

Mill River Unified Union School District #52

(Clarendon, Shrewsbury, Tinmouth, Wallingford)

and

Ludlow School District

Mt. Holly School District

Final Report Recommending Approval of

Ludlow and Mt. Holly Joining the

Mill River Unified Union School District #52

Table of Contents

Committee Members	1
Background	2
Context	2
Educational Equity Considerations	5
Financial Considerations	5
Governance Considerations	8
Conclusion	10
Articles of Agreement	11

MRUUSD Committee Members

George Ambrose – Clarendon
Adrienne Raymond – Shrewsbury
Grant Reynolds – Tinmouth
Ken Fredette – Wallingford
Tammy Heffernan – Wallingford (Board Chair)

Ludlow & Mt. Holly Committee Members

Bruce Schmidt – Black River Union HS District #39
Lisa Schmidt – Ludlow
Dave Venter – Mt. Holly

Leadership

Meg Powden, Superintendent TRSU

Dave Younce, Superintendent MRUUSD

Overview of Dynamics of Joining Ludlow and Mt. Holly to the Existing MRUUSD

Background

For the past 15 years, Vermont, as a state, has experienced several significant trends related to education and education finance. First, the student population has fallen 20% over that time. Second, the number of staff has remained approximately the same. Consequently, the cost-per-student has risen rapidly to be at or near the highest in the country. Per-student cost is a driver of homestead education property tax rates, resulting in voter concerns and efforts by local school boards to reduce costs. In this environment, programs in many of our smaller schools have been pared back, leading to disparity in educational opportunity. In response to these trends, the 2015 Legislature passed Act 46. Although the specific circumstances in each of our communities vary, the general trends have impacted the region covered by the Two Rivers Supervisory Union.

Act 46 of 2015 became law in June, 2015. It calls for all school districts in the state to come together to pursue the following goals:

- Provide substantial equity in the quality and variety of educational opportunities.
- Lead students to achieve or exceed the State's Education Quality Standards.
- Maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with the goal of increasing the district-level ratio of students to full-time equivalent staff.
- Promote transparency and accountability.
- Deliver education at a cost that parents, voters, and taxpayers value.

The assumption inherent in the bill is that issues of quality, inequity of student opportunity, and the ever-increasing cost-per-student can best be addressed over the long-run by the creation of somewhat larger school districts. The hope is that local regions will come together and figure out a viable pathway to achieve that objective. The bill includes incentives for districts to come together and sort out these issues. It also includes the eventuality that the State Board can, in November 2018, order unification if regions have not developed their own approach.

Context

Successful Recent Supervisory Union Merger

The Two Rivers Supervisory Union (TRSU) was formed on July 1, 2013. With strong urging from the Agency of Education, two previous supervisory unions—Rutland-Windsor and Windsor Southwest merged through a two-year process. The new supervisory union came together to

realize efficiencies and to lay a foundation for various educational improvements. The planning process identified “improved learning opportunities” the merger would produce including:

1. The new SU bureaucracy should not be so big or cumbersome as to hinder the efficient operation of the schools and thereby impede the potential for improved student opportunities;
2. The new SU should provide opportunities for closing achievement gaps— socioeconomic, gender, etc.;
3. The new SU should provide greater equity of opportunity for students across the communities;
4. The new SU should have the potential to provide increased learning opportunities for all members of the student population.
5. The new SU should have the ability to share across schools best practice, professional development, etc.

The districts came together well, hired new leadership, centralized Special Education services, established an SU-wide after-school program, created a common professional development model, negotiated a common teachers’ contract, created unified technology system and supports, and created policies and procedures. A number of educational benefits have been realized.

This unifying work created substantial good will and common vision among the involved towns. There is some sense among citizens and board members that the requirements of Act 46 ignore the good work that has happened over the past few years. The dynamics of attempting to unify districts have also created stresses that test the strong bonds created over the past few years.

