

REORGANIZATION PLAN SUBMITTAL SHEET

(Each municipality in a School Union must be indicated separately.)

School Administrative Units Included in APPROVED Notice of Intent	School Administrative Units Submitting Reorganization Plan
Alton	Alton
Bradley	Bradley
Old Town	Old Town

Contact Information:

RPC Chair

Name: Jim Dill
 Address: 72 Sunset Drive
Old Town, Maine
 Telephone: 827-3498
 email: jdill@umext.maine.edu

Date Plan Submitted: Feb 5, 2009

Proposed RSU Operational Date: July 1, 2009

<i>M. J. [Signature]</i> Signature/Title	2/13/09 Date	Altou SAU
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<i>Aracelis Siffert</i> Signature/Title	2/11/09 Date	Bradley SAU
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<i>James F. Dill</i> Signature/Title	2/10/09 Date	Old Town SAU
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Signature/Title	Date	SAU
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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.

Parameter A - School 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 (2,500 except where circumstances justify an exception ⁵)		<input checked="" 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		<input checked="" 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. 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 2008-2009 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? (not required, but encouraged)							<input type="checkbox"/>	<input checked="" type="checkbox"/>

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible: 1360

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

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?

REC'D FEB 5 2009

REVISED
Plan to Reorganize
Alton, Bradley
and
Old Town School Departments
into a
REGIONAL SCHOOL UNIT

February 2, 2009

Submitted to the
Maine Commissioner of Education

by the:

The Alton, Bradley,
and Old Town School Departments



Proposed RSU

This REVISED Plan proposes the reorganization of the Alton, Bradley, and Old Town School Departments into a single Regional School Unit (RSU).

The ORIGINAL Plan was prepared by the Alton, Bradley, Greenbush, Milford, Old Town Reorganization Planning Committee, and submitted by the Alton, Bradley, Greenbush, Milford and Old Town School Departments to the State Commissioner of Education for approval before being brought to a vote by referendum. The voters in Milford and Greenbush voted NOT to join the proposed RSU at the referendum vote held on January 27, 2009. The plan was revised on February 2, 2009 to reflect the referendum vote.

The Members of the original Alton, Bradley, Greenbush, Milford and Old Town Reorganization Planning Committee were:

Brian Engstrom (Municipal, Alton);
Keith Feero (Municipal, Alton);
Harry Sanborn (Community Member, Alton);
Laura Sanborn (School Committee, Alton);
Chuck Young (School Committee, Alton);

Andrea Gifford (School Committee, Bradley);
Fred Gifford (Municipal, Bradley);
Laurie Guay (Citizen Member, Bradley);
Sally Strout (Municipal, Bradley);

Charles Adams (Municipal, Greenbush);
Bonnie Sullivan (School Committee, Greenbush);
Mike Williams (School Committee, Greenbush);
Sue Smithson (Citizen Member, Greenbush);
James Smith (Citizen Member, Greenbush);

Ann Goodwin (School Committee, Milford);
Scott Hayden (RSU Co-Chair, School Committee, Milford);
Scott Libby (Municipal, Milford);
Dianne Lacadie (Municipal, Milford);
Todd Saucier (Community Member, Milford);

Chrisanne Blackie (Citizen Member, Old Town);
James Dill (RSU Co-Chair, School Committee, Old Town);
Carol May (Municipal, Old Town);
Scott Gordon (Citizen Member, Old Town);
Linda McLeod (Municipal, Old Town);
David Wollstadt (School Committee, Old Town);

Superintendent Alan Smith (School Union 90), non-voting Member
Superintendent David Walker (Old Town School Department), non-voting Member;

Proposed RSU

Contact Information:

David Walker, Superintendent, Old Town School Department
156 Oak Street
Old Town, ME 04468
Telephone: (207) 827-7171

Alan Smith, Superintendent, School Union 90
78 Main Street
Milford, ME 04461
Telephone: (207) 827-8062

Date Submitted by SAUs:

December 1, 2007 (Work-in-Progress Plan)
June 13, 2008 (Work-in-Progress Plan)
October 27, 2008 (Final Plan)
October 30, 2008 (Re-submit)
February 2, 2009 (Revised Plan-following referendum)

Proposed RSU Operational Name:

To be determined later.

Proposed RSU Operational Date:

July 1, 2009

Proposed RSU

1A. The units of school administration to be included in the proposed RSU

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

- A. Town of Alton, a municipal school unit.
- B. Town of Bradley, a municipal school unit.
- C. City of Old Town, a municipal school unit.

1B. Statement of intent of the RSU

This Plan to reorganize the Alton, Bradley, and Old Town School Departments into an RSU is intended to comply with state statutory requirements to reduce school administrative costs. In addition, this plan is intended to foster broader and more creative educational opportunities for the students of Alton, Bradley, and Old Town. Lastly, this plan is intended to provide equity and fairness for its member municipalities.

