

February 6, 2013

Emil Genest, Assistant Superintendent
RSU 22/MSAD 22
24 Main Road North
Hampden, ME 04444

Dear Mr. Genest:

Thank you for the Reorganization Plan that you submitted on behalf of the Town of Frankfort and RSU 22/MSAD 22 on January 30, 2013 for Department review for compliance with the school reorganization law, P.L. 2007, chapter 240, Part XXXX.

Members of my staff and I have completed the review of your plan, and have determined that it is consistent with the policy objectives and parameters set forth in the reorganization law, and it includes all required plan elements and adequate supporting documentation. Therefore, I have determined that your plan is complete and in compliance with the law.

What I am reviewing for approval is a plan which is by its very nature prospective, with steps yet to be taken or finalized; and any review comments or approval given are in relation to the elements required under P.L 2007, chapter 240, Part XXXX but not the legality of all the activities proposed. Thus, I strongly recommend that you have your own legal advisor(s) review the details of any particular transaction proposed in your plan (particularly with respect to the disposition of property, to debt, and to employee contracts/relations) as you proceed, to ensure the legality of the steps you'll be taking to implement the plan. If that review leads to any substantive changes in any parts of your plan, please be sure to submit an amended plan to the Department for our review and our file.

I appreciate the great amount of time, effort and leadership that went into preparing your Reorganization Plan. I wish you continued success as you proceed to referendum and implement the elements set forth in this plan.

Sincerely,



Stephen L. Bowen
Commissioner of Education

cc: Allan Gordon, Town of Frankfort

REORGANIZATION PLAN FOR REGIONAL SCHOOL UNIT SUBMITTAL SHEET

School Administrative Units Included in APPROVED Notice of Intent	School Administrative Units Submitting Reorganization Plan
School Administrative District No. 22	SAME as listed to the Left
Town of Frankfort	

Contact Information:	
RPC Chair Name:	Emil Genest
Address:	24 Main Road North
	Hampden, ME 04444
Telephone:	(207) 862-3255
Email:	egenest@sad22.us

Date Plan Submitted:	January 25, 2013
Proposed Regional School Unit Operational Date:	July 1, 2013

<u>Allen J. Ambrose Selectman</u> Signature/Title	<u>1-14-2013</u> Date	<u>Town of Frankfort</u> SAU
<u>[Signature] SELECTMAN</u> Signature/Title	<u>1-14-2013</u> Date	<u>TOWN OF FRANKFORT</u> SAU
<u>Earlyn Adams Selectman</u> Signature/Title	<u>1-14-2013</u> Date	<u>TOWN OF FRANKFORT</u> SAU
_____ Signature/Title	_____ Date	_____ SAU

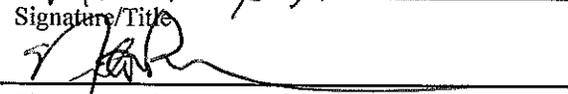
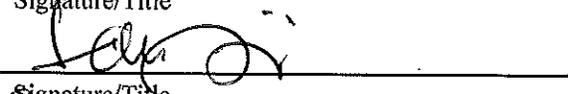
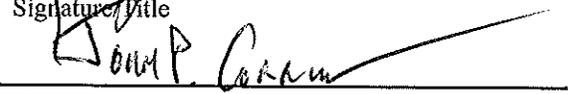
	01/17/12	SAU
Signature/Title	Date	
Tanya L. Pereira	1/18/12	SAU
Signature/Title	Date	
Wm. Alan	1/18/13	SAU
Signature/Title	Date	
Matha J. Harris	1/18/13	SAU
Signature/Title	Date	
	1/22/13	SAU
Signature/Title	Date	
	01 22 13	SAU
Signature/Title	Date	
N. 	1/23/2013	SAU
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	1-23-2013	SAU
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	1-24-2013	SAU
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Signature/Title	Date	SAU

EXHIBIT A

Reorganization Plan Cover Sheet
(Please attach Reorganization Plan as Exhibit A)

Required Elements							
Law Reference Item Number Sub-Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ¹	Need Assistance ²
3.A(1)	SAUs included in RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(2)	Size of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Composition of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Apportionment of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(3)	Method of voting of the governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(4)	Composition of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Powers of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Duties of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(5)	Disposition of real & personal school property		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(6)	Disposition of existing school indebtedness (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disposition of lease-purchase obligations (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(7)	Assignment of school personnel contracts		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of school collective bargaining agreements		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of other school contractual obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(8)	Disposition of existing school funds and existing financial obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(9)	Transition plan that addresses the development of a budget for the first school year		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Transition plan that addresses interim personnel policies		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(10)	Documentation of the public meeting(s) held to prepare or review reorganization plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(11)	Explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(12)	Estimate of cost savings to be achieved		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(13)	Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

² Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

Parameters for Plan Development							
Law Reference Item Number Sub-Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ³	Need Assistance ⁴
3.B(1)	Enrollment meets requirements <i>NO Waiver granted (2,500 except where circumstances justify an exception⁵)</i>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-36, Parameter B	When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU <i>N/A</i>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(2)	Comprehensive programming for all students grades K - 12.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Includes at least one publicly supported high school		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(3)	Consistent with policies set forth in section 1451		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(4)	No displacement of teachers		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No displacement of students		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-26, Parameter F	The plan must address how the school administrative unit will reorganize administrative functions, duties and noninstructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2011-2012 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program ⁶		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborative Agreements							
						Yes	No
Does your plan currently include information/documentation on collaborative agreements? <i>(not required, but encouraged)</i>						<input checked="" type="checkbox"/>	<input type="checkbox"/>

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible

(use the Oct. 1, 2006 numbers): *N/A*

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Unique Circumstances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

³ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

⁴ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

⁵ Please note in the *Exceptions to 2500 minimum* section on next page

⁶ This requirement is only for those who plan to be operational as an RSU in fiscal year 2008-2009, in accordance with a Reorganization Plan that is approved by the Commissioner and by the voters.

Explanation of Barriers –

Please use this section to explain any/all barriers identified on the previous page as a barrier in completing your Reorganization Plan.

Law Reference/Required Element	Explanation of the barrier
	N/A

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?
	N/A	

School Unit Reorganization Plan

Reorganization of the Town of Frankfort With and into School Administrative District No. 22

Preamble:

The intent of this process is to effectuate the merger of the Town of Frankfort with and into the SAD No. 22 School System. By far the greatest practical impact of this reorganization on SAD No. 22 will be the positive impacts of additional students and financial resources.

In a referendum on November 6, 2012, the Town of Frankfort voted in favor of withdrawing from Regional School Unit No. 20 (Belfast). That vote reflected earlier polling as part of an ongoing comprehensive planning process in Frankfort that had shown substantial support for withdrawing from RSU No. 20. A number of meetings exploring that alternative took place throughout the latter part of 2011 and throughout 2012 between members of an appointed school exploratory committee from Frankfort, and administrators and board members from RSU No. 20. At their meeting on December 3, 2012, in recognition of this sentiment in the Town of Frankfort, and in accordance with the protocols established in Title 20-A MRSA §1461 which governs reorganization of school units, the Selectmen of the Town of Frankfort voted pursuant to §1461.1 to file a Notice of Intent with the Commissioner of Education indicating the intent of the Town of Frankfort as a “school administrative unit” to engage in planning and negotiations with and reorganize into Regional School Unit No. 22.

They did so in light of their desire to assure the Town’s membership that the Town would leave RSU No. 20 as of June 30, 2013. Similarly the Superintendent of SAD No. 22 as a “school administrative unit” also filed a Letter of Intent to similarly engage in reorganization planning and negotiations with the Town of Frankfort.

Pursuant to §1461.2, the Selectmen of Frankfort also appointed the 4 members of the prior Withdrawal Committee to be their representative members of the statutorily prescribed Reorganization Planning Committee under §1461, to join with appointees from RSU No. 22 in developing this School Reorganization Plan for the consolidation of the Town of Frankfort with SAD No. 22 into Regional School Unit No. 22.

Reorganization plan in accordance with 20-A MRSA Section 1461:

3.A.(1) The units of school administration to be included in the proposed reorganized regional school unit (RSU).

The school administrative units (SAUs) to be included will be School Administrative District No. 22 (which currently consists of the towns of Hampden and Newburgh in Penobscot County and Winterport in Waldo County) with the addition of the Town of Frankfort in Waldo County as a newly established school administrative unit. The reorganized unit will continue with its current emblematic mascots and colors, and be identified as Regional School Unit No. 22 (hereinafter "RSU 22" or RSU No. 22").

SAD No. 22 had an enrollment of 2149 students as of October 1, 2012, and the Town of Frankfort had a total school enrollment of 183 students on October 1, 2012. First year enrollment from Frankfort into RSU No. 22 schools during the 2013/2014 school year is anticipated to range anywhere from 60 on up depending on how many students from Frankfort choose to continue at RSU No. 20 pursuant to a recently approved Withdrawal Agreement between the Town of Frankfort and RSU No. 20 approved by the voters on November 6, 2012. The Withdrawal Agreement is attached hereto as **Appendix D**. There may also be a few school-age students who are currently home-schooled who will enroll in RSU No. 22

3.A.(2) The size, composition and apportionment of the governing body.

The SAD No. 22 governing body currently consists of a school board with the following representation:

Newburgh – 2 Winterport - 4; Hampden - 7; for a current total of 13 Directors. There are currently two student representatives. All current SAD No. 22 Directors will carry forward into the RSU under their current terms and conditions. Reorganization will provide the Town of Frankfort with 1 director, for a total RSU No. 22 board of 14 Directors. The Director from Frankfort will be elected following approval of this Plan by the voters in Frankfort and the voters in SAD No. 22 with an initial term of three years, and three-year terms thereafter.

There will be no town or local school committees inasmuch as all towns and schools will be fully incorporated into the RSU No. 22 system as a whole as they are now. As to Board sub-committees, at an appropriate time after July 1, 2013, the newly constituted RSU No. 22 Board will assign members to such standing sub-committees as exist, or to such ad hoc committees as shall be created without regard for whether the individual members are from previous SAD No. 22 towns, or from the Town of Frankfort as previously a member of RSU No. 20. RSU No. 22 Board members shall get such pay for meetings, and such mileage reimbursement as has previously prevailed in SAD No. 22, or as shall be adjusted by the newly constituted full RSU No. 22 Board from time-to-time.

3.A.(3) The method of voting of the governing body.

The method of voting in SAD No. 22 at present consists of a majority vote of those school board Directors attending a meeting where there is a quorum of members present. Under state statute, Title 20-A MRS §1472, SAUs are required to develop and use a method of weighted voting more accurately reflecting the populations of the towns in the SAU as they shall change from time-to-time reflecting individual town census statistics in the decennial US census.

Appendix A represents so-called "Method B" from Title 20-A MRSA §1472 and reflects official population statistics from the 2010 US Census. This Plan incorporates the statutory Method B form of weighted voting into the newly reorganized RSU No. 22 as indicated on Appendix A attached hereto.

Weighted voting shall not be required in committee or sub-committee deliberations. Each member of any Board committee shall have one vote, with no weighted voting. All votes in Board meetings shall be weighted.

3.A.(4) The composition, powers and duties of local school committees to be created.

There will be no town or local school committees inasmuch as all towns and schools will be fully incorporated into the RSU No. 22 system as a whole.

3.A.(5) The disposition of real and personal school property.

There are no substantial issues of disposition of real or personal property.

All real estate, personal property, fixtures, equipment, accounts, accounts payable and receivable, trust funds and any and all other property previously owned or held by SAD No. 22 in any capacity will be transferred to RSU No. 22 to be held in like capacity.

