

# **REORGANIZATION PLAN**

SAU Submitting: MSAD #74 and MSAD #13

## Contact Information

### **RPC Chair**

Mitchell Quint  
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### **Superintendent**

MSAD #74 and MSAD #13  
Dr. Kenneth Smith  
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Date Originally Submitted by SAU:

Proposed RSU Operational Date: July 1, 2010

The proposed regional school unit includes the following school administrative units:

Maine School Administrative District No. 74  
and  
Maine School Administrative District No. 13

**12/15/09**

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**2. The size, composition and apportionment of the governing body.**

**(See Section 3)**

**3. The method of voting of the governing body.**

***Section 3***  
**Weighted Voting**

The regional school unit board shall be composed of 15 members. Each municipality in the RSU shall elect the following number of its residents to serve on the Board and their votes shall be weighted as follows:

<u>Town</u>	<u>2008</u> <u>Est.</u> <u>Census</u>	<u>% of Total</u>	<u>No.</u> <u>Dir.</u>	<u>Votes</u> <u>Each</u>	<u>Total</u> <u>Votes</u>
Moscow	632	9.1%	2	46	91
Bingham	971	14.0%	2	70	140
Solon	999	14.4%	2	72	144
Embden	1,000	14.5%	2	72	145
New Portland	773	11.2%	2	56	112
Anson	2,542	36.8%	5	74	368
	6,917	100%	15		1,000

A quorum shall consist of eight (8) Directors representing a minimum of 501 weighted votes, provided however, that in the event of one or more vacancies on the Board at least a majority of the serving members and a majority of the voting power of the serving members, must be present to constitute a quorum.

Voting at all meetings of the Board shall be by hand, voice or roll call. Election of a superintendent shall be by ballot. Except in cases of unanimous votes, the votes of all members shall be recorded in the minutes.

Approval of all motions shall require both a simple majority of the total votes present and a majority of the members present, except motions to go into executive session, which shall require the vote of three-fifths (3/5) of the members present and voting.

Each board member shall serve a 3-year term, except that the initial terms of the members of the first regional school unit board shall be staggered as follows:

	<u>One year terms</u>	<u>two year terms</u>	<u>three year terms</u>
Moscow	1		1
Bingham	1		1
Solon	1		1
Embden	1		1
New Portland	1		1
Anson	1	2	2

**4. The composition, powers and duties of any local school committees to be created.**

No local school committees shall be created.

**5. The disposition of real and personal school property.**  
**(See Exhibit 5)**

All real property interests, including without limitation land, buildings, other improvements to realty, easements, option rights, first refusal rights, and purchase rights, and all fixtures, of the original school administrative units shall be property of the region. The regional school unit board may require such deeds, assignments or other instruments of transfer as in its judgment is necessary to establish the region's right, title and interest in such real property and fixtures.

All other tangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories shall become property of the region as successor of the original SAUs.

**6. The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligations.**

Bonds, Notes and Lease Purchase Agreements That the Region Will Not Assume. Pursuant to 20-A M.R.S.A. § 1506(4), the region does not assume the following bonds, notes and lease purchase agreements shown on *Exhibit 1 attached hereto*,

which shall continue to be paid by the members of the original SAU indicated, and the region shall serve as fiscal agent of the SAU for that purpose.

Defaulted Debt is Excluded from Being Assumed. Notwithstanding anything in this Plan to the contrary, except where legally required to do so, the region will not assume any bond, note or lease purchase agreement as to which an original SAU is in breach or has defaulted.

Other Debt Not Assumed. Except as provided in this section of the Plan, the region will not assume liability for any bonds, notes or lease purchase agreements issued by an original SAU prior to the operative date of the region. Such obligations, if any, shall continue to be paid by the members of the original SAUs that issued them, and the region shall serve as fiscal agent of the original SAU for that purpose.

Notwithstanding any other provision of law or any provision of any trust agreement, the region may use any sinking fund or other money set aside by the original education unit to pay an existing debt to pay that debt.

## **7. The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.**

A list of all written individual employment contracts to which each of the original SAUs is a party is attached as *Exhibit 2*. Pursuant to 20-A M.R.S.A. §1463(4), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date, and their contracts shall be assumed by the RSU on the operational date. This provision does not prevent the original SAUs from terminating or non-renewing the contracts of employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

A list of all employees of the existing SAUs who do not have written individual employment contracts is attached as *Exhibit 3*. Pursuant to Section 20-A M.R.S.A. §1463(4), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date. This provision does not prevent the original SAUs from terminating employment of the employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

The duties and assignments of all employees transferred to the RSU shall be determined by the Superintendent of the RSU or his/her designee.

The collective bargaining agreements of the original SAUs listed in *Exhibit 3* shall be

assumed by the regional school unit board as of the operational date.