1C. Mission statement for the RSU

The mission of the RSU is to foster a regional community commitment to education and to enhance educational opportunities by marshaling resources wisely, creatively, equitably and cost-effectively. The RSU will strive to:

- Promote the educational, social, physical and emotional development of our students so that they may function to the best of their individual abilities
- Provide talented and dedicated faculty and encourage parent and community involvement, as fundamental to each student's success
- Provide proper facilities for academics, athletics and the arts
- Ensure a safe and respectful environment where all students feel a sense of belonging
- Promote in each student, personal integrity, intellectual vitality, good citizenship, discipline and respect for themselves and others

Proposed RSU

1D. Potential educational program enhancements from reorganization into the RSU

Consistent with the goal of achieving long term cost savings from school district reorganization, the Plan recommends that the RSU Board of Directors consider implementing educational program enhancement measures that can be achieved from the District's greater collective resources, economies of scale and large student body.

Proposed RSU

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

Size and Composition: The RSU Board of Directors shall be composed of 9 Directors: 6 Old Town residents elected by the City of Old Town, 2 Bradley residents elected by the Town of Bradley, and 1 Alton resident elected by the Town of Alton.

Term of Office: Each Director shall serve a 3-year term, except that the initial terms of the Board of Directors shall be staggered as provided by **Sec. 7. 20-A M RSA §1472-B**. Since each municipality of the RSU has annual elections, 1/3 of the directors from each municipality serve one-year terms, 1/3 of the directors serve 2-year terms and 1/3 of the directors serve 3-year terms. In those municipalities where the number of directors is not evenly divisible by 3, the first remaining director serves a 3-year term and the 2nd remaining director serves a 2-year term.

Table 1: Distribution of yearly terms for Board of Directors

<u>Alton</u>	<u>Bradley</u>	<u>Old Town</u>
1 Director – 3 Year Term	1 Director – 2 Year Term	2 Directors – 1 Year Term
	1 Director – 3 Year Term	2 Directors – 2 Year Term
		2 Directors – 3 Year Term

Table 2: Board of Directors Election Cycle

Town	# Directors	June 2010 Yr. 1	June 2011 Yr. 2	June 2012 Yr. 3	June 2013 Yr. 4	June 2014 Yr. 5	June 2015 Yr. 6
Old Town	6	2	2	2	2	2	2
Bradley	2	0	1	1	0	1	1
Alton	1	0	0	1	0	0	1
	9	2	3	4	2	3	4

Note: Within 30 days of the State issuance of a certificate of organization for the regional school unit the members of the school boards of the school administrative units within the regional school unit shall conduct a joint meeting for the purposes of electing an interim secretary of the regional school unit and determining a date for the election of the initial regional school unit board.

Proposed RSU

Initial Terms for Board of Directors: At the first meeting of the newly elected nine member RSU Board of Directors, each director shall draw lots to determine their initial term. The draw order for the individual members will be determined by a separate drawing conducted by the acting Secretary elected by the directors.

The three month period between April 2009 and July 2009 will be a transition period where existing School Committees will be completing their duties and the RSU Board of Directors will be beginning their responsibilities.

Thereafter, all terms will be for three-year duration. Giving there are no unforeseen vacancies, no one election year will see more than four of the nine seats open nor will any town/city have more than two contested seats.

Election of Officers: The RSU Board of Directors shall elect a chair and vice-chair and other officers as may be necessary.

Compensation: Compensation for director attendance at a Board of Directors meeting shall be \$23 each director and \$25 for the Chair and Vice-Chair. Mileage will be paid at the State rate.

Vacancies: The RSU Board of Directors shall notify the municipal officers of the municipalities within the regional school unit of a vacancy before the annual town meeting or before the regular municipal election. A vacancy on the RSU board must be filled according to the general laws, currently section 1474(3) of Title 20-A, which provides:

- A. The municipal officers of the municipality in which the director resided shall select an interim director for the municipality to serve until the next annual municipal election. The interim director shall serve until a successor is elected and qualified.

- B. The municipal officers shall provide at the next municipal election for the election of a director to fill the vacancy.

Proposed RSU

3. The method of voting of the governing body.

Weighted Voting: The RSU Board of Directors shall be composed of 9 Directors. Each municipality in the RSU shall elect the following number of its residents to serve on the Board and their votes shall be weighted as follows:

Table 3: RSU Weighted Vote Distribution

Town	Population (2006 Est.)	% Population	# of Votes/ Municipality	# of Directors	Votes per Director	
Old Town	7,723	78.3 %	783	6	130.5	X6=783
Bradley	1,316	13.3 %	133	2	66.5	X2=133
Alton	831	8.4 %	84	1	84	X1=84
Totals	9,870	100 %	1000	9		1000
<p>$1000 / 9 = \frac{111}{1000} = 11.1\%$</p> <p>$11.1\% + 5\% = 16.1\%$</p> <p><i>(pursuant to PL 2007 Ch. 668, Sec. 7)</i></p> <p>16.1% or 161 votes is the maximum allowable voting power of any one Director</p>						

- The weighted votes of the RSU shall be determined by apportioning 1,000 votes among all the members of the board. The ratio of the number of votes cast by the directors representing a municipality in relation to the number 1,000 must be the same ratio to the nearest whole number as the population of the municipality is in relation to the population of all municipalities in the regional school unit, as determined by the latest Federal Decennial Census or Federal Estimated Census.
- To ensure the use of whole numbers, the 1,000 votes apportioned among the board members may not be increased or decreased by more than 5 votes.