The RSU No. 20 school board, in a regular Board of Directors meeting on June 14, 2012 voted in the affirmative to convey the Frankfort Elementary School building to the Town of Frankfort for the consideration of \$1.00, upon successful withdrawal. The Frankfort Elementary School facility will remain the property of the Town of Frankfort, and will not be transferred to RSU No. 22. In negotiations with RSU No. 20 the withdrawal committee has agreed that all personal property used for educational purposes (i.e. desks, books, furniture) of the Frankfort Elementary School will remain the property of RSU No. 20. RSU No. 22, however, may request that any of this personal property not claimed by RSU 20 be given to RSU No. 22, and the Town of Frankfort may at its sole discretion donate this property to RSU No. 22. At this time there is no other real or personal property except for the Frankfort Elementary School and its contents.

The facilities in Frankfort previously used by RSU No. 20 for school purposes, will be unnecessary to RSU No. 22 at present and for the foreseeable future. They may, however, be useful to RSU No. 22 in the future for outreach purposes or various adult education purposes, and if so will at that time require discussions with the Town of Frankfort for such use.

No new school buildings will be needed in the reorganized RSU No. 22 since students from the Town of Frankfort will attend already established schools in Winterport and Hampden. All students from Frankfort entering RSU No. 22 will be accommodated by existing building capacity in RSU No. 22 schools. At the sole discretion of the RSU No. 22 School Board, PK to grades 4 students from the Town of Frankfort will attend the Leroy Smith School in Winterport and students in grade 5 to 8 will attend the Samuel Wagner Middle School in Winterport. These arrangements may be changed by the RSU No. 22 School Board at its sole discretion. Students in grades 9-12 will attend Hampden Academy.

3.A.(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.

- (a) The Town of Frankfort has agreed to provide payment of the following existing obligations of RSU No. 20 identified in the Withdrawal Agreement between RSU No. 20 and Frankfort:
- Revolving Renovation Fund Debt in the total of \$15,695.89, Paragraph 9 A of the Withdrawal Agreement.
 - Lease Purchase obligations of \$4,469.03, Paragraph 9 B of the Withdrawal Agreement.
 - Distribution of financial commitment to Superintendent \$4083.79, Paragraph 11 of the Withdrawal Agreement
 - Reimbursement for school closing costs and reduction in force, to be determined Paragraph 16 of the Withdrawal Agreement.

RSU No. 22 will make these required payments but the Town of Frankfort will reimburse RSU No. 22 for these costs.

- (b) SAD No. 22 has a number of outstanding bonds including older bonds from the construction and upgrades over the years of various facilities and schools, as well as bonds from recent major construction projects at the district's schools totaling \$45,997,010. All these SAD No. 22 bonds were initiated prior to the present reorganization. All former SAD No. 22 debt will be carried proportionately by SAD No. 22 towns into RSU No. 22 including the Town of Frankfort.

As of June 30, 2013, the following bonded debt of SAD No. 22 is outstanding:

Reeds Brook School	\$312,050	state supported
Smith School Addition	\$720,750	state supported
New Hampden Academy	\$38,700,760	state supported
New Hampden Academy	\$5,866,250	local only
SRRF - multiple projects	\$397,200	local only

Total state supported \$39,733,560

Total local only \$6,263,450
Total both \$45,997,010

The Town of Frankfort agrees to contribute towards this SAD No. 22 debt pursuant to the cost-sharing agreement provided in Section 13B this Agreement.

The Town of Frankfort will contribute in accordance with the cost-sharing agreement provided at Section 13.B. of this Agreement towards the payment of all of RSU No. 22's year-to-year lease-purchase arrangements currently in place or put in place in the future. The Town of Frankfort also agrees to contribute in accordance with the cost-sharing agreement provided at Section 13.B. herein toward the debt service of bonds, notes or evidences of indebtedness approved after the formation of the New RSU No. 22.

3.A.(7) The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.

All current SAD No. 22 school personnel contracts, collective bargaining agreements and other school contractual obligations will be carried forward into the newly reorganized RSU No. 22. Reorganization by the Town of Frankfort into RSU No. 22 will cause no change in such contracts and agreements.

The Town of Frankfort will not be assuming any obligations under any RSU No. 20 collective bargaining agreements.

The withdrawal of Frankfort from RSU No. 20 will not affect the continuing contract rights of teachers or other employees of RSU No. 20 subject to collective bargaining agreements.

The Town of Frankfort will participate according to the cost-sharing agreement contained at Section 13.B. herein with all other towns in RSU No. 22 in financially supporting all personnel contracts, collective bargaining agreements and other contractual obligations of SAD No. 22 as they exist now, are carried forward and are amended from time-to-time. Such participation will take place only through membership by the Town of Frankfort as one of many towns in the Regional School Unit, and not on the basis of any particularized outside or individual capacity.

3.A.(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.

The entire undesignated fund balance of SAD No. 22 as of June 30, 2013, if any, will be transferred to the reorganized Regional School Unit No. 22 on July 1, 2013, and as determined by the SAD No. 22 School Board, a portion or all of these funds will be incorporated into the budget of the New RSU No. 22 for fiscal year 2013-2014. **The Town of Frankfort agrees that it will contribute a one time payment towards the balance forward used to develop the FY 2014 budget for the new unit based on the cost sharing formula which amount is to be determined by the SAD No. 22 school board at its discretion.**

In addition, all SAD No. 22 school funds, (e.g., class year funds, activity funds, band boosters, sports boosters, etc.), scholarship funds and other such funds and accounts, will be equally available to students from Frankfort as to students from any other RSU No. 22 town except as they may be restricted by their originator or otherwise.

The Town of Frankfort has no known funds available, in trust or otherwise, to be carried into RSU No. 22.

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

SAD No. 22 has been and will be developing its 2013/2014 budget as it has in the past. Reorganization of the Town of Frankfort into RSU No. 22 should have minimal impact on the budget development process. That budget, as developed by the SAD No. 22 Board will be used by the reorganized RSU No. 22 Board in fiscal year 2013/2014. One individual from the Town of Frankfort, as appointed by the Selectmen of Frankfort, will be designated to attend public meetings of the SAD No. 22 board concerning the 2013-2014 budget and to provide input into public budget negotiation discussions at the Board and Budget Committee level, though without authority to vote.

Ratification of the RSU No. 22 budget is anticipated in May or June 2013 presumably subsequent to system-wide voting on approval of this Reorganization Plan. Provided the voting on the Plan in accordance with §1461 is affirmative in both existing SAD No. 22 towns as well as in the Town of Frankfort, and provided further such affirmative vote takes place prior to the budget ratification process, the Town of Frankfort will be allowed to participate in the budget ratification process through voting at the FY 2014 budget ratification meeting, as well as in the later referendum-style budget validation vote. This will be allowed even though the reorganized Regional School Unit No. 22 will not be formally established with the Town Frankfort as a member(s) until July 1, 2013.

There are no personnel issues inasmuch as there are no employees, facilities or programming within the Town of Frankfort joining the RSU No. 22 system. The number of students involved, spread as they will be, throughout the RSU No. 22 system, will give rise to the need for additional personnel. **Appendix B** contains a projection of additions to RSU No. 22 regarding additional staffing and infrastructure needs to support varying levels of enrollment of students from Frankfort during the 2013-14 school year. The SAD No. 22 School Board will approve any new hirings.

3.A.(10) Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

Public meetings were held as follows: Dates of meetings and minutes attached as **Appendix C**.

3.A.(11) An explanation of how 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.

In the event this Plan is not approved by either the Town of Frankfort or SAD No. 22, SAD No. 22 will remain comprised of the Towns of Hamdpen, Newburgh and Winterport and the Town of Frankfort will become a municipal school unit. In such event, the Town of Frankfort will take all steps necessary to comply with state law including establishing a school board, hiring a superintendent of schools and providing for administrative services and for the educational needs of its students.

In addition, the Selectmen of Frankfort will appoint an Interim School Board in accordance with statute to serve as the School Board until a regularly established School Board can be elected in accordance with state law.

3.A.(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.

Initially, it is anticipated there will be little or no cost savings once costs for programming for Frankfort students are accounted for.

The Town of Frankfort is unable to compare the costs of consolidation in the New RSU No. 22 with the costs of Frankfort being a municipal school unit and Frankfort has never been a municipal school unit.

3.A. (13) Such other matters as the governing bodies of the municipalities in existence on the effect date of this chapter may deem to be necessary.

13. A. Withdrawal Agreement for Frankfort and RSU/SAD 20. Appendix D is the Withdrawal Agreement pursuant to which the Town of Frankfort is a newly created School Administrative Unit having withdrawn from RSU No. 20 pursuant to a Withdrawal Agreement under 20-A MRSA §1466. This Agreement was approved by the Commissioner on August 29, 2012 and approved by the voters of Frankfort on November 6, 2012.

A number of the responsibilities undertaken by the Town of Frankfort in the Agreement related to the transportation and education of the students of Frankfort, including all state-mandated and other administrative and educational responsibilities including special needs educational responsibilities are identified below. Also identified below for the sake of clarity are certain responsibilities for RSU #22.

According to Section 3 of the Withdrawal Agreement, "On or before July 1, 2013 the Superintendents shall confer with each other again and shall jointly certify to the Town Clerk of Frankfort a final list of RSU 20 Enrolled Students at the end of 2013-2014 school year..." The RSU No. 22 Superintendent shall take on the role of coordinating with the RSU No. 20 Superintendent all aspects of developing any necessary lists as envisioned by this paragraph.

The Withdrawal Agreement provides at Section 3 on Page 5 as follows:

- (i) The New Frankfort SAU shall be responsible for the cost of special education for each RSU 20 Enrolled Student during the 2013-2014 school year and thereafter to the extent that those special education costs exceed the State subsidy allocation received by RSU 20 attributable to that student. For purposes of this paragraph special education costs shall include costs of non-special education 504/ADA plans and reasonable attorneys' fees incurred by RSU 20 in connection with disputes over delivery of special education services and/or section 504/ADA plan services for individual Frankfort students. For example, the New Frankfort SAU shall reimburse RSU 20 for the special education costs attributable to any RSU 20 Enrolled Student who qualifies as a high cost in-district or high cost out-of-district placement, including special education transportation costs and costs for facilities modifications required to accommodate the student, to the extent such special education costs exceed the sum of the per pupil base rate for special education students in grades K-12 as calculated by the Maine Department of Education pursuant to 20-A MRS§ 15681-A(2) and any additional allocation that may be provided to RSU 20 by the Maine Department of Education attributable to that student. RSU 20 shall bill the New Frankfort SAU for such excess special education costs during the fiscal year in which the special education costs are incurred.
- (ii) RSU No. 22 will be responsible for the costs as described above but the Town of Frankfort agrees to reimburse RSU No. 22 for these costs.
- (iii) The Town of Frankfort may maintain a reserve fund to help to pay these costs but regardless of amounts available in said reserve fund the Town will reimburse RSU No. 22 under Section (ii) above.

Under Paragraph 9(A)(1) of the Withdrawal Agreement, "the New Frankfort SAU will pay Frankfort's share of the remaining debt service on the 'state debt' assumed by RSU 20 under Paragraph 6.A. of the Reorganization Plan." RSU No. 22 will be responsible for Frankfort's share of this debt. Funding for this payment will be provided by the State Department of Education. RSU No. 22 will not be responsible for any other RSU No. 20 or Town of Frankfort debt except as provided herein.

Paragraph 10 Financial commitments for Bonds & Notes issued during 2012/2013 (of which there were none).