All of the employer's rights and responsibilities with respect to collective bargaining shall be fully assumed by the regional school unit board as of the operational date.

A list of all contracts to which the original SAUs are a party and that may be in effect as of the operational date is attached as *Exhibit 4*. The initial Board of Directors of the RSU will determine whether these contracts are to be assumed or renewed.

It is anticipated that, subject to review and approval of the RSU board, the RSU will assume or renew the contracts listed in *Exhibit 4* as of the operational date. The list of contracts provided in *Exhibit 4* is subject to change at any time including changes made at any time by the initial RSU board.

## **8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes.**

Pursuant to Section 20-A M.R.S.A. §1461(3)(A)(8) the disposition of existing financial obligations is governed by this plan.

Existing financial obligations shall include the following:

- (i) all accounts payable;
- (ii) to the extent not included as accounts payable, any financial obligations which under generally accepted accounting principles would be considered expenses of the original SAU for any year prior to the year the RSU becomes operational, whether or not such expenses were budgeted by the original SAU in the year the obligations were incurred, excluding summer salaries and benefits; and
- (iii) all other liabilities arising under generally accepted accounting principles that can be reasonably estimated and are probable.

Each original SAU shall satisfy its existing financial obligations from all legally available funds. If an original SAU has not satisfied all of its existing financial obligations, the original SAU shall transfer sufficient funds to the region to satisfy its remaining existing financial obligations, and the regional school unit board shall be authorized to satisfy those existing financial obligations on behalf of the original

SAU. If the original SAU does not transfer to the region sufficient funds to satisfy its existing financial obligations, then to the extent permitted by law, the regional school unit board may satisfy those obligations from balances that the original SAU transfers to the region. If the available balances transferred are insufficient to satisfy the original SAU's existing financial obligations, or are not legally available for that purpose, the regional school unit board may take any action permitted by law so that all of the municipalities of the region are treated equitably with respect to the unsatisfied existing financial obligations of an original SAU. For example, to the extent permitted by law, the regional school unit board may satisfy the unpaid existing financial obligations of an original SAU in the same manner and with the same authority as for unassumed debt under the provisions of 20-A M.R.S.A. § 1506(4). Salaries and benefits payable after June 30, 2010 including all summer salaries earned during the 2009-10 school year shall be the responsibility of the regional school unit.

Additionally, to the extent permitted by law, if in the judgment of the regional school unit board it must raise funds from all its members to satisfy existing financial obligations of an original SAU, the regional school unit board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the region's approved budget) to those region members that would otherwise bear costs attributable to unsatisfied existing financial obligations of an original SAU for which they had no financial responsibility. The intent of the preceding sentence is that financial responsibility for unsatisfied existing financial obligations of an original SAU be borne by its members and not by the other members of the region.

The balance remaining in an original SAU's school accounts after the original SAU has satisfied existing financial obligations in accordance with this plan shall be paid to the treasurer of the regional school unit, verified by audit and used to reduce that original SAU's contribution as provided by 20-A M.R.S.A. §1463(3). The balance from an original school administrative unit must be used to reduce the local contribution to the region of the region members formerly comprising that original school administrative unit in the first year of operation of the region.

Transfers of remaining balances may occur within the period specified by Section 20-A M.R.S.A. §1463(3), or, as may be preferable in the case of a district, at any time before the district has closed its accounts and ceased normal operations.

The original SAUs shall transfer remaining balances of reserve funds to the regional school unit. Unless otherwise provided by applicable law, a transferred reserve fund shall be used in accordance with its original purpose to benefit a school or schools of the transferring SAU. Transferred reserve funds shall be subject to Title 20-A

M.R.S.A. § 1491, except that the transfer of funds in a reserve fund or a change in purpose of the fund may only occur in such manner that the funds continue to benefit the members of the original SAU that transferred that reserve fund to the region. Notwithstanding this paragraph, reserve funds for summer salaries and benefits shall be treated as remaining balances and used to reduce the local contribution to the region of the region member or the region members formerly comprising that original school administrative unit that transferred the reserve fund for summer salaries and benefits.

Original SAUs shall transfer remaining balances of scholarship funds to the region. Scholarships shall be limited to the original pool of potential recipients unless otherwise provided by the donor or by applicable law.

The original SAUs shall transfer trust funds to the region. The regional school unit board shall be deemed the successor trustee for all purposes, except as otherwise provided by the trust or by applicable law.