Proposed RSU

- The voting power of any director may not exceed more than 5% the percentage of voting power the director would have if all 1,000 votes were apportioned equally among the directors.
- In a municipality served by 2 or more directors, the votes cast by them must be divided equally among them. The directors are elected at large within the municipality unless otherwise provided by municipal charter.
- The RSU Board shall notify the commissioner pursuant to (§1475. Reapportionment) if it believes that reapportionment is necessary to comply with the principle of one-person, one-vote. The commissioner of education shall then determine the necessity for reapportionment in accordance with the principle of one-person, one-vote. The commissioner shall do this either at the requests of the RSU board or upon receiving a petition signed by 10% of RSU voters. The commissioner may determine on his own accord that reapportionment is needed.

Weighted Voting Procedures:

Quorum - A majority of the RSU Board of Directors in number and voting power constitutes a quorum.

Voting (Weighted)

- The basic requirement for approval of an action by the RSU Board of Directors is a majority vote, meaning more than half of the vote count based upon each director's voting power, cast by persons legally entitled to vote, excluding abstentions given a quorum is present.
- A vote to enter executive session must be by 3/5 of the members present and voting (1 MRSA § 405(3)).
- Employing or dismissing a superintendent requires a majority vote of the full membership of the board (20-A MRSA § 1051).

Proposed RSU

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

The Alton, Bradley, and Old Town School Committees shall continue with the management and control of the public schools and programs until the RSU becomes operational on July 1, 2009.

The management and control of the public schools and programs within the RSU shall be the sole responsibility and duty of the RSU Board of Directors.

No local school committees shall be created by this Plan.

Proposed RSU

5. The disposition of real and personal school property.

5A. Real property and fixtures. Except as listed in **Exhibit 5-A**, all real property interests, including without limitation land, buildings, other improvements to realty, easements, option rights, first refusal rights, and purchase rights, and all fixtures, of the Alton, Bradley, and Old Town School Departments shall be conveyed to the RSU. The RSU Board may require such deeds, assignments or other instruments of transfer as in its judgment is necessary to establish the District's right, title and interest in such real property and fixtures.

The real property interests and associated fixtures that shall not be transferred are listed in **Exhibit 5-A**. All real property and fixtures not listed in **Exhibit 5-A** shall be transferred to the RSU District. The disposition of the non-transferred property, if any, shall become the property of the municipality in which it is located, unless otherwise specified in this Plan.

Except as listed below, all real property interest, including land acreage of existing school sites as agreed by towns and SAU school boards, buildings, other improvements to realty, easements, option rights, first refusal rights, and purchase rights, and all fixtures, of school administrative units shall be property of the region. The regional school unit board may require such deeds, assignments or other instruments of transfer as in its judgment is necessary to establish the region's right, title and interest in such real property and fixtures.

Exhibit 5-A

Real Property Interests and Associated Fixtures Exclusions Not to be Transferred

Name of SAU	Description of Excluded Property
Alton	Retain Name of Alton Elementary School
Bradley	Retain Name of Viola Rand School
Old Town	Retain Name of Leonard Middle School, Perkins Avenue Park, swimming pool, outdoor basketball courts/tennis courts/hockey rink at OTHS.

Note: In Exhibit 5-A where the retention of "school name" is mentioned, it is the intent to transfer school properties and only retain the school name associated with the schools listed in Exhibit 5-A.

It is the intent of this plan for the municipalities and RSU to forge a cooperative relationship with regards to use of property. Property retained by the municipalities shall be available for use by the RSU at no cost and property conveyed to the RSU shall be available to the municipalities at no cost when said properties are not in use by the owner entity. Buildings and grounds shall continue to be used in the best interest of the communities.

In the event a school building is closed, the RSU shall, within a year of the date of closing, make a determination whether the building is needed for educational purposes. In the event the RSU determines that the school building is no longer needed for educational purposes,

Proposed RSU

the RSU shall, in accordance with state law (Title 20-A, §4103), offer the building to the town in which it is located before disposing of it in any other manner.

5B. Personal property. All other tangible and intangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies, inventories software, leases, licenses, rights of use and records shall become property of the RSU as successor of the Alton, Bradley, and Old Town School Departments, except as listed in **Exhibit 5-B**.