13. B. Cost Sharing.

SAD No. 22 has historically used a cost-sharing formula based upon:

- 20% based on enrollment (as reported by the DOE on the ED279)
- 80% based on valuation (as reported by the DOE on the ED279)

That formula as enunciated will continue into the reorganized Regional School Unit No. 22. Thus, municipalities in Regional School Unit No. 22 shall share all costs including the required local contribution, debt service and additional local costs pursuant to this 80/20 breakdown.

For the 2013-14 school year, the minimum enrollment to be used in the formula will be 100 students and for the 2013-14 school year. The Town of Frankfort agrees that in determining its contribution to the SAD No. 22 budget for the 2013-14 fiscal year, this minimum enrollment number of 100 will be used even if the actual enrollment is less than 100 students.

For the 2014-15 school year and all subsequent years, the actual enrollment number will be used.

13. C. Amendment to the cost sharing formula.

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 board of directors, the board of directors shall hold at least one meeting of municipal representatives to reconsider the method of sharing costs. The RSU shall give at least 15 days' notice to each municipality comprising the RSU of any meeting.

B. Each member municipality must be represented at the meeting or meetings by two representatives chosen at large by its municipal officers, and one member of the RSU board of directors chosen by the municipality's directors.

B-1. Prior to the first meeting of municipal representatives pursuant to Paragraph A, the RSU shall engage the services of a facilitator selected from the list maintained by the Commissioner for that purpose. Under subsection 4, paragraph C, subparagraph 1. The facilitator shall:

- (1) At the first meeting, review and present data and information pertaining to sharing of costs within the RSU. Pertinent information may include, but is not limited to, the following:
 - (a) A description of the RSU'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 RSU; and
 - (b) If withdrawal of one or more RSU 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 RSU should be, then within 15 days following the last meeting, a knowledgeable third party must be selected in accordance with rules adopted pursuant to subsection 4, paragraph C of Title 20-A M.R.S.A. § 1301. The RSU is responsible for compensating the third party. The third 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 third 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 public RSU-wide meeting. It becomes effective when approved by a majority vote of the RSU in a RSU-wide referendum called and held for this purpose in accordance with Title 20-A MRS §§1501 to 1504, except that, if the proposed change is an alternative cost-sharing plan under Subsection 1, Paragraph B, Subparagraph 4 of Title 20-A M.R.S.A § 1301(1)(B)(4) and Title 20-A § 1481-A(3)(A)(2)(d) , the change must be approved by a majority of voters voting in a referendum in each municipality in the RSU instead of in an RSU-wide referendum.

E. Assessments made by the school board thereafter must be made in accordance with the new method of sharing costs.

F. The secretary of the RSU shall notify the state board that the RSU has voted to change its method of sharing costs. The state board shall issue an amended certificate of organization showing this new method of sharing costs.

13. D. Election of Initial Board Members.

The Director from Frankfort will be elected following system-wide voter approval of this Plan with an initial term of three years. In accordance with state statute and as allowed by the specific terms of the Plan, immediately on ratification of this plan by the voters of SAD No. 22 and the voters of the Town of Frankfort, the Selectmen of Frankfort will appoint an Interim School Board Director to represent the town of Frankfort on the Board of Directors of RSU No. 22 until a full Director can be elected.

In consultation with the Municipal Clerk, the Selectmen will also establish a warrant for an election to take place by secret ballot and a schedule for gathering nominations, and for holding an election in accordance with state statute. The initial term for the elected director will be for 3 year(s) starting July 1, 2013 and each term thereafter will be for three years. The interim appointed Director shall serve until such time as an elected Director is seated.

13. E. Tuition Contracts and School Choice.

Because all towns and all schools within Regional School Unit No 22 are wholly within the system, there will be no tuition contracts except as provided in the Frankfort/RSU No. 20 Withdrawal Agreement. Neither will there be any parental right of school choice. Nor is there any intent to allow tuition contracts or allow school choice except as provided herein.

The Superintendent will make all determinations of school assignments. There are situations where students from any given member town of RSU No. 22 may be assigned to one of two or more schools. For instance, elementary students from the town of Frankfort may be assigned to elementary schools in either Winterport or Hampden depending upon geographic location within the town of Frankfort. Parents may request assignment to another of the schools, but it will be the exclusive discretion of the Superintendent of Schools as to whether the request is granted. This will be true as to all school assignments.

13. F. Vote to Submit the Reorganization Plan to the Commissioner.

On January 16, 2013 the SAD No. 22 Board of Directors voted unanimously, and on January 21, 2013 the Board of Selectmen of the Town of Frankfort acting as school board for Frankfort as a separate SAU voted unanimously, in both instances voting to submit this Reorganization Plan to the Commissioner for Approval.

13.H. Section for RSU's with Fewer than 2500 Students §1461(3)(B).

Historically, geographically and demographically, it makes sense that Frankfort would be a member town of RSU No. 22.

Frankfort and Winterport share a common history; Winterport was part of Frankfort until 1868. Frankfort students attended high school in Winterport or Hampden from the 1950's through the mid-1960's, until the formation of SAD 56. The Frankfort and Winterport fire departments share close ties, and the Winterport Ambulance Service provides first responder service to Frankfort.

The residents of Frankfort voted overwhelmingly against the formation of RSU No. 20 in 2008. Since that time, the Town of Frankfort has pursued every available avenue to become a part of RSU No. 22.

For the most part, the residents of Frankfort are more closely aligned with the Bangor area than the Searsport/Belfast area. Many parents work in Bangor, and they will find it easier to attend school functions and events in Hampden or Winterport. The schools in RSU No. 22 are located closer to Frankfort than the schools in RSU No. 20; in fact some students residing in Frankfort live closer to the schools in Winterport than the Frankfort Elementary School.

Transportation of Frankfort students will be relatively simple by including up to three additional buses, building upon existing routes.

A principal reason for Frankfort choosing to withdraw from RSU 20 and to reorganize into RSU 22 is to join a district with a clearly defined path for our students. The reorganization promises a closer proximity to a middle school, and increased course offerings and co-curricular activities.

Generally, this Plan assists the Town of Frankfort in meeting its goals, while also assisting RSU No. 22 in stabilizing its finances and student population. The Plan therefore better enables the provision of comprehensive programming for all students from pre-K to grade 12.

Other common Section 3.A.(13) examples:

Claims and Insurance.

Appendix E represents a compilation by its outside counsel of all outstanding claims against SAD No. 22 as of January 1, 2013 and Appendix F represents a compilation of insurance losses through December 31, 2012. At the time of its annual town audit, the Town of Frankfort had no known outstanding claims against it as shown by the attached advisory letter by its outside counsel dated January 17, 2013 and attached as Appendix G.

APPENDIX A

Sample Apportionment Plans

METHOD "B" WEIGHTED VOTING - that is in compliance

MUNICIPALITY	2010 Decennial CENSUS	% POP	TOTAL VOTES (995 to 1005)	# DIR	VOTES PER DIRECTOR	% DEVIATION OF VOTING POWER
Frankfort	1,124	8.2%	82	1	82	8.2%
Hampden	7,257	53.0%	530	7	76	7.6%
Newburg	1,551	11.3%	113	2	57	5.7%
Winterport	<u>3,757</u>	27.4%	274	4	69	6.9%
TOTALS	13689	100.0%	1000	14		

$1000 / 14 = \frac{71.43}{1000}$	=	7.1%	Average
	PLUS	5.0%	
		12.1%	= MAXIMUM VOTING POWER OF ANY ONE DIRECTOR

This is in compliance **8.2%** does not exceed the maximum allowable voting power of **12.1%**.

APPENDIX B

December 31

Option for School Programming for 58 Frankfort Students year one (# from Jan. 1 list)
2013-14 School Year

RSU #22

Frankfort Students in Grades K-8 attend Winterport Schools
Grades 9-12 Hampden Academy

Regular Education Configuration

PK-4 Smith School Additional Teachers in Grades K-4

2 Teachers at \$56,500 (Salary and benefits) \$113,000

Grades 5-8 Wagner Middle School 2 additional Teachers
Grade 5, Grades 6

Cost: One Teacher at \$56,500 (Salary and Benefits) \$56,500
One teacher redistribution of existing SAD # 22 staff no addl cost

No additional costs for 9-12 staffing \$ 0

Transportation: 2 Buses for regular Education \$100,000
Bus Time: Less than an hour for grades K-8

Renovations to Wagner Middle School
Separating a current grade 5 space into two
Classrooms (Room 137) Cost in Proposed School Construction Bond

Needed: a two classroom portable for Wagner \$13,400
Yearly cost, 4 years

Funding for additional needs for integration \$50,000
Art, Music, Guidance, Curriculum etc.

Total Year I

Special Education

Administrator - (.5 including benefits) \$50,000

Total Special Education \$382,900

Option for Year One - Total Regular Education and Special Education Costs

APPENDIX B

December 31

Option II: School Programming for Frankfort Students
2013-14 School Year
RSU #22

Frankfort Students in Grades K-8 attend Winterport Schools
Self Contained Program currently at Wagner, moved to Reeds Brook Middle School
Grades 9-12 Hampden Academy

Regular Education Configuration

PK-4 Smith School Additional Teachers in Grades K, 1 and 4

Cost: Three Teachers at \$56,500 (Salary and benefits) \$169,500

Grades 5-8 Wagner Middle School 2 additional teachers
Grade 5, Grade 6 teachers

Cost: One Teacher at \$56,500 (Salary and Benefits) \$ 56,500
One teacher redistribution of existing SAD #22 staff no addl cost

High School: No additional costs for 9-12 staffing \$ 0

Transportation: 3 Buses for regular Education \$150,000
Bus Time: Less than an hour for grades K-8

Needed: A two classroom portable for Wagner \$13,440
Yearly cost, 4 years

Renovations to Wagner Middle School
Separating a current grade 5 space into two
Classrooms (Room 137) Cost in Proposed School Construction Bond

Funding for additional needs for integration \$75,000
Art, Music, Guidance, Curriculum etc.

Total Year I \$464,440

Special Education

1 Student placed in Residential Placement	\$76,440
Educational Costs	\$ 41,760
Educational Technician	\$30,000
Social Worker	\$ 4,680
Self Contained Classroom Costs (For Moderately Disabled)	
Teacher for Self-Contained Classroom K-4 (includes fringe) Smith School	\$56,500
Existing Wagner behavior program moved to RBMS	no cost
Extended School Year Programming Summer 2013	\$20,000
Resource Room Teacher –Shared position at Smith/Wagner Schools (including benefits)	\$56,500
Additional Costs	
Psychologist - (\$100 per hour, 20 days per year, 7 hours per day)	\$14,000
Psychological Examiner - (.5 including benefits)	\$40,000
Occupational Therapist - (.5 including benefits)	\$36,000
Physical Therapist - (contracted services for one hour per week --however, this could be absorbed with our existing PT)	\$ 0
Speech - (.4 including benefits)	\$24,000
Social Worker - (.25 including benefits)	\$17,500
Administrator - (.5 including benefits)	\$50,000
9 Educational Technicians - @32,500 (including benefits)	\$292,500
Note: Each moderately involved student transitioning from Frankfort will have a 1 on 1 provided	
Special Education Transportation 3 vans with 1 on 1 support	\$100,000
Funding for additional needs	\$ 20,000
Total Special Education	
	\$803,440
Option II Total Regular Education and Special Education Costs	\$1,267,880

APPENDIX B

Here are the advantages to Option II:

Moving the SC Behavior Program from Wagner Middle School to Reeds Brook Middle School:

1. Provides collaboration with another self-contained teacher and opens the opportunity to share services within the two programs;
2. Allows Hampden students access to the behavior classroom, if needed;
3. Includes more administrative support at Reeds Brook;
4. Allows for shared curriculum opportunities;
5. Will reduce some travel time for therapists;
6. Will use existing bus run;
7. Includes available space at Reeds Brook Middle School while freeing up a classroom at the Wagner Middle School.