**Statement of Revenues, Expenditures and Changes in Fund Balance for Year ended June 30, 2009**

	District Revenues	District Expenditures	Fund Balance at 6/30/09
MSAD #74	\$ 8,835,349	\$ 8,992,450	\$ 588,634
MSAD #13	\$ 3,571,847	\$ 2,986,784	\$ 585,063

**FUND BALANCE WITH ACCRUED WAGES**

			<u>current balance</u>
MSAD #74	UNDESIGNATED	June 30, 2009	\$ (58,040.80)
MSAD #13	UNDESIGNATED	June 30, 2009	\$ 172,927.00

## NON MAJOR PERMANENT FUNDS AS OF JUNE 30, 2009

### MSAD #13 SCHOLARSHIP ACCOUNTS BALANCE ENDING 6/30/09

Scholarship Name	Amount of CD	Amount in Savings
Geraldine Hannay/Laura Baker	\$22,846.66	No Savings
*Lions Club through Columbia Management	\$ 4,993.41	\$859.75
Evelyn Atwood	\$3,690.96	\$4,311.59
Orrin Hill	\$8,690.77	No Savings
Theresa Davis	\$2,421.82	No Savings
Kenneth Belanger	\$7,333.80	No Savings
Dr. Anna Howes – Regular	\$101,909.08	No Savings
Dr. Anna Howes – Athletic	\$3,139.62	No Savings
Alumni Class	\$978.43	No Savings
Brent Abbott	\$2,296.73	\$1,288.72
William & Alice Beane	\$4,169.71	\$4,329.28
Bruce Bushey	\$12,717.20	\$607.41
Walter Reed	\$1,986.31	\$1,658.36
Helen Steward	\$3,512.62	\$1,481.42
Donald & Rosalie Walker	\$2,138.39	No Savings
Edith Rollins	\$10,959.59	No Savings
Goodwill Club	\$7,620.48	No Savings
Totals	\$201,405.58	\$14,536.53

## MSAD #74 SCHOLARSHIP ACCOUNTS

### BALANCE ENDING 6/30/09

Scholarship Name	Amount of CD	Amount in Savings
Sarah Arsenault		\$161.41
Bodwell Fund		\$13,468.50
Frances Bowen		\$143.24
A.Clement Caron		\$402.86
Rusty Dunphy		\$5,585.59
Jeffrey French		\$3,915.07
CHS General Fund		\$3,386.56
Barbara Henderson		\$6,143.50
Anne & Levis Hogan		\$10,125.05
Damon Lasley Fund		\$10.95
Hester Pullen		\$56,516.98
Rebekah Lodge		\$1,097.04
Renys Charitable Trust		\$1,107.30
Gertrude Sargent		\$448.91
Earl/Esther Spaulding		\$2,624.84
Tozier Scholarship	\$28,272.26	
Shawn "Grimmy Scholarship		\$1,354.06
Willpower		\$202.41
Let Us Never Forget		\$-99.58
Cheryl White Memorial		\$3,200.39
Solon-Queenie Whipple		\$2,723.92
Totals	\$28,272.26	\$112,519.00

## **9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.**

A. Transition Plan for Budget Development. The regional school unit board shall establish interim rules of procedure and shall elect interim officers who shall serve until officers are elected at a meeting following the operational date of the region.

The regional school unit board shall select a superintendent of schools in accordance with Section 1051 of Title 20-A. During the interim period, the salary, office and other expenses of the superintendent, as well as the cost of the regional school unit board, including insurance, shall be allocated to the original school administrative units as provided below.

If a region is formed to become operational as of July 1, 2010, then following the issuance of a certificate of organization by the State Board of Education, the school boards and superintendents of the original SAUs within the region shall begin a process for developing proposed budgets for educational programs and services within their original SAUs for the fiscal year beginning July 1, 2010. In developing their proposed budgets, the original SAUs shall consider potential cost savings and additional costs that may result from reorganization. The original SAUs also shall consider changes in operations that may be necessary in order to reduce costs of administration, special education, building and maintenance and transportation without adversely affecting the educational program. During the months of February and March, the school boards of the original SAUs and their superintendents shall conduct joint meetings and budget workshops as necessary to develop a proposed budget for the first operational year of the regional school unit. Specific duties may be assigned to existing personnel with the approval of the employing SAU.

A proposed budget with supporting documentation shall be developed in time for its presentation to and consideration by the initial regional school unit board of directors. The regional school unit board shall complete the budget development process and recommend a budget for consideration by the voters.

The regional school unit board shall propose and approve a recommended budget in accordance with 20-A M.R.S.A. § 1482 for the first operational year for submission to the voters of the region. The budget format, approval procedures and assessments for the regional school unit's first operational year budget shall be in accordance with 20-A M.R.S.A. §§ 1482-1489. The regional school unit board shall have all necessary authority for those purposes.