Exhibit 5-B - Personal Property Exclusions

Name of SAU	Description of Excluded Personal Property
Alton	Awards, banners, trophies, pictures and other items of historical significance in each of the schools.
Bradley	Shelving in library, Awards, banners, trophies, pictures and other items of historical significance in each of the schools.
Old Town	Awards, banners, trophies, pictures and other items of historical significance in each of the schools.

Note: All other tangible school personal property from the Alton, Bradley, and Old Town schools will become the property of the RSU.

The RSU Board may require such assignments, bills of sale or other instruments of transfer as in its judgment is necessary to establish the District's right, title and interest in such personal property.

5C. Agreements to share or to jointly own property. In cases where real or personal school property is shared or is jointly used by an SAU with a municipality or other party, the RSU shall be the successor in interest to the SAU, unless that shared or jointly used property has been excepted in the above list of excepted real property or, as applicable, the above list of excepted personal property.

Proposed RSU

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.

6A. Bonds, notes and lease purchase agreements that the RSU will assume, effective July 1, 2009. Effective July 1, 2009, the RSU shall assume liability to pay the following bonds, notes and lease purchase agreements as specified in **Exhibit 6-A**. Additionally, other bonds, notes and lease purchase agreements issued by an SAU before the operative date of the region shall be assumed by the region, provided the SAU issued the bond, note or lease purchase agreement in the normal course of its management of the schools for an essential purpose to replace its existing facilities and existing items of equipment that are no longer serviceable or to keep them in normal operating condition.

Exhibit 6-A

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of 7/1/2009	Final Maturity Date
Old Town School Dept.	2003	\$8,472,188	OTES Building	\$5,930,531.50*	1/1/2023
Old Town School Dept.	2009	\$2,000,000	LMS/OTHS	\$678,2000	8/31/2019
Old Town School Dept.	2007	\$131,734	Copier Lease	\$107,470	8/1/2012

** Funds to pay the principal and interest on these notes (construction of the Old Town Elementary School in Old Town) will be provided to the RSU by the State of Maine.*

6B. Bonds, notes and lease purchase agreements that the RSU will assume, effective July 1, 2010. Effective July 1, 2010, the RSU shall assume liability to pay the following bonds, notes and lease purchase agreements as specified in **Exhibit 6-B**. Prior to July 1, 2010, the bonds specified in Exhibit 6-B shall continue to be paid by the original members of the SAU indicated.

Exhibit 6-B

Proposed RSU

Exhibit 6-B

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of 7/1/2009	Final Maturity Date
Alton School Dept.	2006	\$54,183	School Roof	\$21,673.20	5/01/2011
Old Town School Dept.	2000	\$900,000	OTHS Renovation	\$180,000	11/01/2010
Old Town School Dept.	2007	\$1,000,000	OTLMS Renovation	\$900,000	11/01/2017
Old Town School Dept.	2008	\$629,217	OTLMS HVAC Upgrade	\$587,806	7/10/2016

6C. Bonds, notes and lease purchase agreements that the RSU will not assume. Pursuant to 20-A M.R.S.A. § 1506(4), the RSU does not assume the bonds, notes and lease purchase agreements specified in **Exhibit 6C**, which shall continue to be paid by the original members of the SAU indicated.

Exhibit 6-C

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of July 1, 2009	Final Maturity Date
Old Town School Dept.	2003	\$2,844,010	OTES Building	\$1,990,807	1/01/2023

Proposed RSU

6D. New capital project debt that the RSU will issue and assume.

None

6E. New capital project debt that the RSU will issue but will not assume.

In the event a member town authorizes debt for a project but does not issue all of the permanent debt for that project before the RSU becomes operational, then pursuant to section 1506(5) of Title 20-A, the RSU shall issue the bonds or notes necessary to finance completion of that project and to refund temporary notes issued for that project, but shall not assume liability for such bonds or notes. Upon issuing that debt in the name of the member town in accordance with section 1506(5), the board shall serve as fiscal agent pursuant to section 1506(4) for purposes of collecting debt service on that debt from the town in addition to the town's share of school costs, and paying that debt on behalf of the town.

6F. Defaulted debt is excluded from being assumed. Notwithstanding anything in this Plan to the contrary, except where legally required to do so, the RSU will not assume any bond, note or lease purchase agreement as to which the SAU is in breach or has defaulted.

6G. Other debt not assumed. Except as provided in this section of the Plan, the RSU will not assume liability for any bonds, notes or lease purchase agreements issued by an SAU prior to the operative date of the District.

Proposed RSU

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

7A. School personnel contracts. A list of all written individual employment contracts to which each of the existing SAUs is a party is attached as **Exhibit 7-A.1**. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date, and their contracts shall be assumed by the RSU on the operational date. This provision does not prevent the existing SAUs from terminating or nonrenewing the contracts of employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

Proposed RSU

Exhibit 7A.1

A list of all employees who have written individual employment contracts

School Union 90

Position	Incumbent	Contract Expiration
Superintendent	Alan Smith	6/30/13
Director Of Education	Debbie Bird	6/30/10
Director Of Special Education	Kimm Kenniston	6/30/11

* Note: Currently costs for U90 Central Office staff are assessed on the basis of total population of the community as compared to the total for all four union towns. Alton = 12.7%, Bradley = 20.1%, Greenbush = 21.8% and Milford = 45.4%.