FRANKFORT SELECTMENS MEETING JANUARY 21, 2013

SELECTMEN PRESENT:
ALLAN GORDON JR.
JOSEPH WATSON JR.
EVELYN ADAMS

3:00 P.M.

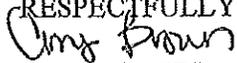
SELECTMEN MET BRIEFLY TO SIGN WARRANTS AND TO REVIEW THE REORGANIZATION PLAN INTO SAD# 22.

A/P WARRANT #141 \$76,073.50
EVELYN MOTIONED TO APPROVE
ALLAN SECONDED
ALL IN FAVOR

PAYROLL WARRANT #6 \$1,309.08
ALLAN MOTIONED TO APPROVE
JOE SECONDED
ALL IN FAVOR

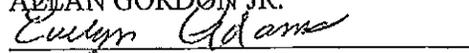
PAYROLL WARRANT #7 \$1,210.65
ALLAN MOTIONED TO APPROVE
JOE SECONDED
ALL IN FAVOR

SELECTMEN REVIEWED THE REVISED REORGANIZATION PLAN FROM SAD#22.
ALLAN MOTIONED TO ACCEPT THE CHANGES TO PAGE 9 PARAGRAPHS 13.A. (11) AND 13.A. (13).
JOE SECONDED
ALL IN FAVOR

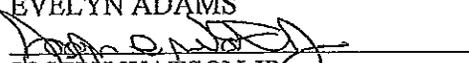
MINUTES TAKEN BY EVELYN ADAMS
RESPECTFULLY SUBMITTED BY

AMY BROWN



ALLAN GORDON JR.



EVELYN ADAMS



JOSEPH WATSON JR.

APPENDIX C

**FRANKFORT SELECTMENS MEETING
JANUARY 14, 2013**

SELECTMEN PRESENT:
ALLAN GORDON JR.
JOSEPH WATSON JR.
EVELYN ADAMS

6:00 P.M.

FRANKFORT RESIDENTS PRESENT:
ERIC CARTER
GABRIEL BAKER
SETH BROWN

THE SELECTMEN REVIEWED THE SCHOOL UNIT REORGANIZATION PLAN FROM S.A.D. #22.

THE FOLLOWING IS A SUMMARY OF THE REORGANIZATION PLAN.

ON NOVEMBER 6, 2012 THE TOWN OF FRANKFORT VOTED IN FAVOR OF WITHDRAWING FROM RSU #20. IN DECEMBER THE TOWN FILED A NOTICE OF INTENT WITH THE COMMISSIONER OF EDUCATION INDICATING THE INTENT OF REORGANIZING WITH S.A.D. #22. (AT THAT TIME S.A.D. #22 WILL BE RSU#22.)

3. A. (1) – S.A.D. #22 CURRENTLY CONSISTS OF THE TOWNS OF HAMPDEN, NEWBURGH AND WINTERPORT. S.A.D. #22 WILL CONTINUE WITH ITS CURRENT MASCOTS AND COLORS. THE FIRST YEAR OF ENROLLMENT FOR THE TOWN OF FRANKFORT WILL BE 2013/2014 SCHOOL YEAR.

3. A. (2) – THE S.A.D. #22 SCHOOL BOARD CURRENTLY CONSISTS OF NEWBURGH 2, WINTERPORT 4, HAMPDEN 7, WITH 2 STUDENT REPRESENTATIVES. THIS BOARD WILL CARRY FORWARD UNDER THEIR CURRENT TERMS AND CONDITIONS. THE TOWN OF FRANKFORT WILL HAVE 1 (ONE) DIRECTOR FOR A TOTAL OF 14 DIRECTORS. THIS DIRECTOR WILL BE ELECTED FOLLOWING THE APPROVAL OF THIS PLAN.

3. A. (3) – CURRENTLY THE METHOD OF VOTING IN S.A.D. #22 CONSISTS OF A MAJORITY VOTE BY THE BOARD DIRECTORS. STATE STATUTE (TITLE 20-A MRS1472) SCHOOL ADMINISTRATIVE UNITS ARE REQUIRED TO USE A METHOD OF WEIGHTED VOTING WHICH REFLECTS THE POPULATIONS OF THE TOWNS.

3. A. (4) – THERE WILL BE NO TOWN OR LOCAL SCHOOLS COMMITTEES. ALL TOWNS AND SCHOOLS WILL BE FULLY INCORPORATED INTO THE RSU #22 AS A WHOLE.

3. A. (5) – REAL OR PERSONAL PROPERTY PREVIOUSLY OWNED OR HELD BY S.A.D. #22 WILL BE TRANSFERRED TO RSU#22.
RSU#20 BOARD OF DIRECTORS VOTED IN THE AFFIRMATIVE ON JUNE 14, 2012 TO CONVEY THE FRANKFORT ELEMENTARY SCHOOL TO THE TOWN OF FRANKFORT WITH THE CONSIDERATION OF \$1.00 UPON SUCCESSFUL WITHDRAWL. THE FRANKFORT ELEMENTARY SCHOOL WILL NOT BE TRANSFERRED TO RSU#22; IT WILL REMAIN THE PROPERTY OF THE TOWN OF FRANKFORT. ALL PERSONAL PROPERTY (DESKS, BOOKS, FURNITURE ECT.) WILL REMAIN THE PROPERTY OF RSU #20. RSU#20 MAY REQUEST THAT IT BE DONATED TO RSU#22.

3. A. (6) – THE TOWN OF FRANKFORT AGREES TO PROVIDE PAYMENT FOR EXISTING OBLIGATIONS WITH RSU #20. (SEE ATTACHED FOR A LIST) RSU#22 WILL MAKE THESE PAYMENTS TO RSU#20 AND THE TOWN OF FRANKFORT WILL REIMBURSE RSU #22 FOR THESE COSTS.
SAD #22 HAS A NUMBER OF OUTSTANDING BONDS (SEE ATTACHED FOR A LIST OF THESE BONDS) AND WILL CARRY THESE BONDS INTO RSU#22. THESE BONDS WILL INCLUDE THE TOWN OF FRANKFORT WITH THE SUCCESSFUL REORGANIZATION.

3. A. (7) – ALL PERSONNEL CONTRACTS, COLLECTIVE BARGAINING AGREEMENTS HELD BY SAD#22 WILL BE CARRIED FORWARD INTO THE REORGANIZED RSU#22. REORGANIZATION BY THE TOWN OF FRANKFORT WILL CAUSE NO CHANGE IN THESE CONTRACTS AND AGREEMENTS. THE TOWN OF FRANKFORT WILL NOT ASSUME ANY OBLIGATIONS UNDER ANY RSU#20 COLLECTIVE BARGAINING AGREEMENTS.
THE WITHDRAWL OF THE TOWN OF FRANKFORT FROM RSU#20 WILL NOT AFFECT THE CONTRACTS RIGHTS OF TEACHERS OR OTHER EMPLOYEES OF RSU#20 SUBJECT TO COLLECTIVE BARGAINING AGREEMENTS.
THE TOWN OF FRANKFORT WILL PARTICIPATE IN THE COST SHARING AGREEMENT IN PLACE NOW AT RSU#22 ALONG WITH THE OTHER SUPPORTING TOWNS.

3.A.(8) – THE ENTIRE UNDESIGNATED FUND BALANCE OF SAD#22 AS OF JUNE 30, 2013, IF ANY, WILL BE TRANSFERRED TO RSU#22 ON JULY 1, 2013. SAD#22 BOARD MEMBERS HAVE DETERMINED A PORTION OR ALL OF THESE FUNDS WILL BE INCORPORATED INTO THE BUDGET FOR THE FISCAL YEAR 2013/2014. THE TOWN OF FRANKFORT AGREES TO CONTRIBUTE A ONE TIME PAYMENT TOWARDS THE BALACE FORWARD TO DEVELOP THE FISCAL YEAR 2014.

3. A. (9) – SAD#22 HAS BEEN DEVELOPING ITS 2013/2014 BUDGET. THE REORGANIZATION WITH THE TOWN OF FRANKFORT SHOULD HAVE A MINIMAL IMPACT ON THE BUDGET PROCESS. THE BUDGET WILL BE USED BY RSU#22. ONE INDIVIDUAL FROM THE TOWN OF FRANKFORT

(APPOINTED BY THE SELECTMEN OF FRANKFORT) WILL BE ABLE TO ATTEND THE PUBLIC MEETINGS CONCERNING THE BUDGET AND WILL BE ABLE TO PROVIDE INPUT INTO THE PROCESS BUT WILL NOT HAVE THE AUTHORITY TO VOTE.

3. A. (10) – ANY PUBLIC MEETINGS WILL HAVE TO BE LISTED AND MINUTES ATTACHED TO LIST.

3. A. (11) – IN THE EVENT THAT A PLAN IS NOT APPROVED BY EITHER THE TOWN OF FRANKFORT OR SAD#22, SAD#22 WILL REMAIN COMPRISED OF THE TOWNS OF HAMPDEN, NEWBURGH AND WINTERPORT. THE TOWN OF FRANKFORT WILL BECOME A MUNICIPAL SCHOOL UNIT. IN THIS EVENT, THE TOWN OF FRANKFORT WILL TAKE ALL STEPS NECESSARY TO COMPLY WITH STATE LAW.

3. A. (12) – IT IS ANTICIPATED THAT THERE WILL BE LITTLE OR NO COST SAVINGS ONCE COSTS FOR PROGRAMMING FOR FRANKFORT STUDENTS ARE ACCOUNTED FOR. THE TOWN OF FRANKFORT IS UNABLE TO COMPARE THE COSTS FOR CONSOLIDATION DUE TO FRANKFORT HAS NEVER BEEN A MUNICIPAL SCHOOL UNIT.

ALLAN MOTIONED TO APPROVE THE REORGANIZATION PLAN THAT WAS DATED JANUARY 14, 2013 AS PREPARED BY THE REORGANIZATION COMMITTEE FOR THE TOWN OF FRANKFORT AND SAD#22 WITH THE FOLLOWING ADMENDMENTS:

PAGE 7 – 3.A. (8) – THE DATE OF JUNE 30, 2012 SHOULD BE JUNE 30, 2013.

PAGE 8 – 3.A. (9) – (PARAGRAPH 2) THE DATE OF JULY 1, 2012 SHOULD BE JULY 1, 2013.

PAGE 9 – 3.A. (11) – THERE SHOULD BE A PERIOD AFTER THE SENTENCE “IN SUCH EVENT, THE TOWN OF FRANKFORT WILL TAKE ALL STEPS NECESSARY TO COMPLY WITH STATE LAW.” ALL OF THE FOLLOWING SHOULD BE STRICKEN.

PAGE 14 – 3.A. (13) – UNDER CLAIMS AND INSURANCE THE SELECTMEN DO NOT APPROVE. IT WILL HAVE TO BE REVISED.

EVELYN SECONDED
ALL IN FAVOR.

