2008, and with the consent of the WCEA shall become an Agreement between the WCEA and the joint board.

#### **5. Operation of Schools.**

Per provisions of T. 16 S572, the joint board shall act on all matters pertaining to finance, location, construction, maintenance and operation of the joint school board, including the selection and hiring of all personnel.

#### **6. School Budget.**

A. The joint board shall prepare an annual budget for the school(s) for a fiscal year beginning July 1 and ending on June 30.

B. Such proposed annual budget shall be completed and submitted to the participating districts in a timely fashion, but in no event any later than forty five (45) days prior to Town Meeting Day.

C. Members of the joint board shall hold at least one informational meeting annually, at which they shall provide information to the voters of Brookline and Newfane concerning the proposed school budget, as submitted to the participating districts.

#### **7. Voter Approval of Budget.**

The school budget shall be submitted to the voters of the Brookline and Newfane School Districts at a duly warned meeting of both districts. It shall be voted in a lawful manner. Votes shall be co-mingled. The budget shall be approved or defeated by a majority of the votes cast.

#### **8. Assessment**

A. The school budget shall be apportioned between the participating districts based on the most recently available equalized student statistics published annually by the Vermont Department of Education.

B. Each participating district shall pay its assessment in equal payments, payable within (20) days following the date on which taxes are due in each district. A penalty of 1.5% per month of any unpaid balance shall be imposed on any participating district not making timely payments.

#### **9. Insurance.**

The joint board shall be responsible for assuring that adequate insurance coverage with respect to joint district property and personnel is maintained at all times during the term of this Agreement, and that named insured and loss payees are identified so as to protect the operations of the joint board.

#### **10. Meetings.**

The joint board shall hold regular meetings at such times as may be determined by the board. Unless otherwise agreed by the joint board, meetings shall take place at either school. Special meetings of the joint board may be called by the joint board Chair or Vice-Chair, and shall be called by either such officer upon the request of any three joint board members. Notice of such special meeting shall be given to each joint board member at least two (2) days prior to such meeting, except that emergency meetings may be called at any time in accordance with law.

#### **11. Quorum.**

In addition to quorum requirements imposed by law, the participating districts agree that no action may be taken by the joint board unless at least one joint board member from each town is present. If the joint board is prevented from taking action at a duly warned meeting due to the absence of all joint board members representing a participating district, a second meeting will be duly warned and held within ten (10) days of such meeting, and at such meeting, action may be taken, if other quorum requirements are

met, even if such participating district continues to be unrepresented.

**12. Committees of the Board,**

All committees of the joint board shall have at least one member from or appointed by each of the participating district boards. All special committees, including ad hoc committees, shall provide opportunity for participation from each participating district.

**13. Duration of the Agreement.**

A. The minimum of this Agreement shall be from the date hereof through June 30th, 2020, unless terminated earlier as provided in sub-section B below. Thereafter this Agreement shall automatically continue from year to year unless one of the participating districts provides notice of termination as provided below.

B. A participating district, acting through a 2/3 majority vote of its electorate at a duly warned meeting may terminate this agreement. The effective date of termination pursuant to this provision shall be on the June 30th which next occurs not less than twelve months following the date that the district's vote became final.

**14. Disposition of Property**

Upon expiration of the initial term of this Agreement and extensions thereof, or termination under section 13(b) above, the joint board shall make the following disposition of all real and personal property owned or used by the joint board:

A. The participating districts shall retain ownership of the real and personal property they owned as of the effective date of this agreement.

B. Assets and related debt acquired by the joint board shall be disposed of in a manner consistent with the method of assessing participating districts as stated in section 8.A.

**15. Mediation.**

If disputes arise between the participating districts concerning this Agreement, the parties agree to attempt to resolve such differences through mediation. In the event agreement cannot be reached on choice of a mediator, the parties shall request the American Arbitration Association to appoint a mediator.

**16. Amendment.**

This Agreement may be amended. Proposed amendment(s) must be approved by a majority of the joint board.

**7. Effective Date.**

This Agreement shall become effective on October 1, 2009,

In Witness Whereof, the parties have executed this agreement by their signatures set forth below:

Brookline Town School District

Newfane Town School District

April Wellman October 1, 2009  
April Wellman Date

LeeAnne Parker October 1, 2009  
LeeAnne Parker Date

Dan Seiden October 1, 2009  
Dan Seiden Date

Kim Friedman October 1, 2009  
Kim Friedman Date

Kim Colligan October 1, 2009  
Kim Colligan Date

Pam Meihak October 1, 2009  
Pam Meihak Date

Kenneth McFadden October 1, 2009  
Kenneth McFadden Date

Brandy Pickering October 1, 2009  
Brandy Pickering Date