Alton School Department

Position	Incumbent	Contract Expiration
Alton Elementary School - Principal	Nathan Dyer	6/30/09

Bradley School Department

Position	Incumbent	Contract Expiration
Viola Rand Elementary School - Principal	Cheryl Leonard	6/30/09

Old Town School Department

Position	Incumbent	Contract Expiration
Superintendent	David Walker	6/30/14
Old Town Elementary School – Principal	Jeanna Tuell	6/30/10
Old Town Elementary School – Assistant Principal	Matthew Cyr	8/31/10
Leonard Middle School – Principal	John Keane	6/30/10
Leonard Middle School – Assistant Principal	Jennifer Cyr	8/31/10
Old Town High School – Principal	Joseph Gallant	6/30/09
Old Town High School – Assistant Principal	Brett Hoogterp	8/31/10
Director of Curriculum	Judy Pusey	6/30/10
Director of Special Education	Loretta Robichaud	6/30/10
Food Service Director	Paula Folster	6/30/09

A list of all employees of the existing SAUs who do not have written individual employment contracts is attached as **Exhibit 7-A.2**. List includes employees who work on an at-will basis, who are not covered by an individual contract or collective bargaining agreement. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date. This provision does not prevent the existing SAUs from terminating employment of the employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

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

Proposed RSU

Exhibit 7-A.2

A list of all employees who do not have written individual employment contracts.

<p>Union 90</p> <p>Superintendent's Office Superintendent Secretary Business Manager Personnel Special Ed Admin Asst Custodial</p>	
<p>Alton</p> <p>District Ed Techs Food Service Custodial Secretary</p>	<p>Bradley</p> <p>District Ed Techs Food Service Van Driver Custodial Secretary</p>
<p>Old Town</p> <p><u>Superintendent Office</u> Administrative Assistant Business Manager Clerk Head of Maintenance</p> <p><u>District</u> Food Service employees.</p>	<p>NOTE: Teachers, Educational Technicians, Secretaries, Clerks, Custodians and Maintenance staff are members of the OTEA and covered by negotiated agreements.</p> <p>Food Service employees, while not currently represented, have begun the process of becoming recognized for bargaining purposes as members of the OTEA.</p>

Proposed RSU

7B. School collective bargaining agreements. Collective bargaining agreements to which the SAUs are a party shall be assumed by the RSU board as of the operational date. The collective bargaining agreements are listed in **Exhibit 7-B**.

Exhibit 7-B Collective Bargaining Agreements

SAU	Employee Group	Bargaining Unit	Exp Date
Alton, Bradley,	Certified Staff	U90 Education Association	8/31/2009
Old Town	Certified Staff	Old Town Education Association	8/31/2011
Old Town	Ed. Tech I, II, III	Old Town Education Association	8/31/2010
Old Town	Support Staff-School secretary, school clerks (not superintendents office), custodians, maintenance Workers (not supervisors)	Old Town Education Association	6/30/2009
Old Town	School Administrators Principal, Assistant Principal, Curriculum Coordinator, Special Education Director	Old Town Schools Administrators' Association	6/30/09

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

7C. Other school contractual obligations. A list of all contracts to which the existing SAUs are a party and that will be in effect as of the operational date is attached as **Exhibit 7-C**. The RSU shall assume the following contracts as of the operational date.

Proposed RSU

Exhibit 7-C Other School Contractual Obligations

SAU	Contracting Party	Type of Contract	Expiration Date
Old Town	Cyr Bus	Transportation	6/30/2010
Bradley	Cyr Bus	Transportation	6/30/2010
Alton	First Student	Transportation	6/30/2010

The SAU Board and superintendent shall seek to terminate or negotiate for termination of the following contracts prior to the operational date

SAU	Contracting Party	Type of Contract	Expiration Date
Alton	NA	NA	NA
Bradley	NA	NA	NA
Old Town	NA	NA	NA

7D. Regional adjustment for salaries, benefits, and substitutes

The RSU RPC has expressed a significant concern about the impact of any change to the current Regional Adjustment For Salaries, Benefits and Substitutes (line 15 ED 279) resulting from the formation of a regional school unit. It is the understanding and expectation of the RSU RPC that the new unit will be "held harmless" and therefore not experience any loss of allocation revenue (aggregate) as a result of the consolidation of the Alton, Bradley, and Old Town school units.

Proposed RSU

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.

8A. Existing financial obligations. Pursuant to Section XXXX-36(5) the disposition of existing financial obligations is governed by this plan.