A/P WARRANT #140
ALLAN MOTIONED TO APPROVE
JOE SECONDED
ALL IN FAVOR

\$13,608.53

A/P WARRANT #4
ALLAN MOTIONED TO APPROVE
JOE SECONDED
ALL IN FAVOR

\$8,678.89

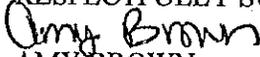
PAYROLL WARRANT# 1
ALLAN MOTIONED TO APPROVE
EVELYN SECONDED
ALL IN FAVOR

\$2,115.09

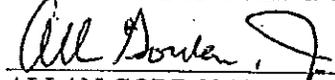
(DUE TO A TRIO ISSUE IN BUDGETERY, THE WARRANT NUMBERS HAVE
BEEN PUT OUT OF ORDER)

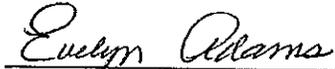
SELECTMEN READ THE ADJUSTED BANK BALANCE FOR DECEMBER
\$442,252.40.

RESPECTFULLY SUBMITTED


AMY BROWN

MINUTES APPROVED BY


ALLAN GORDON JR. - SELECTMAN


EVELYN ADAMS - SELECTMAN


JOSEPH WATSON JR. - SELECTMAN

APPENDIX C

**Wednesday, January 16, 2013
Board of Directors Meeting - 7:00 p.m.
Hampden Academy**

The M.S.A.D. No. 22 Board of Directors met at Hampden Academy on Wednesday, January 16, 2013. Chair Kelly Bickmore called the meeting to order at 7:00 p.m. Directors present were: Jay Baines, Kelly Bickmore, John Coggeshall, Liliane Deighan, Amy Faircloth, Martha Harris, Cindy Mitchell, Rick Moore, Jessica Scott, Tanya Pereira, Keegan Quigley, and Nick Winchester.

Excused: Kim Clark, Lance El-Hajj, Niles Parker

II. Approval of Minutes

Harris moved, Deighan seconded, and the Board voted unanimously to approve the minutes of the Regular Meeting of January 2, 2013.

Abstain: Bickmore, Pereira

III. Adjustment to Agenda

None.

IV. Persons Desiring to Address the Board

Hampden Academy School Nurse, Barbara Parent, expressed her views to possibly include more nursing hours within the MSAD #22 District Budget.

Discussion followed.

V. Board Chair

Board Chair Kelly Bickmore announced that the Board of Directors get together is rescheduled to February 2, 2013.

VI. Personnel

A. Resignations

None.

B. Nominations

None.

VII. Superintendent of Schools

A. Reading of the Essential Behaviors and Outcomes Proclamation

Board Member Amy Faircloth read the Essential Behaviors and Outcomes Proclamation.

B. Presentation by Director of Food Services

School Nutrition Director, Chris Greenier, provided a thorough update on the district's food services program, including:

- Staffing within her department
- Number of meals served per day
- Meal prices, reimbursement rates, and price per meal costs
- Financial indicators
- Kitchen upgrades
- Meal patterns and requirements

C. Presenter at National School Superintendents Conference

Superintendent Lyons announced that he will be a presenter at this year's national superintendents' conference in Los Angeles, California, during February vacation. Given the fiscal landscape, he wanted to be very transparent with this. The total cost for MSAD #22 will be \$335 for registration. This is a significant reduction from the original fee of \$635, as presenters are given a reduced rate. All other expenses, flights, and hotel costs will be paid for by a grant from the American Association of School Superintendents (AASA).

The opportunity to attend a national superintendents' conference is a great opportunity, particularly for this nominal amount. It also is an honor to be asked to present to fellow superintendents on a national stage.

D. School Board Members: Reflect, Inspire, Make a Difference, Section I

Vice Chair Martha Harris and Superintendent Lyons reviewed the publication "School Board Members: Reflect, Inspire, Make a Difference", especially the first theme entitled "Belonging". Considerable discussion followed.

E. Fiscal Year 13 Budget Curtailment Update

Superintendent Lyons and Assistant Superintendent Genest reviewed the fiscal year 13 budget curtailment, and shared information including the following:

- Reduction to guidance counselor work year
- Tuition reimbursement for courses will be frozen

- MSAD #22 possibly contributing to the Maine State Retirement System (MSRS)
- Loss of municipal revenue sharing toward our three communities
- Various expected loss of revenue for FY 13, including curtailment

Respective Board members had an interesting dialogue regarding Governor LePage's view toward public education.

The Board decided to meet with legislative leaders, and possibly incorporate PREP Board members.

F. MSAD #22 Education Foundation

Education Foundation Board member, Jonathan Henry, updated the Board regarding Foundation initiatives.

G. Student Representatives

Student Board Representatives Jay Baines and Keegan Quigley reviewed Hampden Academy activities and events.

H. Reschedule Get Together

February 2, 2013 at 6:30 p.m.

I. Assistant Superintendent's Update

Assistant Superintendent Genest reviewed various school business initiatives, especially relating to the new Hampden Academy "punch list" and warranty issues.

VIII. Questions of Board Members

Liliane Deighan distributed information that was discussed at the evening's Education Committee meeting.

IX. Old Business

A. Discuss and act on reorganization plan affiliated with Town of Frankfort.

Coggeshall enthusiastically moved, Pereira seconded, and the Board unanimously voted to approve and endorse the reorganization plan between MSAD #22 and the Town of Frankfort, as presented.

The 6:00 p.m. public forum dates of January 28 at Samuel L. Wagner Middle School, and February 26 at Reeds Brook Middle School, were announced.

X. New Business

None.

XI. Communication and Correspondence

A. Set Meeting Dates

Public Forums on Reorganization, January 28 at 6:00 p.m., Samuel L. Wagner Middle School and February 26 at 6:00 p.m., Reeds Brook Middle School

XII. Executive Session

None.

XIII. Other Business

A. To see what action, if any, the Board wishes to take on business required by items that are part of this agenda.

None.

XVI. Adjourn

The meeting was adjourned at 9:10 p.m.

Respectfully submitted,

/s/

Richard A. Lyons
Superintendent of Schools

APPENDIX C

**Frankfort Sub-committee Minutes
Wednesday, January 2, 2013
5:30 p.m. Hampden Academy Library**

Present: John Coggeshall, Amy Faircloth, Martha Harris, Niles Parker, Cindy Mitchell, Jessica Scott, Owen Maurais, Emil Genest, and Richard Lyons

The subcommittee continued to review the various options and the respective cost analysis of each.

The administration recommended option II placing students at Leroy H. Smith Elementary School, Samuel L. Wagner Middle School, and Hampden Academy.

Coggeshall moved, Parker seconded, and the subcommittee voted unanimously to recommend this option to the Board of Directors on January 16, 2013.

Public Forum dates: January 28 at 6:00 p.m., Wagner Middle School

February 26 at 6:00 p.m., Reeds Brook Middle School

Referendum: April 9, 2013

The recommendation of the subcommittee will go to the Board of Directors for consideration on January 16, 2013.

APPENDIX C

**Frankfort Sub-committee Minutes
Wednesday, December 5, 2012
5:00 p.m. Hampden Academy Library**

Present: John Coggeshall, Amy Faircloth, Martha Harris, Niles Parker, Tanya Pereira, Jessica Scott, Owen Maurais, Emil Genest, and Richard Lyons

The Subcommittee continued to review the options associated with placing K-12 Frankfort students in MSAD #22 schools. The Administration has compiled numerous options for consideration and discussion. Each option has an appropriate cost analysis.

The projected number of students is being discussed with RSU #20.

APPENDIX C

**Town of Frankfort Officials and MSAD #22 Sub-committee Minutes
Thursday, July 19, 2012
6:00 p.m. Samuel L. Wagner Middle School Library**

Present: Seth Brown, Gabe Baker, and Eric Carter from the Town of Frankfort

Kim Clark, Martha Harris, Niles Parker, Tanya Pereira, Richard Glencross,
Owen Maurais, Emil Genest, and Richard Lyons from MSAD #22

The discussion focused on the withdrawal plan of the Town of Frankfort and RSU #20. Additionally, the attachment denotes the various components continuing to receive attention relevant to the reorganization plan between the Town of Frankfort and MSAD #22.

Next meeting: September 4, 2012 at 7:00 p.m., Samuel L. Wagner Middle School library.

cc: Board of Directors

Timeline (Revision #2)

July

July 1st. Specifications for Bus Transportation for Frankfort students provided to John T. Cyr Bus Company - August 1st date for receipt of estimate

Existing Route Structure provided by Frankfort by June 20th

Development of a Governance Document in support of Frankfort's acceptance into SAD #22

Census data gathered for SAD #22 communities for 2010

Census data gathered for Frankfort for 2010

Revision of Governance Document based upon this information

Revision of School Boards Policies and Procedures as necessitated by the addition of Frankfort.

Submission of this work to School Attorney for Review

Current enrollment demographics in both SAD #22 Schools and Frankfort schools gathered and combined into analysis spreadsheets.

Receive an update on the Frankfort withdrawal plan from RSU #20

August

Revised Governance Document presented to Sub-Committee

Transportation estimate received and shared with Sub-Committee

Review and begin analysis of initial enrollment demographic information

Public relations campaign beginning in September planned

Enhanced Educational Opportunities K-12

Seamless transition into SAD #22 Schools for Frankfort Students

Financial Implications of Frankfort joining SAD #22

Receive an update on the Frankfort withdrawal plan from RSU #20

September

Beginning school year enrollment demographics in both SAD #22 Schools and Frankfort schools gathered and combined into analysis spreadsheets.
(By September 17th)

Building principles review estimates of class size and identify additional staffing, logistical or programmatic needs based upon enrollment analysis

Matrix for analysis of budgetary impact of the addition of Frankfort developed

Receive an update on the Frankfort withdrawal plan from RSU #20

Publicity campaign initiated

October

Superintendent and Assistant Superintended complete their review principal's analysis

Superintendent identifies suggested staffing, logistical and programmatic recommendations for implementation in fall of 2013

Receive an update on the Frankfort withdrawal plan from RSU #20

November

Analysis of financial impact of consolidation completed

Receive an update on the Frankfort withdrawal plan from RSU #20

Superintendent's final recommendations developed by November 30

Additional Public forums scheduled

APPENDIX C

Town of Frankfort Officials and MSAD #22 Sub-committee Minutes
Thursday, May 3, 2012
6:00 p.m. Samuel L. Wagner Middle School Library

Present: Allan Gordon, Jr., Seth Brown, Gabe Baker, Eric Carter from the Town of Frankfort

Kelly Bickmore, Roland Narofsky, John Coggeshall, Emil Genest,
and Richard Lyons from MSAD #22

Allan Gordon, Jr. and Assistant Superintendent Emil Genest reviewed the notes of the last meeting, held on April 5 at United Technologies Center in Bangor. The Frankfort officials expressed that they were very impressed with the United Technologies Center facility.

Discussion continued in regard to the Town of Frankfort entering the MSAD #22 school system.

The following topics were discussed:

- Letters of intent to reorganize for both the Town of Frankfort and MSAD #22 will be topics of discussion at the May 16 regular meeting of the Board of Directors of MSAD #22.
- It was clearly noted that MSAD #22 is not interested in using the Frankfort Elementary School for educational purposes.
- Issues associated with Frankfort teachers' salaries and benefits are determined by the Collective Bargaining Agreement between those teachers and RSU #20. If teaching vacancies occur within MSAD #22, Frankfort teachers are welcome to apply for those respective positions.
- Frankfort students have the ability to pursue the availability or use of a Superintendent's Agreement for the next school year, 2012-13.

Next meeting: June 14, 2012 at 7:00 p.m., Samuel L. Wagner Middle School library. MSAD #22 Administration will invite a Maine Department of Education official to attend this meeting.

The meeting was adjourned at 8:20 p.m.

cc: Board of Directors

**Town of Frankfort Officials and MSAD #22 Sub-committee Minutes
Thursday, April 5, 2012
4:00 p.m. at United Technologies Center**

Present: Alan Gordan, Joe Watson, Emil Genest, John Coggeshall, Fred Woodman, and one member of Frankfort's Withdrawal Committee.