Committee Process

The TRSU Act 46 Study Committee was created in the fall of 2015. After nine months of study as a large group and in sub-committees, the committee found it difficult to proceed. Geographic considerations and significant disparities in current cost per student made it very difficult to contemplate unification. The committee took a breather during the summer and resumed in September 2016. Throughout the fall of 2016, the full committee met 10 times and held multiple public comment sessions.

Early in the fall of 2016, the Committee identified several principles that must guide final decision-making on the proposal:

Guiding Principles – What Must a Proposal Do?

- Increase opportunities for students. There must be measurable benefits for students.
- Achieve equity for all students through increased quality—not through reducing quality in some schools (i.e.—an atmosphere of excellence).
- Decrease overall cost per student. Provide for efficiencies.

- Maintain the integrity of current elementary schools. Any decision to close a school must assure involvement of board and town involved.
- Assure that transportation times are acceptable and reasonable.
- Be attractive to families.
- Build on what has been created—and recognize the great work that has been done.
- Promote strong relationships among students, adults, and community members.

In weighting these criteria as part of an exercise, improving student opportunity was ranked by far the highest in considering options.

The committee seriously considered the following options regarding the schools in the TRSU:

1. All districts merge into a single Supervisory District
2. All districts, except Mt. Holly, merge into a single Supervisory District, and Mt. Holly joins the Mill River Unified Union District (requires dissolution of U39)
3. The TRSU forms two PK-12 union districts, along the lines of the current union high schools.
4. Two districts form a side-by-side. One would be a PK-12 operating district joining the towns of Andover, Cavendish, and Chester and, possibly, Baltimore. The other would be Ludlow and Mt. Holly, which would operate grades PK-6 or 8 and tuition their middle and/or high school students.

Eventually the committee reached a point where it could not agree on a supervisory union-wide solution. Several factors contributed to the inability to move forward with all parts of the supervisory union.

MRUUSD Enters the Picture

In the fall of 2016, representatives from TRSU began reaching out to neighbors to the west, in the Mill River Unified Union School District. MRUUSD (formerly Rutland South Supervisory Union) had been the site of an early dialogue after Act 46 became a reality, but it was determined that the time was not right for joining forces at that juncture. RSSU/MRUUSD pursued an accelerated process and earned SBE approval for an Act 153 RED Merged in December 2015. Voters in the RSSU/MRUUSD approved the merger overwhelmingly in March of 2016. The new MRUUSD became officially live on July 1, 2016 and has been operating since that time.

As conversations in the TRSU stalled, the towns of Ludlow and Mt. Holly began to consider options that involved MRUUSD. The most challenging aspect of these conversations pertains to the future of the Black River Union High School District #39 and its facilities. A merger with MRUUSD would involve the dissolution of the Black River Union and the disposal of its school facility, likely to the town of Ludlow. This emotional, challenging decision has been a difficult, but necessary one in the Ludlow and Mt. Holly communities.

Ultimately, the sub-committee of the study group determined to take the question to the voters and the process of working closely with MRUUSD board members and leaders began in earnest, resulting in this report, proposal, and Articles of Agreement

Educational Equity Considerations

Educational Excellence

The committee believes that joining the towns of Ludlow and Mt. Holly to the MRUUSD is the best option to continue to positively impact the overall quality of education for students in our communities. There will be both near and long-term benefits for students.

Fundamentally, the MRUUSD organization is an efficient, effective system of schools that has seamlessly centralized its full operations. Systems continue to be further refined year by year to the benefit of students and communities.

Improved Student Learning Opportunities

Joining the MRUUSD will result in the development of a shared mission and vision, and unified strategic plan for continual improvement based on the attainment of outcomes that the broader community values. The MRUUSD structure will provide the focused school board with the opportunity to ensure educational programs and experiences for all community students through an integrated Pre-K-12 system. This structure allows for elementary school students to attend other elementary schools within the district without paying tuition. Most importantly, the MRUUSD, under single board governance, supports cohesive efforts with regard to curriculum, instruction, transportation, delivery of special supports and overall finance operations in order to further ensure consistent experience and preparation for all students as they transition through the system.