Existing financial obligations shall include the following:

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

Each SAU shall satisfy its existing financial obligations from all legally available funds. If an SAU has not satisfied all of its existing financial obligations, the SAU shall transfer sufficient funds to the RSU to satisfy its remaining existing financial obligations, and the RSU board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the region sufficient funds to satisfy its existing financial obligations, then to the extent permitted by law, the RSU board may satisfy those obligations from balances that the SAU transfers to the region. If the available balances transferred are insufficient to satisfy the SAU's existing financial obligations, or are not legally available for that purpose, the RSU board may take any action permitted by law so that all of the municipalities of the region are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the RSU board may satisfy the unpaid existing financial obligations of an SAU in the same manner and with the same authority as for unassumed debt under the provisions of 20-A M.R.S.A. § 1506(4).

Additionally, to the extent permitted by law, if in the judgment of the RSU board it must raise funds from all its members to satisfy existing financial obligations of an SAU, the RSU board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the District's approved budget) to those District members that would otherwise bear costs attributable to unsatisfied existing financial obligations of an SAU for which they had no financial responsibility.

The intent of the preceding sentence is that financial responsibility for unsatisfied existing financial obligations of a SAU be borne by its members and not by the other members of the District. Salaries and benefits payable after June 30, 2009, excluding summer salaries, shall be the responsibility of the RSU. Alton, Bradley, and Old Town shall be responsible for

Proposed RSU

paying in full all salaries and other compensation owed to employees for work performed during the 2008-09 school year, including salary and compensation payable after June 30, 2009.

8B. Remaining balances. The balance remaining in the SAU's school accounts after the SAU has satisfied existing financial obligations in accordance with this plan shall be paid to the treasurer of the regional school unit, verified by audit and used to reduce that SAU's contribution as provided by Section XXXX-43(4). Unless the Legislature otherwise provides, in the case of a school administrative district, community school district or other regional school district (collectively, "district"), the school board of the district shall specify in writing to the regional school unit board how the region shall allocate transferred remaining balances between district members. Unless the Legislature otherwise provides, if the district board has not specified in writing to the regional school unit board how this allocation shall occur, then the transferred remaining balances shall be credited to the district's members in proportion to their respective shares of that portion of the total local costs of the region allocable to all of the district's members for the operational year.

Transfers of remaining balances may occur within the period specified by Section XXXX-43(4), or, as may be preferable in the case of a district, at any time before the district has closed its accounts and ceased normal operations.

8C. Reserve funds. SAUs shall transfer remaining balances of reserve funds to the regional school unit. Unless otherwise provided by applicable law, a transferred reserve fund shall be used in accordance with its original purpose to benefit a school or schools of the SAU. Transferred reserve funds shall be subject to Title 20-A M.R.S.A. § 1491, except that the transfer of funds in a reserve fund or a change in purpose of the fund may only occur in such manner that the funds continue to benefit the members of the SAU that transferred that reserve fund to the region.

8D. Scholarship funds. SAUs shall transfer remaining balances of scholarship funds to the region. Scholarships shall be limited to the original pool of potential recipients unless otherwise provided by the donor or by applicable law.

8E. Trust funds. SAUs shall transfer trust funds to the region. The regional school union board shall be deemed the successor trustee for all purposes, except as provided by the trust or by applicable law.

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9. Transition plan and timetable for the RSU

9A. Minimize disruption during school district reorganization.

A guiding principle of the Plan is to ensure that the reorganization of the Alton, Bradley, and Old Town School Departments into the RSU minimizes as much as possible any disruption to the schools' educational programs.

RSU will establish a Transition Team in accordance with Para. C(1) below to facilitate the reorganization of the five municipal school departments into a single regional school unit prior to the formation of the RSU Board. Once the voters of Alton, Bradley, and Old Town have approved the formation of RSU, the RSU Reorganization Planning Committee will be dissolved and the Transition Team will be activated. The Transition Team will be dissolved at the time the RSU Board is formed (see Para C(2) below).

9B. Reorganization timetable

The timetable for adoption and implementation of the reorganization Plan is as follows:

- Fall 2008: Submit final reorganization Plan to form the RSU to the Department of Education;
- December 2008/January 2009: The Old Town and School Union 90 boards appoint representatives to the RSU Transition Team;
- January 2009: The Reorganization Plan to form the RSU is submitted by referendum to the voters of Alton, Bradley, , and Old Town. Upon a successful vote to form the RSU, the Reorganization Planning Committee shall be dissolved and the RSU Transition Team shall be activated.
- Spring 2009: RSU Board members are elected;
- Spring 2009: The RSU Board holds its first organizational meeting and elects interim officers. Once the RSU Board elects interim officers, the RSU Transition Committee is dissolved.
- The RSU Board hires a superintendent, consolidates policies and procedures, develops the RSU Budget for FY 2009-2010;
- Spring 2009: Referendum Validation Process for the RSU Budget, FY 2009-2010;
- July 1, 2009: The RSU is operational.