Frankfort citizens were given a tour of the United Technologies Center. Everyone was very impressed with the facility.

After the tour, a meeting was conducted. The following were topics of discussion:

- Committee input from SAD #22 regarding the future of the Frankfort Elementary School, including alternative uses for the building.
- A Superintendent's Agreement between SAD #22 and RSU #20 for 8th graders to attend Hampden Academy beginning the 2012/2013 school year.
- Resident locations of Frankfort students. Some students live closer to Hampden than Winterport.

The next meeting is scheduled for Thursday, May 3, 2012 at 6:00 p.m.

The meeting was adjourned at 6:30 p.m.

APPENDIX C

**Town of Frankfort Officials and MSAD #22 Sub-committee Minutes
Thursday, November 17, 2011
6:00 p.m. Samuel L. Wagner Middle School Library**

Present: Kelly Bickmore, Cindy Mitchell, Emil Genest, Richard Lyons, Allan Gordon, Jr., Joseph Watson, Jr., Evelyn Adams, Larry Malone, and other interested citizens

The Frankfort officials informed the committee that they have attained the necessary number of signatures for January's vote. The January vote will ask citizens whether they wish to secede from RSU #20. The officials also provided a time line, presuming the January vote is positive.

The MSAD #22 personnel provided an overview of initiatives being discussed in the district, including the most recent presentation to the Board of Directors on standards based education and graduation proficiency. Also noted was the idea of possibly closing Frankfort Elementary School if the community merges with MSAD #22 and subsequent relocation of their students. The demographics of Samuel L. Wagner Middle School and Leroy H. Smith Elementary School, in regard to student population, were outlined.

Superintendent Lyons noted that thoughts were already being generated "if" the merger occurred and "if" the Frankfort Elementary School closed. These points are only in an exploratory stage with no sense of finality, for many components would have to be discussed and endorsed, including extensive discussion with the MSAD #22 Board of Directors and the three communities.

- The expenditures of the Frankfort Elementary School were reviewed and discussed
- Committee members were invited to tour the new Hampden Academy on November 23

Next meeting: January 26, 2012 at 6:00 p.m., Samuel L. Wagner Middle School

cc: Board of Directors

**Town of Frankfort Officials and MSAD #22 Sub-committee Minutes
Thursday, October 6, 2011
6:00 p.m. Reeds Brook Middle School Library**

Present: Allan Gordon, Jr., Joseph Watson, Jr., Evelyn Adams, Kelly Bickmore,
John Coggeshall, Cindy Mitchell, Emil Genest, and Richard Lyons

The Committee continued to discuss anticipated next steps with the Town of Frankfort. The intent is to file petition for succession after January 1, 2012.

The members reviewed local and state percentages, monetary levels of sample budget levels. Additionally, bond commitments and potential severance package with RSU 20 were denoted.

There was discussion of Frankfort Elementary School and possibilities thereof under various municipal plans, school consolidation options.

The potential structural change and impact/influence on positions of Director of Curriculum, Superintendent, and Assistant Superintendent was noted.

Next meeting: November 17 at 6:00 p.m., Samuel L. Wagner Middle School

cc: Board of Directors

APPENDIX D

Final Withdrawal Agreement Between RSU 20 and The Town of Frankfort Withdrawal Committee

This Agreement Dated as of 08/28, 2012, by and between RSU 20, a Maine Regional School Unit comprised of the Municipalities of Belfast, Belmont, Frankfort, Morrill, Northport, Searsmont, Searsport, Stockton Springs, Swanville (hereinafter RSU 20) and the Town of Frankfort Withdrawal Committee, a duly appointed municipal withdrawal committee for the Town of Frankfort (hereinafter "Frankfort" or the "Town") organized in accordance with 20-A MRSA § 1466(4)(A).

1. **Purposes** The purposes of this Agreement are:

- A. To provide for the timely and orderly withdrawal of Frankfort from RSU 20;
- B. To provide educational continuity for those students residing in Frankfort who wish to continue their education with RSU 20; and
- C. To allocate RSU 20's financial and contractual obligations, and its assets between RSU 20 and the new school administrative unit that includes, or is comprised of, Frankfort (hereinafter the "New Frankfort SAU"), as of the effective date of Frankfort's withdrawal, in a manner that fairly takes into account the continuing educational needs of students, the continuity of educational programs, and the goal of avoiding sudden or excessive increases in property taxes. For purposes of this agreement the term "New Frankfort SAU" includes any school administrative unit that is comprised solely of Frankfort or that includes Frankfort as a member during the term of this Agreement. By way of example, if Frankfort becomes a municipal school unit the term "New Frankfort SAU" would encompass the Frankfort municipal school unit, and if Frankfort were to join RSU 22, the term "New Frankfort SAU" would include the reconstituted RSU 22 with Frankfort as a Member.

2. **Withdrawal:** Pursuant to 20-A MRS §1466, the Town shall withdraw from RSU 20 in accordance with the terms of this Agreement as of June 30, 2013 and, thereafter shall no longer be a member of the RSU 20 school administrative unit. As of July 1, 2013 the Town shall become a separate municipal school administrative unit comprised solely of Frankfort, unless the Town shall join another school administrative unit.

3. **Right to Continued Enrollment:** During the first year after withdrawal (i.e. from July 1, 2013 to June 30, 2014) students residing in Frankfort may attend an RSU 20 school. The Superintendent of RSU 20 and the Superintendent of the New Frankfort SAU (hereinafter the "Superintendents") shall confer with each other and shall develop a list of those K-12 students residing in Frankfort who have enrolled in RSU 20 schools ("RSU 20 Enrolled Students"). On or before January 1, 2013 the superintendents shall jointly certify to the Town Clerk of Frankfort an initial list of those students who reside in Frankfort who have enrolled in RSU 20 schools for the 2013-2014 school year. During the 2013-2014 school year, additional students residing in Frankfort may enroll in the RSU 20 schools in accordance with 20-A MRSA § 1466(4)(A)(1). On or before July 1, 2013 the Superintendents shall confer with each other again and

shall jointly certify to the Town Clerk of Frankfort a final list of RSU 20 Enrolled Students at the end of 2013-2014 school year (hereinafter the "Final List").

Students enrolled in Grade 9 – 12 in RSU 20 schools at the end of the 2013-2014 school year as shown on the Final List shall have the right to continue their education in RSU 20 schools until such time as they have graduated from high school unless that right is sooner terminated under the terms of this Agreement. A student's right to continue to be educated at RSU 20 schools during the 2013-2014 school year, shall terminate if the student discontinues enrollment at an RSU 20 school for a continuous period of 90 calendar days between September 1st and June 15th of that school year, whether by enrolling in another school administrative unit or private school, dropping out, or being expelled and not readmitted within 90 days. Notwithstanding the foregoing, a student's failure to attend an RSU 20 school for a continuous period of 90 days during the 2013-2014 school year due to health reasons, out-of-region special education placement, or travel or study abroad, shall not terminate a student's right to continue to attend RSU 20 schools under this Agreement. In addition, in other appropriate circumstances, the Superintendents may agree that a student's failure to attend an RSU 20 school for a continuous period of 90 days during the 2013-2014 school year shall not terminate the student's right to continue his or her education at RSU 20 schools under this Agreement.

4. **Tuition Payments and State Allocation:** In consideration of the release by the Town of Frankfort of its share of RSU 20's undesignated fund balance at the end of FY2012-2013, and notwithstanding the provisions of 20-A MRSA § 1466(4)(A)(1), the New Frankfort SAU shall not be required to pay tuition for students residing in Frankfort who are enrolled in RSU 20 schools included in the Final List during the 2013-2014 school year and thereafter, but rather RSU 20 shall receive from the Maine Department of Education the state subsidy allocations attributable to the students who attend RSU 20 schools under this Agreement.

5. **Special Education:** RSU 20 shall provide all special education and related special education services to RSU 20 Enrolled Students from Frankfort required by the IEP prepared by each student's IEP Team to the extent RSU 20 has an appropriate program to meet the terms of the IEP and applicable requirements of Maine law and regulations. Except for short term programming changes of not more than 10 school days, decisions about whether RSU 20 can implement the terms of the IEP and whether RSU 20 has an appropriate program or placement for a student pursuant to the requirements of the IEP shall be made by RSU 20 after a careful review of the IEP for the student and consultation with the New Frankfort SAU's Director and/or Assistant Director of Special Services. In no event shall RSU 20 refuse to provide needed Special Education Services as provided in the IEP, except for student removals of not more than 10 school days or when RSU 20 has determined, after consultation with the New Frankfort SAU's Director and/or Assistant Director of Special Services, that RSU 20 does not have an appropriate program or placement for that student.

The New Frankfort SAU's Director and/or Assistant Director of Special Services shall represent the New Frankfort SAU for special education programming, supervision of the IEP Team process, and supervision of the student evaluation process for RSU 20 Enrolled Students. In the event the IEP Team is unable to

reach consensus on issues that are the responsibility of the Team, the New Frankfort SAU's representative at that Team meeting shall make the decisions on those issues, subject to the parent's due process rights in relation thereto. RSU 20 personnel will work cooperatively with the New Frankfort SAU's Director and/or Assistant Director of Special Services and other staff, and, upon request will provide the New Frankfort SAU's Director and/or Assistant Director of Special Services with all information regarding classroom observations, student performance, academic achievement testing and functional behavior assessment components of the students evaluation process.

The New Frankfort SAU's Director and/or Assistant Director of Special Services shall provide input to RSU 20's special education coordinator (or other administrative designee) on the proper implementation of RSU 20 Enrolled Students' IEPs, or perceived deficiencies in IEP implementation. RSU 20 shall consider that input seriously and in good faith and RSU 20 shall respond in an appropriate manner consistent with the terms of this Agreement.

In accordance with Chapter 101 of the Rules of the Maine Department of Education, Maine Unified Special Education Regulation, Section IV(4)(a) and (b), the New Frankfort SAU shall be responsible for the cost of special education for each RSU 20 Enrolled Student during the 2013-2014 school year and thereafter to the extent that those special education costs exceed the State subsidy allocation received by RSU 20 attributable to that student. For purposes of this paragraph special education costs shall include costs of non-special education 504/ADA plans and reasonable attorneys' fees incurred by RSU 20 in connection with disputes over delivery of special education services and/or section 504/ADA plan services for individual Frankfort students. For example, the New Frankfort SAU shall reimburse RSU 20 for the special education costs attributable to any RSU 20 Enrolled Student who qualifies as a high cost in-district or high cost out-of-district placement, including special education transportation costs and costs for facilities modifications required to accommodate the student, to the extent such special education costs exceed the sum of the per pupil base rate for special education students in grades K-12 as calculated by the Maine Department of Education pursuant to 20-A MRS§ 15681-A(2) and any additional allocation that may be provided to RSU 20 by the Maine Department of Education attributable to that student. RSU 20 shall bill the New Frankfort SAU for such excess special education costs during the fiscal year in which the special education costs are incurred.

6. **Need for School Construction.** The withdrawal of Frankfort from RSU 20 will not create a need for any new school construction to be undertaken within five (5) years of the date of withdrawal to serve the students residing in Frankfort. The preferred option of the Frankfort Withdrawal Committee is for Frankfort to join RSU22/MSAD22 on the date the withdrawal from RSU 20 becomes effective. In any case, the withdrawal of students residing in Frankfort from RSU20 will not create a need for new school construction in Frankfort, RSU20 or RSU22/MSAD22 within five (5) years of the date of withdrawal.