The regional school unit board shall be authorized to take all other actions and shall have all other authority provided under state law to prepare for the regional school unit to become operational on July 1 of the first operational year; including the authority to open and maintain accounts, to incur expenses not to exceed \$50,000 to be allocated among the regional school units' original SAUs in accordance with their most recent April and October resident pupil count and to file applications for school construction projects and revolving renovation fund loans and other available funding.

**B. Transition Plan for Personnel Policies.** All personnel policies existing in the original school administrative units shall continue to apply to the same employment positions after they become part of the regional school unit. After the operational date, the regional school unit board and superintendent will develop and adopt region-wide policies in accordance with applicable law.

**10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.**

A record of the date, time, location and minutes of all meetings are documented below and minutes of meetings are attached to the plan as Exhibit 9.

Date of Public Meeting	Time	Location
September 19, 2007	6:30 P.M.	North Anson CCS
October 17, 2007	6:30 P.M.	Jackman-Forest Hills
October 29, 2007	6:30 P.M.	North Anson CCS
November 5, 2007	6:30 P.M.	Greenville Am. Legion
November 27, 2007	6:30 P.M.	Solon Elementary
January 23, 2008	6:30 P.M.	Moscow Elementary
March 12, 2008	6:30 P.M.	North Anson CCS
June 25, 2008	6:30 P.M.	Forest Hills
July 15, 2008	6:30 P.M.	Solon Elementary
August 5, 2008	6:30 P.M.	Moscow Elementary
September 2, 2008	6:30 P.M.	Moscow Elementary
September 10, 2008	6:30 P.M.	Solon Elementary
October 2, 2008	6:30 P.M.	Moscow Elementary
March 9, 2009	7:00 P.M.	Solon Elementary
March 18, 2009	6:30 P.M.	Valley High School
April 8, 2009	6:30 P.M.	Solon Elementary
April 29, 2009	6:30 P.M.	Moscow Elementary
October 28, 2009	7:00 P.M.	Solon Elementary
November 18, 2009	7:00 P.M.	Moscow Elementary

**11. How the units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan.**

The plan must be approved by both proposed members of the regional school unit in order for the regional school unit to be formed.

**12. An estimate of the cost savings to be achieved by the formation of a regional school unit and how these savings will be achieved.**

**Estimated Savings**

It is estimated that the formation of this Regional School Unit will result in the following cost savings during the first three years of operation:

**First year – 2010 - 2011:** -  
Estimated annual savings: \$100,000

The positions in the Central Office that will be eliminated include an Administrative Assistant and Bookkeeper. Other reductions include legal fees, postage, advertising, printing, etc.

**Second year – 2011 - 2012:**  
Estimated annual savings: \$100,000

Savings in the Central Office for the second year will include reductions in payroll, copier leases, supplies, books, equipment, software supplies and support, employee training and development, school board stipends and dues.

**Third year – 2012 – 2013:**  
Estimated annual savings: \$ 50,000

Third year savings will be in purchased service contracts and legal fees.

**Total estimated savings:** \$ 250,000

Note: The savings will be the result of closing one central office and reducing other district administrative expenses. A Central Office budget includes salaries and benefits for the superintendent, assistant superintendent, administrative assistants, bookkeepers; legal fees; audit fees; board stipends; postage; advertising; printing; copier leases, supplies, books, equipment; software supplies and support; employee training and development; MSSA/MSBA fees and dues, and travel.

Currently SAD 74 has a secretary, payroll clerk, and accounts payable clerk. A superintendent and assistant superintendent are shared with SAD 13. Currently SAD 13 has an administrative assistant and bookkeeper. The superintendent and assistant superintendent are shared with SAD 74.

## ADDENDUM 1

### DOE Estimated Penalties Under 20-A M.R.S.A. §15696 sub §1, paragraphs A and B Plus Adjustments

<u>SAU School System</u>	<u>Para. A Penalty</u>	<u>Para. B Penalty</u>	<u>*Total Estimated Para. A &amp; Para. B Plus Adjustments</u>
MSAD #13	\$28,237.55	\$14,071.32	\$42,308.98
MSAD #74	<u>\$96,375.83</u>	<u>\$53,877.46</u>	<u>\$150,253.29</u>

\*NOTE: This does not include all potential penalties.

### **13-A. Plans to reorganize administration, transportation, buildings and maintenance and special education.**

See proposed reorganization plans outlined below.