Additionally, coordinated pre-K programming across all MRUUSD schools further enables the district to meet the ideals of Act 166 with integrity and consistency to the benefit of area Pre-K students.

Financial Considerations

Accounting and Budgeting

The MRUUSD single district structure consists of a single budget and single tax rate, which addresses the educational needs of the students attending its schools. This structure reduces the number of state, federal, and IRS reports and eliminates intergovernmental accounting transactions. This results in further efficiencies in the business office and allows for better distribution of resources. The single district structure reduces the number of independent audits, reducing labor and audit expenses. It also lowers the possibility of exceeding any excess spending tax penalty threshold. The structure streamlines accounting systems by creating a single budget, eliminating assessments to member school districts for costs that have been incurred at the supervisory union level. As designed, supervisory union budget expenses appear as assessments in local member districts' budgets and are not voted on by the electorate. This lack of transparency is confusing to taxpayers and requires additional financial accounting.

Net Anticipated Cost Reductions

Closing of Black River Union High School	2,579,794
TRSU Central Office Services for Elementary Schools	172,177
Board Stipends and Contingencies at Elementary School	93,680
Buildings & Grounds at Ludlow Elementary	156,136
Transportation Costs at Elementary Schools	82,535
Total Anticipated Cost Reductions	3,084,322

Anticipated Revenue Reductions and Cost Additions

Medicaid Revenue for PreK at LES & MHES	60,000
Shared Staff Revenue from BRUHSD	240,527
BRUHSD Local Revenue	91,700
Additional Instructional Staff at MRUHS	656,878
Additional Guidance Staff at MRUHS	75,000
Increase in Administration Costs at MRUHS	100,000
Increase in Department Budgets at MRUHS	68,125
Board Stipends and Expenses	15,000
Transportation Costs	360,000
Total Anticipated Revenue Reductions and Cost Additions	1,667,230
Net Anticipated Cost Reductions	1,417,092

Centralized Contracting

Unified teacher and support staff agreements would result in a reduction of legal expenses and administrative time necessary for negotiations after the initial transition. Unified labor contracts, one for professionals and one for support staff, would provide consistency in wages and working conditions for the same positions across our communities.

A larger merged school district allows for increased purchasing power and a stronger negotiating position through economies of scale.

Centralized Staffing

Efficiencies realized through centralization of staffing and human resources have a positive impact on overall programming for all students. By being able to more effectively share staff and offer full time employment to individuals across schools the MRUUSD can identify and retain a more skilled workforce while gaining flexibility and programming options that benefit students. These opportunities are not only to be realized in core academic areas, but also in the arts, before and after school programs, and athletics.

There are also increased opportunities for part-time employees to find increased (full-time) employment within the district, which improves recruitment and retention efforts. We expect that the primary efficiencies and savings will lie in natural attrition, more efficient staffing and hiring, followed by administrative efficiencies in the future. Centralization of hiring responsibilities will also provide greater opportunity to equalize class sizes across the system for specific grade levels through staffing reallocation.

The MRUUSD single district structure also allows for greater flexibility in the allocation of non-teaching positions. Personnel can be reassigned where the greatest needs are across all schools.

Improved Utilization of Buildings and Facilities

The MRUUSD exercises district-level supervision over buildings and grounds/facilities for all school buildings. This allows for more consistent oversight of school maintenance and custodial efforts and generates a structure to develop capital improvement plans on a system-wide scale through wise planning to meet all building repair and maintenance needs over time. The economies of scale gained through this adjustment are notable.

Indebtedness Assumed – as of June 30, 2018 - all assets and indebtedness of pre-existing local districts will be assumed by the Mill River Unified Union School District.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<i>Mt. Holly Town School District</i>			
Vermont Municipal Bond Bank	80,000	14,839	94,839
<i>Ludlow Town School District</i>			
None	0.00	0.00	0.00
<i>Total Indebtedness</i>	80,000	14,839	94,839

Real Property Acquired – to be acquired by Mill River Unified Union School District for \$1.00 according to Articles of Agreement

	Insurance Replacement <u>Cost of Property</u>
<i>Ludlow Town School District</i> School Building, 45 Main Street, Ludlow VT 05149	9,250,700
<i>Mt. Holly Town School District</i> School Building, 150 School Street, Mt. Holly VT 05758	3,701,600
<i>Total Insurance Replacement Cost of Property</i>	12,952,300

Economic Incentives

The property tax incentives provided through Act 153 created a significant opportunity. This merger proposal would allow the joining towns to assume incentives at the level experienced by MRUUSD, specifically a \$0.04 reduction in FY19 and a \$0.02 reduction on FY20.