7. **Transportation.** RSU 20 shall provide transportation to and from a single location (Frankfort Elementary School) for RSU 20 Enrolled Students pursuant to this Agreement for the 2013-2014 school year. Once the route to and from the single location has been determined, RSU 20 may, at its discretion, provide pickup and drop off services for students on the Final List residing in Frankfort. The New

Frankfort SAU shall not be responsible for the cost of such transportation to the extent those costs exceed the K-12 per pupil transportation allocation provided to RSU 20 by the state for that year.

After the 2013-2014 school year, RSU 20 may, in its discretion, provide transportation to and from a single location in Frankfort to the students of the Final List. The New Frankfort SAU shall not be responsible for the costs of such transportation. In the event RSU 20 determines it is not feasible to provide transportation to the students of the Final List in any school year after the 2013-2014 school year, neither RSU 20 nor the New Frankfort SAU will have an obligation to provide transportation between Frankfort and RSU 20 for the students of the Final List.

8. **Need to Create New Supervisory Units.** The Town of Frankfort is presently negotiating Frankfort's entry into RSU 22 (Hampden, Newburgh, Winterport). It is the town of Frankfort's intention to move directly from RSU 20 to RSU 22. The withdrawal committee believes there is only a remote possibility that the withdrawal of Frankfort from RSU 20 will result in the formation of a new municipal school administrative unit, comprised solely of Frankfort.

9. **Financial Commitments for Outstanding Bonds or Notes:** A list of RSU 20's Financial Commitments for Outstanding Bonds or Notes is attached to this Agreement as Exhibit 1. This list will be updated to June 30, 2013 on or before the date of withdrawal and attached to this Agreement as Replacement Exhibit 1. The obligations of RSU 20 for outstanding bonds or notes and lease purchase obligations will be handled as follows:

A. Debt that Existed When RSU 20 was Formed.

(1) **Pre-existing Indebtedness Assumed by RSU 20.** Under paragraph 6.A of the RSU 20 Reorganization Plan (the "Reorganization Plan"), RSU 20 assumed liability to pay the bonds, notes and lease purchase agreements listed in that paragraph 6.A. According to that paragraph, at the time the RSU was formed M.S.A.D. #34 had \$14,931,710 in "state debt" and M.S.A.D. #56 had \$6,391,123.85 in "state debt." In addition, M.S.A.D. #56 had \$1,153,742.05 in Revolving Renovation Fund debt that was assumed by RSU 20. Under 20-A MRS § 1466(16)(A) whenever a municipality withdraws from a regional school unit having outstanding indebtedness, the regional school unit remains intact for the purpose of securing and retiring that indebtedness, provided that the withdrawal agreement may provide for an alternate means of retiring outstanding indebtedness. In accordance with 20-A MRS § 1466(16)(A), as an alternate means for retiring the outstanding "state debt" assumed by RSU 20 under paragraph 6.A of the Reorganization Plan, the New Frankfort SAU will pay Frankfort's share of the remaining debt service on the "state debt" assumed by RSU 20 under paragraph 6.A of the Reorganization Plan as calculated each year by the Maine Department of Education. In accordance with 20-A MRS § 1466(16)(A), as an alternate means for retiring the Revolving Renovation Fund debt of M.S.A.D. No. 56 assumed by RSU 20 under paragraph 6.A of the Reorganization Plan, the New Frankfort SAU agrees to pay RSU 20 3.62% of this debt or \$15,695.89 using the FY 2013 cost sharing calculations in four (4) equal annual installments of \$3,560.06 payable on or before July 1 of

each year from July 1, 2013 through July 1, 2016, with one final payment of \$1,455.65 due on or before July 1, 2017. In consideration of such payments to RSU 20 by the New Frankfort SAU, RSU 20 will pay the annual debt service on the Revolving Renovation Fund debt assumed by RSU 20 from M.S.A.D. #56 under the Reorganization Plan.

- B. (2) **Pre-existing indebtedness Not Assumed by RSU 20.** Under paragraph 6.B of the Reorganization Plan, RSU 20 did not assume the bonds, notes and lease purchase agreements listed in paragraph 6.B. According to paragraph 6.B of the Reorganization Plan, M.S.A.D. #56 had \$270,022.74 in "local debt" that was not assumed by RSU 20. That local indebtedness has been paid in full by RSU 20 as the agent for the member towns of M.S.A.D. #56. **Debt and Lease Purchase Obligations Issued by RSU 20 After Its Formation.**

Under 20-A MRS §1466(16)(A) whenever a municipality withdraws from a regional school unit having outstanding indebtedness, the regional school unit remains intact for the purpose of securing and retiring that indebtedness, provided that the withdrawal agreement may provide for an alternate means of retiring outstanding indebtedness. As of June 30, 2013, the effective date of Frankfort's withdrawal, RSU 20 will owe \$123,454 on lease purchase agreements for buses and photocopiers issued after the formation of RSU 20 but prior to June 30, 2012. In accordance with 20-A MRS §1466(16)(A), as an alternate means for retiring debt and lease purchase obligations issued by RSU 20 after its formation, in the event that Frankfort withdraws from RSU 20, on or before July 15, 2013 the New Frankfort SAU will pay RSU 20 3.62% of these lease purchase obligations or the amount of \$4,469.03. RSU 20 will then pay the remaining amounts due on the lease purchase obligations issued by RSU 20 after its formation and before June 30, 2012.

10. **Financial Commitments for Bonds or Notes Issued During FY 2012-2013.** During FY 2012-2013 RSU 20 may issue bonds or notes or enter into lease purchase financing arrangements to upgrade facilities at the RSU's schools or to purchase equipment. If Frankfort withdraws from RSU 20 as of June 30, 2013, under 20-A MRS §1466(16), RSU 20 will remain intact for purposes of retiring and securing that indebtedness. As an alternate means for retiring that indebtedness under 20-A MRS §1466(16), RSU 20, exclusive of Frankfort, hereby agrees to pay such debt. If this withdrawal agreement is approved by the Commissioner of Education, and if Frankfort's withdrawal from RSU 20 as of June 30, 2013 is approved by the voters of Frankfort, any referendum vote to incur debt for the purpose of construction or renovation projects at RSU 20 schools during FY 2012-2013 will be held solely in municipalities in RSU 20, exclusive of Frankfort, even if such a referendum is conducted prior to Frankfort's proposed withdrawal date of June 30, 2013.

11. **Distribution of Financial Commitment to Superintendent:** RSU 20 has signed a two year contract with the Superintendent of Schools of RSU 20 effective July 1, 2012 through June 30, 2014. For the year of the contract following the June 30th 2013 withdrawal date, the RSU 20 total financial obligation under the Superintendent is estimated to be (\$105,000.00) in salary plus (\$7812.00) benefits and costs, totaling (\$112,812.00). 3.62% of this amount is (\$4,083.79). Accordingly on or before July 15, 2013 the New Frankfort SAU will make a lump sum payment to RSU 20 of this amount.

12. **Collective Bargaining Agreements:** If the Frankfort Elementary School is closed on or before June 30, 2013, and if Frankfort withdraws from RSU 20 as of June 30, 2013, the New Frankfort SAU shall have no responsibility for RSU 20's collective bargaining agreements. If the Frankfort Elementary School is not closed on or before June 30, 2013, and if Frankfort withdraws from RSU 20 as of June 30, 2013, the New Frankfort SAU shall assume the RSU's existing collective bargaining agreements to the extent that they cover employees of RSU 20 assigned on a full-time basis to the Frankfort Elementary School at the end of the 2012-2013 school year and who have a right to continued employment as of July 1, 2013.

13. **Continuing Contract Rights Under Section 13201:** If the Frankfort Elementary School is closed on or before June 30, 2013, and if Frankfort withdraws from RSU 20 as of June 30, 2013, the New Frankfort SAU shall have no responsibility for the continuing contract rights of teachers assigned to the Frankfort Elementary School at the end of the 2012-2013 fiscal year. If the Frankfort Elementary School is not closed on or before June 30, 2013, and if Frankfort withdraws from RSU 20 as of June 30, 2013, all continuing contract teachers then assigned on a full-time basis to the Frankfort Elementary School and having a right to continued employment shall become continuing contract teachers of the New Frankfort SAU.

14. **Disposition of Real and Personal Property:** If the Frankfort Elementary School is closed on or before June 30, 2013, and if Frankfort has withdrawn from RSU 20 and joined RSU 22 as of July 1, 2013, the RSU 20 school board will convey the Frankfort Elementary School building to the Town of Frankfort for the consideration of \$1.00, and any contents of the Frankfort Elementary School determined by RSU 20 to be useful for educational purposes (ie. desks, books, furniture) shall remain the property of RSU 20. If the Frankfort Elementary School has not been closed on or before June 30, 2013, and/or if Frankfort has withdrawn from RSU 20 but has not joined RSU 22 as of July 1, 2013, the Frankfort Elementary School and its contents shall be transferred by RSU 20 to the New Frankfort SAU.

15. **Transition of Administration and Governance:** The Town of Frankfort Withdrawal Committee has been in communication with the RSU 22 (Hampden, Newburgh, Winterport) regarding the possible addition of Frankfort to RSU 22. It is the intent of the Frankfort Withdrawal Committee that a vote to approve this Withdrawal Agreement take place in the Fall of 2012, that voting on approval of a Reorganization Agreement with RSU 22 take place in mid-winter of 2012-2013, and that Frankfort be reorganized into RSU 22 as of July 1st 2013. If the Frankfort Elementary School is closed on or before June 30, 2013, and if Frankfort withdraws from RSU 20 as of June 30, 2013, and if the addition of Frankfort to RSU 22 is approved by the Commissioner of Education and the voters of RSU 22 and Frankfort, the administration and governance of education for students residing in Frankfort, other than RSU 20 Enrolled Students, will be transferred directly from RSU 20 to RSU 22 as of July 1, 2013. If Frankfort withdraws from RSU 20 as of June 30, 2013 but Frankfort does not join RSU 22 as of July 1, 2013, Frankfort will then become a municipal school administrative unit, and the administration and governance of education for students residing in Frankfort, other than RSU 20 Enrolled Students, will be transferred to the new Frankfort municipal school unit. In that event the New Frankfort SAU will contract for the services of a part-time superintendent/business manager, special education director and any other necessary administrative personnel. The Withdrawal Committee believes there is only a

remote possibility the withdrawal of Frankfort from RSU 20 will result in the formation of a new municipal school administrative unit comprised solely of Frankfort.

If this withdrawal agreement is approved by the Commissioner of Education, and if the withdrawal of Frankfort from RSU 20 as of June 30, 2013 is approved by the voters of the Town of Frankfort, the voters of Frankfort shall not participate in the approval of the RSU 20 budget for fiscal year 2013-2014 at either the budget meeting or the budget validation referendum, and shall not vote on whether to continue the budget validation process in RSU 20.

16. Reimbursement for Costs of School Closing and Resulting Reduction In Force: In the event that the RSU 20 Board of Directors votes during the 2012-2013 fiscal year to close the Frankfort Elementary School, and if Frankfort withdraws from RSU 20 as of June 30, 2013, the New Frankfort SAU shall reimburse RSU 20 for reasonable attorneys' fees incurred by RSU 20 in connection with the referendum vote on the closing of the Frankfort Elementary School and for reasonable attorneys' fees incurred by RSU 20 in connection with any associated reduction of force, including any grievances and/or other legal proceedings related to or arising therefrom.

