

Harwood Union High School Positive - Pros

- A. Tax penalties resulting from exceeding the Affordable Growth Percentage (AGP) are waived beginning in FY18. In FY17, the AGP was 0.98% which originally meant \$800,000 had to be cut from the budget. However, due to 16 staff members turning over, only \$127,500 had to be cut from the budget. It is unlikely a favorable reduction in expenditures of this size would be repeated again in one fiscal year.
- B. Additional possibilities created through merger:
 - a. Consideration of possible efficiencies by merging the Middle Schools
 - b. Develop magnet schools/academies by using under-utilized facilities
 - c. Share students among schools to increase efficiencies through larger class sizes
 - d. Cost savings through efficiencies would free up cash flow to fund new initiatives such as greater language opportunities, summer programming, more extracurricular offerings, technical programs, etc.
 - e. Academic opportunities through designing curriculum and programs K-12.
- C. During the years the property tax incentives are received, the equalized homestead tax rate for each town will not increase by more than 5% in a single year. *This may allow for new debt associated with a facility improvement bond to bring the school up to health and safety standards and modernize the school into a 21st century learning environment.*
- D. As the elementary schools realize savings and become more affordable, the overall combined tax rate with Harwood Union becomes more affordable.

Harwood Union High School Negative - Cons

- A. The forced AGP reductions will be in place for FY18 without a merger. Cuts in FY18 will result in reduced programs for students.
- B. Declining enrollment has hit WWSU schools hard. Statewide students have declined approximately 1200-1400 yearly for the past nine years. Opportunities to expand programs will diminish if this trend continues.

| | 2009 | 2017 |
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| Fayston | 104 | 94 |
| Moretown | 130 | 108 |
| Waitsfield | 143 | 127 |
| Warren | 122 | 148 |

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|----------------------|------------|------------|
| Waterbury-Duxbury | 667 | 649 |
| Harwood Union | 850 | 703 |