

## Moretown's Story: The WWSU Act 46 Education Governance Merger

Merger would offer Moretown School the following benefits:

- A. The tax penalties of not meeting the Affordable growth target are waived beginning in FY18. Moretown School met the target because in FY16 Moretown School was the only school with increased equalized pupils (6.1%). However, the Affordable Growth Percentage (AGP) was 0.88%. This year's increasing enrollment was an anomaly compared against the last nine years of decline. Moretown cannot continue to rely on increasing enrollment considering historical trends and current trends across the Mad River Valley.
- B. Past declines in enrollment caused Moretown to cut a teacher in 2013, resulting in what turned out to be an undesirable three grade level classroom configuration. Unification of the supervisory union and merged governance will make a similar scenario less likely.
- C. During the years that the property tax incentives are received, the equalized homestead tax rate will not increase by more than 5% in a single year. In Moretown, under a successful accelerated merger, the equalized homestead tax rate is projected to decline significantly over the next few years.
- D. Additional possibilities created through merger include opportunities to:
- Share students among schools
  - Increase class sizes
  - Shift costs – instead of new taxation – to fund new initiatives such as after-school, summer programming and extended day options.
  - Coordinate and build equity in student programming across a unified district.

Failure to merge may result in Moretown experiencing:

- Loss of the small schools grant which is currently approximately \$25,000, but in years of declining enrollment has been as high as \$60,000.
- Continued high costs per pupil.
- Cost containment penalties under the allowable growth provision that may result in higher tax burdens overall because 80% of Moretown School's budget is dedicated to personnel, coupled with the potential for reduced programs for students, particularly at the secondary level.