The members elected to the Board of School Directors, working with district leadership, would be responsible for developing the annual the budget for consideration by the voters in the four communities.

Small School Considerations

Small Schools Grants are received by both Ludlow and Mt. Holly Elementary Schools and will be lost altogether if action does not take place.

The Small Schools Grants amount to \$52,772 in Ludlow and \$78,654 in Mt. Holly for a total amount of \$131,426. Their elimination would represent a significant loss to the function, programming, and overall viability of each school.

Should the joining of the two towns to MRUUSD be approved, these benefits would continue to be paid to the MRUUSD.

Governance Considerations

Board Composition

Addressed in Articles of Agreement

Leadership

As addressed in the Articles of Agreement, a 17-member board would represent the communities of Clarendon, Ludlow, Mt. Holly, Shrewsbury, Tinmouth and Wallingford, and would oversee the policy and direction of the district. If approved (and once elected), the

members of the board (with Ludlow and Mt. Holly added) would begin their work officially on July 1, 2018, but would engage in some degree of transition work and planning leading up to that July 1, 2018 start date.

This board would be charged with defining roles and responsibilities, hiring a superintendent, establishing policy, negotiating contracts for teachers and support staff, establishing a structure to support community and family engagement with our schools, and generating a work plan to ensure accountability to student outcomes.

Mill River Unified Union School District Structure

All students in the towns of Clarendon, Ludlow, Mt. Holly, Shrewsbury, Tinmouth and Wallingford Prek-12 will be served by the schools of the MRUUSD: Clarendon Elementary (PK-6), Ludlow Elementary (PK-6), Mt. Holly Elementary (PK-6), Shrewsbury Elementary (PK-6), Tinmouth Elementary (PK-6), Wallingford Elementary (PK-6), and Mill River Union High School (7-12).

Regional Collaboration

The MRUUSD remains ready and willing to identify, either now or in the future, means of collaboration within the region that serve ALL students in the area well. The MRUUSD is willing to engage in dialogue about systems of schools working together either within or outside the constructs of Act 46 or Acts 153/156 and does not limit that willingness only to this period of transition. If it makes sense for students or students that the MRUUSD system can impact, engaging and entertaining unique and new ideas is always an option.

School Choice

Public high school choice is currently available to all high school students in Vermont under 16 V.S.A. 822a. Capacity limits are specified in the law and put in place by local school boards. No changes to this structure are planned at this time. We expect that our students will continue to access this program and students from other high schools would continue to attend Mill River Union High School under this law. There will be no general public school choice in 7th and 8th grades, unless the Board makes an exception to meet the needs of a particular child. For grades Pre-K through 6, options already existing in the MRUUSD have been expanded.

School Closures

No closures of MRUUSD are planned in the immediate future, and would not occur without a unanimous vote of the Mill River Unified Union School District Board and an affirmative vote of the affected town. The same provisions will apply to the Ludlow and Mt. Holly Elementary schools.

It is understood that, in order to join the MRUUSD, the Black River Union High School District #39 will be dissolved. The school will be closed at the end of the 2017-2018 school year, and Mill River Union High School will be the district's designated high school. The building's ownership will be permanently transferred, probably to the Town of Ludlow, prior to the opening of merged district operations on July 1, 2018.