Proposed RSU

9C. Transition plan for the RSU, from FY 2008-2009 to FY 2009-2010

1. **RSU Transition Team.** After the RSU Reorganization Plan is approved by the Department of Education and approved by the member communities, and a certificate of organization is issued by the Commissioner, a transition team consisting of two (2) members of the Old Town School Board and one (1) member of the Alton and one (1) member of the Bradley School Board shall be appointed by the respective School Boards. The Old Town and School Union 90 superintendents shall be non-voting members of the Transition Team.

The mission of the Transition Team is to begin work immediately to facilitate the reorganization of the three municipal school departments into a single regional school unit prior to the formation of the RSU Board. Such activities shall include the following:

- Elect an interim secretary to conduct the election of the RSU Board of Directors, pursuant to Para. 13C.
- Make arrangements for interim office space for superintendent and central office staff.
- Identify vacancies and prepare advertising/recruiting materials for RSU superintendent.
- Identify RSU appointments that are mandated by law and prepare appointment materials for the superintendent.
- Examine all contracts and make preparations to transfer them to the RSU or terminate them, as appropriate.
- Identify options for implementation of a single student information system.
- Identify banking needs for the RSU and prepare bids.
- Identify insurance needs for the RSU and prepare bids.
- Identify options for financial software package for the RSU and prepare for conversion/ licensing of software.
- Identify federal government and IRS issues
 - Get new tax ID number
 - Work on new “218” agreement and/or investigate carrying in the old “218s”
 - Get FCC ID number re-identified for RSU
 - Get FCC licenses for RSU radios
 - Get bill identity number—Schools/Libraries Division
 - Work on other issues as identified.
- Identify state government issues
 - State tax exemption number
 - Fuel reimbursement
 - State retirement number and key contact person
 - Address ME PERS issues if any of the SAU’s in the RSU is a “participating local district”
 - Change name on state licenses for elevators, boilers, kitchens, etc.
- Prepare bid for audit of all SAUs for prior year.
- Other activities the Transition Team deems necessary to facilitate the reorganization.

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In order to complete the above tasks, the Transition Team shall be authorized to incur expenses in accordance with subparagraph (3) below. The Transition Team shall make arrangements with one of the RSU's member SAUs or with School Union 90 to serve as the fiscal agent for the team.

The Transition Team shall be dissolved upon the initial convening of the transitioning RSU Board (See Para. 9C(2) below).

The Transition Team shall not adopt or enact school policies for the RSU or otherwise usurp the responsibilities of the RSU Board.

2. **RSU Board.** The RSU Board of Directors shall establish interim rules of procedure and shall elect interim officers who shall serve until officers are elected at a meeting following the operational date of the District.

The RSU Board shall select a Superintendent of Schools in accordance with Section 1051 of Title 20-A. During the interim period, the salary, office and other expenses of the Superintendent, as well as the cost of the RSU Board, including insurance, shall be allocated to the SAUs as provided below.

The RSU Board shall propose and approve a recommended budget in accordance with 20-A M.R.S.A. §1482 for the first operational year for submission to the voters of the District. The budget format, approval procedures and assessments for the District's first operational year budget shall be in accordance with 20-A M.R.S.A. §§ 1482-1489. The RSU Board shall have all necessary authority for those purposes. This shall be considered the first year of use of the budget validation referendum process for purposes of determining the continued use of the budget validation referendum process every three years pursuant to Section 1486(l).

The RSU Board shall be authorized to take all other actions and shall have all other authority provided under State law to prepare for the RSU to become operational on July 1 of the first operational year, and to file applications for school construction projects and revolving renovation fund loans and other available funding.

3. **Transitional Financing.** The Transition Team and the RSU Board shall be authorized to open and maintain accounts and to incur expenses not to exceed \$20/student (including expenses incurred by the Transition Team), to be allocated among the RSUs' member SAUs in accordance with their most recent April/October (avg.) resident pupil counts.

9D. Transition Plan for personnel and other policies

All personnel and other policies existing in the previous Alton, Bradley, and Old Town School Departments shall continue to apply (and with the personnel policies, to the same employment positions) after they become part of RSU until such time as the RSU Board and Superintendent develop and adopt District-wide policies in accordance with

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applicable law, for application after the District's operational date.

9E. Election of the initial RSU Board (20-A M.R.S.A. § 1472-A)

Election; interim secretary; duties. Within 30 days of the issuance of a certificate of organization for the regional school unit by the state board pursuant to section 1461, subsection 7, the members of the school boards of the school administrative units within the regional school unit shall conduct a joint meeting for the purposes of electing an interim secretary of the regional school unit and determining a date for the election of the initial regional school unit board. The interim secretary shall notify the municipal officers of the member municipalities of the regional school unit of the date of the election. The election must be conducted in accordance with section 1473, subsection 2, except that the election duties of the secretary and the regional school unit board must be performed by the interim secretary. The duties of the interim secretary include:

- Notifying the municipal officers of the date of the election;
- Furnishing nomination papers at least 10 days before the deadline for filing nomination papers;
- Receiving completed nomination papers in accordance with section 1473, subsection 2;
- Preparing and distributing election ballots in accordance with section 1473, subsection 2;
- Receiving the town clerk's certification of the results of the voting in each member municipality;
- Tabulating the town clerk's certification of the results of the voting in each member municipality;
- Accepting any recount petitions that may have been filed pursuant to section 1473, subsection 2, paragraph C; and
- Totaling the votes cast for each candidate and notifying the clerk in each municipality, the candidates and the commissioner of the final results of the voting and the names and addresses of the persons elected as directors.