**System Administration Plan:** One superintendent, one payroll clerk, one accounts payable clerk, and one administrative assistant

**Transportation/Buildings and Grounds Plan:** One supervisor and one secretary.

**Special Education Plan:** One director of special education services and one secretary.

### **13-B. Cost Sharing in Regional School Unit**

Cost Sharing Formula for additional local funds: For the first three operational years of the RSU (FY 2011, FY 2012 and FY 2013) each member municipality shall be responsible for its share of additional local funds, in an amount up to the amount of the two year average of additional local funds for FY 2009 and FY 2010, calculated on the basis of each municipality's percentage of the two year average of additional local funds as calculated for FY 2009 and FY 2010 (the "historical additional local funds component"); plus its share of the amount of additional local funds, if any, in excess of the historical additional local funds component (the "current additional local funds component"), based 50% on each municipality's percentage of pupils in the prior calendar year and 50% on each municipality's percentage of State valuation for the prior calendar year.

For operational years four through eight of the RSU (FY 2014-FY 2018) the cost sharing formula for additional local funds shall be the same as for years one through three except that the historical additional local funds component shall be reduced to zero over those five years in five equal steps. For operational years nine (FY 2019) and thereafter, each municipality's share of additional local funds shall be based 50% on each municipality percentage of pupils in the prior calendar year and 50% on each municipality's State valuation for the prior calendar year.

Future amendments to the Cost Sharing formula will follow the procedures of 20-A M. R.S.A., Section 1301(3) applicable to school administrative units, as amended by Exhibit 6 which includes language adopting those procedures to regional school units.

Note: The RSUs “additional local costs” are the only costs which are subject to the cost sharing formula described in this section. All other costs are governed by state wide formulas which apply regardless of organizational structure. The FY 2009-10 “additional local costs” to be shared under this cost sharing formula would have been as follows:

M.S.A.D. #74 \$619,633

M.S.A.D. #13 \$401,130

Note: Please see Exhibit 7 for an example of the additional local shared costs.

### **13-C. Election of initial board of directors**

The initial Board of Directors shall be elected as provided in 20-A M.R.S.A. § 1472-A.

### **13-D. Tuition Contracts**

A. Acceptance of Students from Outside the RSU. To the extent permitted by law, the RSU board shall determine whether or not to accept elementary and secondary students from outside the RSU. The tuition rates for elementary and secondary students charged by the RSU to a sending unit shall be the rates determined appropriate by the RSU board, and where applicable shall be approved by the school board or school committee of the sending unit in accordance with 20-A M.R.S.A. §§ 5804(1) and (3) and 5805(2).

B. Tuition Contracts for Secondary Schools. If there are existing tuition contracts between the original SAUs and SAUs outside the RSU, the RSU is bound by those contracts pursuant to section 1479(2), unless otherwise negotiated by the parties.

C. School Choice. None of the original SAUs offers students a choice of which school to attend.

D. Geographic Isolation. In its sole discretion, to the extent not prohibited by law, the RSU board may elect to permit elementary or secondary RSU students to attend schools “out of region” for geographical reasons, and to pay the tuition and transportation expense of those students, pursuant to 20-A MRSA §§5203(2) and 5204(2).

### **13-E. Claims and Insurance**

#### **Disclosure of claims**

The parties are unaware of any lawsuits, administrative complaints, due process proceedings, notices of claim or any other claims.

### **13-F. Vote to submit reorganization plan to Commissioner.**

Before submitting a reorganization plan to the Commissioner of Education, the governing body of each school administrative unit shall adopt the following vote:

VOTED: That the provisions included in the school reorganization plan prepared by the MSAD #74 and MSAD #13 Reorganization Planning Committee to reorganize Maine School Administrative District No. 74 and Maine School Administrative District No. 13 into a regional school unit with an operational date of July 1, 2010, are determined to be necessary within the meaning of 20-A M.R.S.A. §1461(3)(A)(13) and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to the Commissioner of Education on behalf of this school administrative unit.

### **13-G. Section for RSUs with fewer than 2,500 students**

- (a) Geography, including physical proximity and the size of the current school administrative units:

MSAD #74 and MSAD #13 are located along the Kennebec River at the

foothills of the Western Mountains. The size of the proposed RSU is approximately 26 miles by 32.5 miles.

(b) Demographics, including student enrollment trends and the composition and nature of communities in the regional school unit:

The largest town in the proposed RSU is Anson (2,583). The other communities range in size from about six hundred to one thousand. The total October 1, 2009 “attending” student population was 766 for MSAD #74 and 243 for MSAD #13. The total student population was 1,009.

c) Economics, including existing collaborations to be preserved or enhanced and opportunities to deliver commodities and services to be maximized:

Special education, technology, food service, adult education, maintenance and transportation services are shared between the original SAUs through an Inter-local Agreement. In addition, vocational transportation is provided to secondary students traveling to the Skowhegan Vocational School (SRVC) through a shared bussing arrangement.

Note: Please see copy of Inter-local Agreement as Exhibit 8.

(d) Transportation:

The RSU will utilize one bus garage for major bus repair work, but local services will be used for minor repairs as a more cost effective method.