Transition Plan

Under ideal circumstances, the towns of Ludlow and Mt. Holly will vote to join the MRUUSD on May 30, 2017. If that occurs, the existing communities of the MRUUSD (Clarendon, Shrewsbury, Tinmouth and Wallingford) will vote to accept or refuse admission of Ludlow and Mt. Holly to the MRUUSD on August 1, 2017. Board members would be elected at a later date, after ultimate approval in all communities of the proposal to join the two towns to the MRUUSD. Additionally, in Ludlow and Mt. Holly, current local board member positions will continue to be filled as current structures and districts would remain in place until June 30, 2018. The individuals elected to the MRUUSD Board from Ludlow and Mt. Holly will engage with the members of the existing MRUUSD Board in transition activities throughout the 2017-2018 school year. The pre-existing local school boards and school board directors in Ludlow and Mt. Holly will cease to operate in their designated roles on June 30, 2018. Any remaining business of the pre-existing districts will be completed as soon as practicable and in any event no later than December 31, 2019.

The voting process on May 30, 2017 will include the following as a result of the dynamics and timing of the decision:

1. A request of the voters in each town to approve of the towns joining the Mill River Unified Union School District.
2. By default based on the language in the warned question, the dissolution of the Black River Union High School District #39.

Conclusion

The central task of the TRSU Study Committee was to determine the type of reorganization under that would best meet the spirit of the law while ensuring that equity, opportunity and efficiency are our top priorities.

Joining the towns of Ludlow and Mt. Holly with the MRUUSD offers tangible, attractive financial incentives for action, and is the right *long-term* move for students and taxpayers, regardless of the incentives.

After careful consideration and analysis, the Study Committee determined this transition to be in the best interests of our communities and has determined to bring the question to the voters of Ludlow and Mt. Holly, and ultimately to the voters of Clarendon, Shrewsbury, Tinmouth and Wallingford.

Articles of Agreement

The MRUUSD, Mt. Holly, and Ludlow Boards of Directors recommend that the following Articles of Agreement be adopted to establish the addition of the towns of Ludlow and Mt. Holly to the Mill River Unified Union School District.

Article 1

The merged Ludlow, Mt. Holly, and Mill River Unified Union School District #52 will be referred to as the "Mill River Unified Union School District", or the "District", or "MRUUSD".

The Mill River Unified Union School District will commence full educational operations with the addition of the new member town(s) on July 1, 2018.

Article 2

The District will provide pre-kindergarten through grade twelve education services to all of the students in the towns of Clarendon, Ludlow, Mt. Holly, Shrewsbury, Tinmouth, and Wallingford. Tinmouth students who were enrolled and attending a public or an approved independent high school (grades 7-12) during the 2015-2016 school year at the expense of the Tinmouth School District as tuitioned secondary school students (grades 7-12) shall be "grandfathered." Such tuitioned students shall be permitted the option to continue to attend as tuitioned students from the MRUUSD the public or approved independent school of their choice.

Tinmouth students currently attending a public high school other than Mill River Union High School shall access the provisions of 16 V.S.A. 822a public high school choice program through Mill River Union High School, if possible. If for some reason, such as quota limits, they cannot be accommodated in that program, their tuition to public high school will be paid until they graduate. Except as specifically approved for an individual student by the District's Board of Directors, and consistent with state law, the tuitioning of grandfathered high school students shall cease on June 30, 2021, or later if a currently tuitioned student requires more time to complete his or her 12th grade education.

High school students from Ludlow and Mt. Holly who are accessing Career Technical Education programs at the River Valley Tech Center in Springfield as of May 30, 2018 shall be grandfathered and permitted to complete their CTE program until graduation, if they so choose, with tuition paid by the MRUUSD.

Ludlow and Mt. Holly students currently attending a public high school other than Mill River Union High School shall access the provisions of 16 V.S.A. 822a public high school choice program through Mill River Union High School.

Article 3

The MRUUSD Board will comply with 16 V.S.A. Chapter 53, subchapter 3, regarding the recognition of the representatives of employees of the respective pre-existing districts as the representatives of the employees of the District and will commence negotiations pursuant to 16 V.S.A. Chapter 57 for teachers and 21 V.S.A. Chapter 22 for other employees, as well as 16 V.S.A. 1802. In the absence of new collective bargaining agreements on July 1, 2018, the Board will comply with the pre-existing master agreements pursuant to 16 V.S.A. Chapter 53, subchapter 3. The Board shall honor all master agreements that are in place for the pre-existing school districts on June 30, 2018 until their respective termination dates. In addition, all pre-existing contracts of non-bargaining employees will be assumed by the District.

