

## **Act 46: Where Are We in the WWSU?**

The Act 46 WWSU Study Committee, the WWSU Executive Board, and the WWSU administration have been meeting twice a month for almost eight months studying this law. Act 46 requires supervisory unions to merge into one board with one budget in what Act 46 calls a "preferred structure" that serves grades Pre K-12. We can do this now, with some local choice along the way, and receive incentives, or we can sit back and wait until the Agency of Education (AOE) and State Board of Education (SBE) merge us anyway by 2019. Doing it later means doing it their way, without incentives, and enduring other serious negative financial consequences for several years.

I would like to remind everyone that all the documents, previous press releases, and financial calculations that the Study Committee has worked with can be found on our website at [wwsu.org](http://wwsu.org).

The study work has been completed and all the reports submitted. Three important documents were generated and sent to the AOE and our attorney for review. These documents are The Articles of Agreement, which spells out the specifics particular to our WWSU schools, the narrative Study Committee Report with appendices, including financial calculations and projections, and a summary of all the individual schools' assets, debts, surpluses, and deficits, and finally, the required Study Committee Worksheet. All three documents can be found on our WWSU website on the homepage and under the Act 46 tab. All of our meetings have been recorded by Mad River TV Channel 44 - who deserve our thanks - and can be viewed by anyone via your computer.

The State Board of Education will consider our plan for moving forward and may approve it at their meeting on April 19th. The Study Committee will hold four public forums to present their findings and to engage the public in a Q & A. These forums will be March 31st at HUHS in the library at 6:30; April 27th at HUHS in the library at 6:30; May 11th at Thatcher Brook Primary School in the gym at 6:30; and May 25th at the Big Picture in Waitsfield at 6:30. A big thanks goes to the Big Picture for hosting us and donating the use of their space.

At future meetings, the Study Committee and Executive Board will further develop a thorough communication plan. Individual "story cards" are being developed for each town identifying the pros and cons specific to that town. The communications plan is not fully decided upon but will likely include a mailer to all voters and possibly an insert in the local papers. All towns will vote by Australian ballot on June 7th. A Public Hearing will be held in each town within 10 days prior to the vote.

I encourage every taxpayer to become informed, get his/her questions answered, attend the forums and Public Hearings and come out to vote. In my opinion, Act 46 is not a perfect law, but it is law. It is not going away, any more than Act 60 or 68 is. Our reports provide pages and pages of pros, cons, predictions, calculations and the like.

We could spend many hours discussing the law based on student opportunities and equity, efficiencies and operational capacity, and what sharing students could mean for our towns in what will continue to be years of declining enrollment. In the end, I believe this vote will likely be about reducing or slowing the growth of property taxes.

Nine other supervisory unions in Vermont have already held their votes. All nine voted to merge, and to form one board with one budget in order to capture the significant incentives offered. None of these votes were close. They passed with a 70% margin of voters in favor. That is because those taxpayers believe they cannot afford their schools now, there will be no status quo to hang onto, they will be forced to merge within a few years anyway, and that the incentives are too great to walk away from. They also believe -- and rightly -- that taking this action will reduce and/or slow the growth of property taxes.

The bottom line is without a merger, taxpayers will pay more. With a merger, taxpayers will pay less. We could spend hours debating how much more or less. That is because it is difficult to predict the decisions a new unified board will make, other spending across the state and what the Common Level of Appraisal (CLA) will be. Many of these variables are out of the control of local boards.

Not to merge means walking away from 1) approximately 5.7 million dollars in just the reduction of the tax rate. In the first year, it is 10 cents; in the second, 8 cents, in the third, 6 cents, in the fourth 4 cents, and in the fifth, 2 cents; 2) 120K in grant transition money; 3) 100K in efficiency savings for things that are duplicated now in all seven districts (e.g. seven audits are reduced to one); 4) keeping the small schools grant money indefinitely (about 110K annually); and whatever financial savings can be generated from a waiver against the spending target thresholds. Further savings come from being held harmless from declining enrollment, and not having taxes rise above 5% regardless of spending. Other, more complex, elements also save money on the incentives side.

There could be negative consequences. Change is hard and sometimes uncomfortable. There is a sense of loss of local control and town identity. Some are afraid of taking on others' indebtedness, though our calculations show that it all ends up pretty even.

Act 46 is here to stay. The bottom line is Vermont has chosen to pay for all schools out of one check book. As such, it doesn't matter what the tax rate is in any given town. If we merge, our towns will pay less. If we don't, our towns will pay more. It is my hope that on June 7th, informed voters will have weighed the pros and cons and made the difficult decision as to what is best for our six WWSU districts.

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