(e) Population density: The communities in the proposed RSU are isolated rural communities within the meaning of P.L. 2007, c. 240, Pt. XXXX, §36, sub-§6, ¶A-1, with the largest town being Anson.

(f) Other unique circumstances including the need to preserve existing or developing relationships, meet the needs of students, maximize educational opportunities for students and ensure equitable access to rigorous programs for all students:

The original SAUs share in-service education and staff development programs and share other services under an Inter-local Agreement as described in paragraph (c) above.

## **13-H. Other**

### **Location of Board Meetings and Annual Budget Meetings**

All Board meetings will rotate between towns that have schools. Annual budget meetings will rotate between the areas served.

### **School Board Directors Pay**

Directors shall be paid the maximum allowed by statute to attend all Board meetings.

### **School Closings**

No school in the RSU will be closed for five years after June 30, 2010, unless it becomes prudent to consider other alternatives. All school closings will be conducted in accordance with the requirements of 20-A MRSA sections 1511 and 1512.

**Exhibit 1**  
**School Indebtedness and Lease Purchase Obligations**

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of July 1, 2010	Final Maturity Date
MSAD #74	2006	\$ 60,541	Photocopying Equipment	\$ 11,471	9/2011
MSAD #74	2008	\$ 57,500	Roof Renovation	\$ 45,990	9/2013
MSAD #74	2008	\$ 50,961	Computer Equipment	\$ 17,577	8/2010
MSAD #74	2007	\$ 78,944	Bus Lease	\$ 29,462	2012
MSAD #74	2008	\$ 78,801	Bus Lease	\$ 47,236	2013
MSAD #74	2009	\$ 75,634	Bus Lease	\$ 59,359	2014
MSAD #74	2009	\$ 80,157	Bus Lease	\$ 62,908	2014
MSAD #13	2007	\$594,956	Roof Renovation	\$176,756	7/1/19
MSAD #13	2005	\$228,528	Boiler Renovation	\$ 40,950	7/1/10
MSAD #13	2008	\$104,499	Laptops	\$ 47,886	8/2011
MSAD #13	2007	\$ 61,765	Bus Lease	\$ 25,247	8/2011

## Exhibit 2 Individual Personnel Contracts

<i>Name of SAU</i>	<i>Position type(s)</i>	<i>Date of expiration</i>
MSAD #13	Superintendent	2011
MSAD #13	District Principal	2011
MSAD #13	Administrative Asst. to the Superintendent	2010
MSAD #13	Elem. Administrative Assistant	2010
MSAD #13	High School Principal Secretary	2010
MSAD #13	Bookkeeper/Payroll Clerk	2010
MSAD #13	ITV Coordinator	2010
MSAD #13	Athletic Director	2010
MSAD #13	School Nurse	2010
MSAD #74	Assistant Superintendent/Principal	2011
MSAD #74	Elementary Principal	2011
MSAD #74	Dean of Students/6-8 AD	2011
MSAD #74	Special Ed Director	2010
MSAD #74	Secondary Principal	2011
MSAD #74	Secondary Vice Principal/AD	2010
MSAD #74	Guidance Director	2010
MSAD #74	Main/Trans Supervisor	2010
MSAD #74	Technology Manager	2010
MSAD #74	Superintendent Secretary	2010
MSAD #74	Business Secretary/Payroll/AR	2010
MSAD #74	Business Secretary/Accounts Payable/Food	2010
MSAD #74	Main./Trans. Secretary/Receptionist/Food	2010
MSAD #74	Guidance Secretary	2010
MSAD #74	Secondary Secretary	2010
MSAD #74	Secondary Secretary	2010
MSAD #74	District Special Education Secretary	2010
MSAD #74	Elem. Coordinating Secretary	2010
MSAD #74	Elem. Secretary-Emdben	2010
MSAD #74	Elem. Secretary-Garret Schenck	2010
MSAD #74	Elem. Secretary-Solon	2010
MSAD #74	Technology Technician	2010
MSAD #74	Technology Technician	2010
MSAD #74	Bus Mechanic	2010
MSAD #74	Maintenance	2010
MSAD #74	District Nurse	2010
MSAD #74	Social Worker	2010
MSAD #74	Social Worker	2010
MSAD #74	Social Worker	2010

### Exhibit 3 Collective Bargaining Agreements

SAU	Positions Included in Bargaining Unit	Next Termination Date
MSAD #13	Teachers	2011
MSAD #13	Support Staff (custodians, food service, bus drivers, transportation aide, Ed. Techs.	2009 (Currently Negotiating)
MSAD #74	Teachers	2011
MSAD #74	Support Staff -Cook Manager Cook Assistant I, Cook Assistant II, Ed Technician I, Ed Technician II, Ed Technician III Bus driver/custodian, Custodian, Groundskeeper, Maintenance personnel	2010 (Currently Negotiating)