Article 4

The MRUUSD will assume ownership and operate existing school facilities owned by the pre-existing districts, commencing July 1, 2018. The Black River Union High School facility will be addressed according to Article 8 of this agreement by June 30, 2018.

No elementary school shall be closed without a unanimous vote of the MRUUSD Board of Directors, and an affirmative vote of the town in which the elementary school it is located.

Article 5

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

Article 6

The District recognizes the benefits to be gained from establishing district-wide curricula in accordance with the Vermont Educational Quality Standards and operational systems, as well as its obligation to do so, and to otherwise standardize all operations on or before July 1, 2018 to every extent possible.

Article 7

Any and all operating deficits and/or surpluses of any of the pre-existing districts shall become the property, and/or the obligation of the MRUUSD effective July 1, 2018. Those pre-existing districts with surpluses or remaining reserve funds as of the close of business on June 30, 2018, will transfer all such funds to the MRUUSD.

Article 8

Except as provided in the fifth paragraph below, no later than June 30, 2018, the pre-existing districts shall convey to the MRUUSD all of their school-related real and personal property, for One Dollar, and the MRUUSD will assume all capital debt associated therewith. The District recognizes the long term financial investments and community relationships that each town has with its school building(s). District will encourage appropriate use of the

buildings and/or grounds by the students and community according to the policies and procedures of the District.

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

In the event a town elects not to acquire ownership of such real property, the District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Board.

In the event that, and at such subsequent time as, the Board determines that any real property, including land and buildings, conveyed to it by the Mill River Union High School District #40 is or are unnecessary to the continued operation of the District and its educational programs, the District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Board of Directors. Uses by a private buyer must conform to the existing Town of Clarendon Zoning and Subdivision Regulations, unless otherwise agreed by the town.

It is understood that the Black River Union High School District #39 will cease operations before July 1, 2018 as a result of an affirmative vote in Ludlow and Mt. Holly to join MRUUSD. Final disposition of the BRUHS building and grounds will have been determined by its owner, the Ludlow School District, by June 30, 2018. If that has not occurred, the Ludlow School District will remain the owner of that portion of the property and the taxpayers of Ludlow will be solely responsible for the maintenance, upkeep, repair and disposal of the facility and grounds. Ludlow School District will remain in existence until disposal is complete. Mill River Unified Union School District will not acquire the building or grounds. Should MRUUSD develop a future need for all or part of the building or grounds, arrangements to lease the desired portions of the premises will be made with the owner at the time.

The conveyance of any of real property to the town in which it is located 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, then the town shall compensate the District for all capital improvements and renovations completed after the initial formation of the District or the joining of the District and before sale to the town. In the event a town elects not to acquire ownership of such real property, then the District shall sell the property upon such terms and conditions as established by the Board of Directors. Any sale of school property shall be in a manner that is consistent with applicable provisions of state law.

No school building shall be disposed of unless the school using it has been closed in compliance with Article 4.

Article 9

A forming district's representation on the MRUUSD Board of Directors will be closely proportional to the fraction that its population bears to the aggregate population of all pre-existing school districts in the District. Initial District Board composition is based upon the 2010 Federal Census, and shall be recalculated promptly following the release of each subsequent decennial census. In the event a town loses a member as a result of the census, all its members shall complete their respective terms.

At no time will a town corresponding to a pre-existing member school district have less than one board member, pursuant to the provisions of 16 VSA § 706b(b)(9). Each proportionality calculation shall be rounded to the nearest whole number in the event that membership must be recalculated in the future.