17. Additional Considerations:

- A. **Superintendents' Agreements:** Nothing in this Withdrawal Agreement shall limit the availability or use of Superintendents' Agreements with respect to any student who is not an RSU 20 Enrolled Student under this Agreement.
- B. **Dispute Resolution:** Any Dispute between Frankfort, the New Frankfort SAU, and RSU 20 (hereinafter individually a "Party" or collectively, the "Parties") arising out of or relating to this Agreement shall be resolved in accordance with this paragraph. Any Party may give written notice of a dispute arising out of or related to this Agreement to another Party or Parties in person or by certified mail, return receipt requested. The Parties to the dispute (hereinafter the "Affected Parties") shall attempt to resolve the matter through informal communication or negotiation for a period of thirty (30) days from the date of receipt of notice by the last Party to receive notice. If the dispute has not been resolved within thirty (30) days, any Party may serve written notice on the other Affected Parties of a request for mediation. The mediation shall be conducted in Maine by a mediator mutually agreeable by the Affected Parties, shall not exceed one full day or two half days in length, and shall be completed within ninety (90) days from the date of receipt of notice of a request for mediation by the last Affected Party to receive notice. If the Affected Parties are unable to agree on a mediator within thirty (30) days, or to resolve the dispute through mediation within ninety (90) days, the dispute shall be submitted to arbitration in accordance with the procedures of the Maine Uniform Arbitration Act, 14 M.R.S.A. §5927 et seq.

C. **Applicability to Successor School Administrative Units:** Upon approval by the Maine Commissioner of Education and approval by an affirmative vote of the Town of Frankfort according to the requirements of 20-A MRSA § 1466(9), this Agreement shall be binding upon the Town of Frankfort, the New Frankfort SAU and any successor school administrative units, and RSU 20 and its successor school administrative units. Accordingly, the terms of this Agreement shall be incorporated by reference into any Reorganization Plan to which Frankfort, the New Frankfort SAU, or RSU 20, or their respective successor school administrative units are or become a party.

18. **Termination:** This Agreement shall terminate upon the termination of the right to attend RSU 20 schools under this Agreement of all the Frankfort students included on the Final List.

19. **State and Local Approval:** This Agreement is subject to approval by the Maine Commissioner of Education as Required by 20-A MRS §1466(4)(B) and approval by an affirmative vote of The Town of Frankfort according to the requirements of 20-A MRSA § 1466(9).

Signed at Frankfort , this 28 day of August, 2012

Withdrawal Committee of the Town of Frankfort:

[Signature] Gabriel J. Baker – Chair & Petitioning Party
[Signature] Allan F. Gordon, Jr. –Member & Rep. from Municipal Officers (Selectperson)
[Signature] Seth W. Brown – Member & Rep. from General Public
[Signature] Eric Carter – Member & Rep. from RSU 20 School Board

REGIONAL SCHOOL UNIT NO. 20
 By: [Signature]
 Its: Chair

Approved By:

Stephen Bowen
Commissioner, Maine Department of Education

APPENDIX E

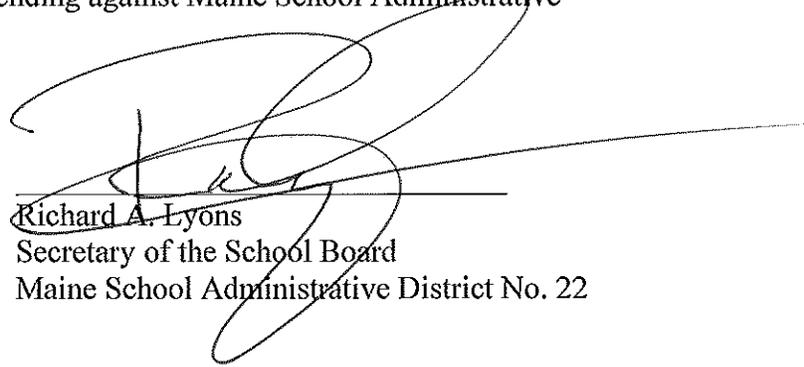
- An employee of the School District who had filed a complaint with the Maine Human Rights Commission (the “Commission”) alleging retaliation based on whistleblower activity has withdrawn that complaint and received a right to sue letter from the Commission. At this time, it is not possible to predict the outcome of this matter, but no litigation has been commenced.
- We are aware of a lien claim filed against the School District by Marjam Supply Co. arising out of the construction project for the new Hampden Academy. The claim is not in suit. A payment bond is in place for the project, and the general contractor has agreed to indemnify the School District against the lien claim.

APPENDIX E

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 22 NO LITIGATION CERTIFICATE

The undersigned, Secretary of the School Board of Maine School Administrative District No. 22, hereby certifies that, except as may be set forth in Exhibit A below, there is no litigation or any outstanding claims of any nature now pending against Maine School Administrative District No. 22.

Dated: January 24, 2013



Richard A. Lyons
Secretary of the School Board
Maine School Administrative District No. 22

Exhibit A

An employee of the School District who had filed a complaint with the Maine Human Rights Commission (the "Commission") alleging retaliation based on whistleblower activity has withdrawn that complaint and received a right to sue letter from the Commission. At this time, it is not possible to predict the outcome of this matter, but no litigation has been commenced.

We are aware of a lien claim filed against the School District by Marjam Supply Co. arising out of the construction project for the new Hampden Academy. The claim is not in suit. A payment bond is in place for the project, and the general contractor has agreed to indemnify the School District against the lien claim.

APPENDIX F

Close Date of Claim	Description	Loss Date	Insured Name	LAE Paid
11/28/11	CONTRACT CLAIM	6/29/11	Maine School Management	\$373.52
	EMPLOYMENT COMPLAINT	8/29/11	Maine School Management	\$322.34
2/25/10 1-00	PERSONNEL ISSUE	12/15/09	Maine School Management	\$253.00
9/28/10	CONTRACT CLAIM	3/12/10	Maine School Management	\$368.74
1/31/06	UNKNOWN	12/15/09	Maine School Management	\$768.50
				\$2,086.10

APPENDIX F

January 25, 2013
8:05 am

Loss Run by Claim by Reserve Group
Financials As Of 1/25/2013

Report Criteria: Filter: Tier 2 Name in (MSAD #22 (ME), MSAD #22 (ME), MSAD #22 (ME) - HSB) and Loss Date >= '01/01/2012'
Group 1: Primary Carrier is Argonaut Insurance Company
Group 2: LOB is Automobile

Group 3: Underwriting Year is 2011

File Number Loss Date	Tier Claim Number Contact Name	Party Name Party Type	Received Date Claim Status	Loss Cause Claim Type	File Handler Policy Number
TNT-0099235 Feb 29, 2012 12:00 am	MDAD #22 Insured		Mar 12, 2012 Closed	Collision - With Another Vehicle Insured not at fault	David Harris SBA700010904
<u>Reserve Group</u>			<u>Paid</u>	<u>Recovered</u>	<u>Incurred</u>
TNT-0099235 Totals			\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
2011 Totals			\$0.00 Open: 0 Closed: 1 Reopened: 0 Total: 1	\$0.00	\$0.00

Group 3: Underwriting Year is 2012

File Number Loss Date	Tier Claim Number Contact Name	Party Name Party Type	Received Date Claim Status	Loss Cause Claim Type	File Handler Policy Number
TNT-0105407 Sep 10, 2012 12:00 am	Rodney Coutier	Maine SAD #22 Insured	Sep 24, 2012 Closed	Backing Up	Christina Wyngowski SBA700010905
<u>Reserve Group</u>			<u>Paid</u>	<u>Recovered</u>	<u>Incurred</u>
Property Damage			\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$991.40
TNT-0105407 Totals			\$0.00 \$991.40	\$0.00	\$991.40
2012 Totals			\$0.00 Open: 0 Closed: 1 Reopened: 0 Total: 1	\$0.00	\$991.40
Automobile Totals			\$0.00 Open: 0 Closed: 2 Reopened: 0 Total: 2	\$0.00	\$991.40

Group 2: LOB is General Liability

Group 3: Underwriting Year is 2012

File Number Loss Date	Tier Claim Number Contact Name	Party Name Party Type	Received Date Claim Status	Loss Cause Claim Type	File Handler Policy Number
TNT-0105365 Sep 17, 2012 12:00 am	Mackenzie Gray Claimant		Sep 21, 2012 Closed	Other On premises BI	Carrie Strakose SGL700010905
<u>Reserve Group</u>			<u>Paid</u>	<u>Recovered</u>	<u>Incurred</u>
TNT-0105365 Totals			\$0.00 \$0.00	\$0.00	\$0.00 \$0.00

Report Criteria: Filter: Tier 2 Name in (MSAD #22 (ME), MSAD #22 (ME), MSAD #22 (ME) - a, MSAD #22 (ME) - HSB) and Loss Date >= '01/01/2012'
Group 1: Primary Carrier is Argonaut Insurance Company
Group 2: LOB is General Liability
Group 3: Underwriting Year is 2012

File Number Loss Date	Tier Claim Number Contact Name	Party Name Party Type	Received Date Claim Status	Loss Cause Claim Type	File Handler Policy Number	Reserve	Paid	Recovered	Incurred
TNT-0105783 Oct 2, 2012 12:00 am		Lori Rahn Claimant	Oct 05, 2012 Closed	Slip and Fall - Outside	Carrie Strakose SGL700010905	\$0.00	\$0.00	\$0.00	\$0.00
TNT-0105783 Totals						\$0.00	\$0.00	\$0.00	\$0.00
2012 Totals						\$0.00	\$0.00	\$0.00	\$0.00
Open: 0									
Closed: 2									
Reopened: 0									
Total: 2									
General Liability Totals						\$0.00	\$0.00	\$0.00	\$0.00
Open: 0									
Closed: 2									
Reopened: 0									
Total: 2									
Argonaut Insurance Company Totals						\$0.00	\$991.40	\$0.00	\$991.40
Open: 0									
Closed: 4									
Reopened: 0									
Total: 4									
Grand Totals						\$0.00	\$991.40	\$0.00	\$991.40
Open: 0									
Closed: 4									
Reopened: 0									
Total: 4									

JOHN L. CARVER

Attorney at Law

Reply to:



Maine Office
143 Sprague Cove Lane
Islesboro, Maine 04848
1-207-734-8312
1-207-734-6857 Fax

email: secretary@johncarverlaw.com



Texas Office
128 High Lonesome Drive
P. O. Box 492
Alpine, Texas 79831
1-432-837-9292

January 17, 2013

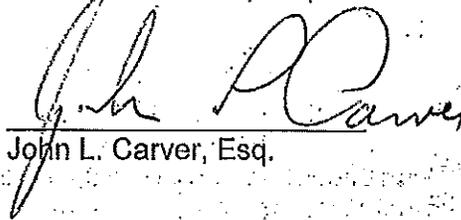
Town of Frankfort
PO Box 218
Frankfort, ME 04438
VIA EMAIL and USPS

RE: Frankfort outstanding school claims

Dear Selectmen:

At your request I am responding to Allan Gordon's January 16, 2013 email to me inquiring as to the existence of outstanding claims against the town of Frankfort. I am responding as your legal counsel. It is my understanding that Frankfort's only outstanding "school related" claims are those that are clearly specified and detailed in the Frankfort withdrawal agreement. While there are outstanding claims against Frankfort relating to the Town's wind power ordinance, those claims, in my view, have no relationship to school/educational issues and should be no legal impediment to your efforts to join SAD 22. The claims against the Town associated with the wind power ordinance are, of course, being litigated by Mark Franco, Esq. If SAD 22's legal representative wishes to review those claims in detail, they should contact Atty. Franco directly. I hope this letter clarifies the issues raised concerning the above captioned matter. If I can be of further assistance, do not hesitate to contact me.

Sincerely,



John L. Carver, Esq.