## Exhibit 4 Other Contracts

<b>SAU</b>	<b>Contracting Party</b>	<b>Type of Contract</b>	<b>Expiration Date</b>
MSAD #74	Fairpoint Communications	ATM System	2011
MSAD #74	U.S. Cellular	District Cell Phones	2012
MSAD #74	TDS	District Phone Service	2014
MSAD #74	Data Watch Security	System of IA Building	Annual
MSAD #74	Seacoast	Bus Garage Security	Annual
MSAD #74	Simplex	Buildings Clocks and Alarms	Annual
MSAD #74	A-Copi	Copier R&M	2011
MSAD #74	Leo Mayo	Trash Removal	2010
MSAD #74	Three Rivers Disposal	Trash Removal	2010
MSAD #74	Jim Manzer & Son	Plowing	2010
MSAD #74	M.S.A.D. #54	Vocational Assessment	Annual
MSAD #74	Bob's Cash Fuel	Heating Oil	2010
MSAD #74	Various Software Vendors	Licenses	Annual
MSAD #74	Fundsense	Accounting/Payroll Support	Annual
MSAD #74	Powerschool	Student Information System	Annual
MSAD #74	GEM Software Development Inc.	Special Education Case Management & Medicaid Reimbursement Administrator	Annual
MSAD #74	Plato Learning	Software Maint/Service	Annual
MSAD #74	MSMA	Insurances	Annual
MSAD #74	Kannon Communications	District Email System Maint/Service	Annual
MSAD #74	Info Track	K-12 Student Web Access to Reference Books and Information	Annual
MSAD #13	Bolster's Rubbish Removal	Trash	Annual
MSAD #13	M.S.A.D. #54	Vocational Assessment	Annual
MSAD #13	Bob's Cash Fuel	Heating Oil	Annual
MSAD #13	ADS	Accounting/Payroll Support	Annual
MSAD #13	Powerschool	Student Information System	Annual
MSAD #13	GEM Software Development Inc.	Special Education Information System & Medicaid Reimbursement Administrator	Annual
MSAD #13	Fairpoint	Telephone Service	Rolling
MSAD #13	MSMA	Insurances	Annual
MSAD #13	Software	Site Licenses	Annual
MSAD #13	NWEA	Testing	Annual
MSAD #13	Minerva	Library Support System	Annual
MSAD #13	Plato Learning	Software Maint/Service	Annual
MSAD #13	FIND Inc.	OT Services	Annual
MSAD #13	Kennedy Construction	Snow Removal	Annual
MSAD #13	Lavallee's Garage	Bus Repair/Maint	Annual
MSAD #13	Central Maine Power	Electric	Rolling
MSAD #13	Bingham Area Health Center	Physician Services	Annual

MSAD #13	Pitney Bowes	Postage Meter	Quarterly
MSAD #13	ATM Verizon	ATM System	Annual
MSAD #13	Conterra	Video Conferencing	Annual
MSAD #13	Eastern ME Counseling/Testing	Evaluations	Annual
MSAD #13	Kennebec Valley Mental Health	Counseling Services	Annual
MSAD #13	Keel Hood, CPA	Audit Services	Annual
MSAD #13	SPC	Photocopier R&M	8/2010

**Exhibit 5**  
**Building & Land Values**

<b>SAU</b>	<b>Building Name</b>	<b>Square Footage</b>	<b>Building Value</b>	<b>Year of Construction or Acquisition</b>
MSAD #13	Quimby Middle School	16,573	\$1,559,000	1952
MSAD #13	Moscow Elementary School	20,493	2,607,000	1953
MSAD #13	Upper Kennebec Valley H.S.	49,691	4,822,000	1962
MSAD #13	Shop	2,905	181,000	1962
MSAD #13	Storage Building #1	600	40,000	2000
MSAD #13	Storage Building #2	552	39,000	2000
MSAD #13	Concession Stand	182	11,000	2000
MSAD #13	Dugout #1	168	1,000	2000
MSAD #13	Dugout #2	168	1,000	2000
MSAD #13	Dugout #3	168	1,000	2000
MSAD #13	Dugout #4	168	1,000	2000
MSAD #74	Carrabec High School	62,504	\$8,323,000	1980
MSAD #74	Industrial Arts Building-CHS	6,212	602,000	1976
MSAD #74	Tractor Building-CHS	852	62,000	1975
MSAD #74	Modular Classrooms (2)-CHS	2,880	212,000	2000
MSAD #74	Quonset Building-CHS	900	16,000	2007
MSAD #74	Storage Garage-CHS	400	7,000	1983
MSAD #74	Concession Stand	420	7,000	1999
MSAD #74	Dugouts-4-CHS	960	8,000	1997
MSAD #74	Carrabec Community School	44,923	6,625,000	2004
MSAD #74	Embden Elementary School	11,381	1,531,000	1964&1987
MSAD #74	Storage Building-Embden	96	1,000	1995
MSAD #74	Garret Schenck Elementary School	23,310	3,686,000	1924&1991
MSAD #74	Storage Sheds (2)-GS	176	3,000	1995
MSAD #74	Solon Elementary School	24,279	2,776,000	1981
MSAD #74	Bus Garage	2,142	126,000	1978
MSAD #74	Carrabec High School	62,504	\$8,323,000	1980
MSAD #74	Industrial Arts Building-CHS	6,212	602,000	1976
MSAD #74	Tractor Building-CHS	852	62,000	1975
MSAD #74	Modular Classrooms 2	2,880	212,000	2000
MSAD #74	Quonset Building-CHS	900	16,000	2007