The membership on the Board of Directors will be constituted as follows:

Number of School Board Members by Town

<u>Town</u>	<u># of Board Members</u>
Clarendon	4
Ludlow	4
Mt. Holly	2
Shrewsbury	2
Tinmouth	1
Wallingford	4

Article 10

Members of the Board of Directors will be elected for three-year terms, except for those who were initially elected for one or two year terms at the time of the formation of the MRUUSD or those from towns added to the district after its initial formation. Board member terms of office will be structured as follows.

Election and Distribution of Director Terms:

	2017	2018	2019	2020	2021	2022
Clarendon (4)	3yr (a)	3yr (b)	3yr (c) 3yr (d)	3yr (a)	3yr (b)	3yr (c) 3yr (d)
Ludlow (4)		1yr, 2yr 2yr, 3yr (a)	3yr (b)	3yr (c) 3yr (d)	3yr (a)	3yr (b)
Mt.Holly (2)		2yr 3yr (a)		3yr (b)	3yr (a)	
Shrewsbury (2)		3yr (a)	3yr (b)		3yr (a)	3yr (b)
Tinmouth (1)			3yr (a)			3yr (a)
Wallingford (4)	3yr (a)	3yr (b) 3yr (c)	3yr (d)	3yr (a)	3yr (b) 3yr (c)	3yr (d)

Pursuant to the provisions of 16 V.S.A. 706b, elected Directors shall be sworn in and assume the duties of their office.

Article 11

The proposal adding the districts of Ludlow and Mt. Holly to the MRUUSD will be presented to the voters of Ludlow and Mt. Holly on May 30, 2017 by Australian Ballot. The candidates from the towns of Ludlow and Mt. Holly for the MRUUSD Board of Directors will be elected, as required by law, at a later date. Nominations for the office of Director representing any town shall be made by filing with the clerk of that town, a statement of nomination signed by at least one percent of the legal voters in the district, and accepted in writing by the nominee. A statement shall be filed not less than 30 or more than 40 days prior to the date of the vote.

Should the voters in Ludlow and Mt. Holly determine that they support joining the MRUUSD, the proposals approved by their voters will be submitted to the voters in Clarendon, Shrewsbury, Tinmouth and Wallingford on August 1, 2017 by Australian Ballot.

Article 12

Upon an affirmative vote of the electorates of both applying school districts, and their approval by the voters of Mill River Unified Union School District, the expanded 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, 2018. The District shall maintain school district policies, and continue implementing district 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,

conduct its regular Annual Meeting and transact any other lawful business that comes before the board, provided, however, that the exercise of such authority by the District shall not be construed to limit or alter the authority and/or responsibilities of the pre-existing districts in the interim period between vote and full operation.

The Mill River Unified Union School District will expand its full educational operations to the town(s) that have joined the district on July 1, 2018.

Article 13

The Board of Directors shall propose an annual budget in accordance with 16 V.S.A. Chapter 11. The annual budget vote shall be conducted by Australian Ballot pursuant to 17 V.S.A. Chapter 55. Votes shall be commingled and counted at a central location with a representative from each town present.

Article 14

On July 1, 2018 when the District becomes fully operational and begins to provide educational services to students from all pre-existing districts, the Ludlow and Mt. Holly school districts shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business, including the disposal of the Black River Union High School facility and land, not given to the District under these articles and state law. Such business shall be completed as soon as practicable.

Article 15

The Board of Directors shall provide opportunity for local input on policy and budget development. Structures to support and encourage public participation within the District will be established by the Board of Directors.

The Board may establish committees of the board to assist it in carrying out its duties. Committees may include non-voting members of the public who have special expertise in the subject matter of the committee's work. Committees shall make recommendations to the board and shall not have the authority to make final decisions.

Article 16

These articles may be amended by a two thirds vote of those voting at a Board of Directors meeting, except for Article 4, second paragraph, concerning school closing, which requires a unanimous vote of all board members.

If the Board votes unanimously to amend Article 4, second paragraph, the amendment shall be submitted to the voters at an annual or special meeting. The amendment shall be

effective only if approved by a majority of the electorate voting at that meeting (votes to be cast by Australian ballot). The votes shall be commingled and counted, and approval of the amendment shall require a majority of all those voting.