MSAD #74	Storage Garage-CHS	400	7,000	1983
MSAD #74	Concession Stand	420	7,000	1999
MSAD #74	Dugouts-4-CHS	960	8,000	1997
MSAD #74	Carrabec Community School	44,923	6,625,000	2004
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MSAD #74	Solon Elementary School	24,279	2,776,000	1981
MSAD #74	Bus Garage	2,142	126,000	1978

## Exhibit 6

Amendment of cost-sharing formulas. The cost-sharing formula may be amended as follows.

A. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the regional school unit, or if approved by a majority of the full regional school unit board, the board shall hold at least one meeting of municipal representatives to reconsider the method of sharing costs. The regional school unit shall give at least 15 days' notice to each municipality comprising the regional school unit of any meeting.

B. Each member municipality must be represented at the meeting or meetings by 2 representatives chosen at large by its municipal officers, and one member of the regional school unit board chosen by the municipality's members of the regional school unit board.

B-I. Prior to the first meeting of municipal representatives, pursuant to paragraph A, the regional school unit shall engage the services of a facilitator selected from the list maintained by the commissioner under 20-A M.R.S.A. §1301(4)C(1). The facilitator shall:

(1) At the first meeting, review and present data and information pertaining to sharing of costs within the regional school unit. Pertinent information may include, but is not limited to, the following:

(a) A description of the regional school unit's cost-sharing method, the elements involved in the calculation of each municipality's costs and a graphic depiction of the current and historic distribution of costs in the regional school unit; and

(b) If withdrawal of one or more regional school unit members is under consideration, the financial and educational impact of the withdrawal;

(2) Solicit and prepare a balanced summary of the concerns of municipal officials, educators and the public about the current method of cost sharing; and

(3) Develop a plan of action for consideration by the municipal representatives that responds to the information collected and the concerns raised. The plan of action must include a list of expectations for the conduct of the parties, options for proceeding and an assessment of the likely success of those options.

C. A change in the method of sharing costs may only be approved by a majority vote of the municipal representatives present and voting.

C-1. If a majority of the representatives from each municipality meeting pursuant to paragraph A are unable to agree on a recommendation on what the cost-sharing method for the regional school unit should be, within 15 days following the last meeting a knowledgeable 3rd party must be selected in accordance with rules adopted pursuant to 20-A M.R.S.A. §1301(4)(C). The regional school unit is responsible for compensating the 3rd party. The 3rd party shall:

(1) Prepare a written summary of the process to date, including an assessment of the fairness, accuracy and responsiveness of the recommendations of the facilitator engaged pursuant to paragraph B-1;

(2) Prepare an impartial recommendation regarding changing the method of cost sharing; and

(3) Present the summary and recommendations to the municipal representatives for their consideration.

C-2. At an advertised public hearing, the municipal representatives shall solicit public input on the 3rd party's recommendation for cost sharing required under paragraph C-1 and any alternative method or methods proposed by municipal representatives.

D. If a change in the cost-sharing method is approved by a majority of the municipal representatives meeting pursuant to paragraph A, the change must be submitted to the voters at a regional school unit meeting. It becomes effective when approved by a majority vote of the regional school unit in a regional school unit referendum called and held for this purpose in accordance with 20-A M.R.S.A, sections 1501 to 1504, except that, if the proposed change is an alternative cost-sharing plan under subsection 1, paragraph B, subparagraph 4, the change must be approved by a majority of voters voting in a referendum in each municipality in the regional school unit instead of in a regional school unit referendum.

## **EXHIBIT 7**

### **RSU Cost Sharing of Additional Local Funds Example (see attached)**

## **Exhibit 8**

Interlocal Agreement  
(see attached)

## **Exhibit 9**

### **Minutes of Meetings (See Attachments)**