1. **Initial meeting.** In accordance with section 1473, subsection 1, the clerk of each municipality within the regional school unit shall forward the names and addresses of the directors elected to represent that municipality to the state board with other data regarding their election as the state board may require. On receipt of the names and addresses of all of the directors, the state board shall set a time, place and date for the first meeting of the directors and give notice to the directors in writing, sent by registered or certified mail, return receipt requested, to the addresses provided by the municipalities.

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9F. Transitional powers and duties of the initial RSU board (20-A M.R.S.A. § 1461-A)

As used in this section, unless the context indicates otherwise, “regional school unit board” means the initial regional school unit board elected pursuant to section 1472-A. From the time of election of the regional school unit board to July 1st of the regional school unit’s first operational year, the regional school unit board shall establish interim rules of procedures and shall elect officers who shall serve until officers are elected at a meeting following the operational date of the regional school unit. The regional school unit board’s powers and duties during this period are governed by this section.

1. **Selection of superintendent.** The regional school unit board shall select a superintendent for the regional school unit in accordance with section 1051 to carry out the duties specified in section 1055. During the interim period, the salary, office and other expenses of the superintendent, as well as the costs of the regional school unit board, including insurance, must be allocated to the school administrative units by the cost-sharing formula established in accordance with section 1481-A and included in the reorganization plan for the regional school unit.
2. **Budget preparation and approval.** The regional school unit board shall prepare the annual budget for the first operational year of the regional school unit in time for its presentation to and consideration by the regional school unit board in accordance with subchapter 4. Specific duties may be assigned to existing personnel with the approval of the employing school administrative unit. The regional school unit board shall complete the budget development process and recommend a budget for consideration by the legislative body responsible for final budget approval and the residents of the regional school unit. The budget format, approval procedures and assessments for the regional school unit’s first operational year budget must be in accordance with this chapter.
3. **Authorization.** The regional school unit board is authorized to take all other actions provided under state law to prepare the regional school unit to become operational on July 1st for the first operational year, including the authority to open and maintain accounts, to incur expenses to be allocated among the regional school unit’s member school administrative units in accordance with the reorganization plan for the regional school unit and to file applications for school construction projects and revolving renovation fund loans and other available funding.
4. **Fiscal agent.** The regional school unit board is authorized to expend start-up funds for the regional school unit. A school administrative unit within the regional school unit may serve as a fiscal agent and may expend any start-up funds on behalf of the new regional school unit prior to the regional school unit’s operational date without calling for a special meeting of the local legislative body.

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

Date of Public Meeting	Time	Location
10/6/2008	7:00 PM	Alton
10/8/2008	7:00 PM	Bradley
10/21/2008	7:00 PM	Old Town

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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.

If one or more of the proposed members of the region fail to approve the plan, the SAUs that approve the plan shall proceed as follows:

If the plan is accepted by at least three SAUs representing a total of at least 1,200 resident pupils, as measured by the October 1, 2006 resident pupil counts, then the membership of RSU shall include those SAUs that approved the plan; except that the Commissioner may determine the necessity for reapportionment pursuant to 20-A M.R.S.A. § 1475.

The Commissioner's approval of this reorganization plan is of the plan as written on a date certain. Future amendments to the plan require Commissioner approval.

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12. Cost savings and efficiencies to be achieved by the formation of the RSU

12A. Estimate of cost savings: The Regionalization Planning Committee was unable to make a positive finding that the formation of the RSU would result in immediate cost savings primarily because:

1. the consolidation law requires that all employees of existing SAUs be retained as employees of the new RSU.
2. the law also requires the new RSU to honor the contracts of current system administrators.
3. because start up costs identified below will exceed any foreseeable economies of scale resulting from consolidation during the first year of operation.

12B. Possible efficiencies to be achieved by the formation of the RSU and how they might be achieved.

The RPC indentified a number of areas where it believes there is a reasonable likelihood that efficiencies can be realized resulting in cost savings as a result of regionalization.

The RPC recommends that special attention be given to the following areas:

1. Efficiencies in system level administration.
2. Efficiencies in negotiating and administering one collective bargaining agreement per employee group.
3. Efficiencies in student transportation.
4. The employment of special education staff to reduce the use of contracted services.
5. System-wide or regional programs for low incidence, high need special education populations.
6. Efficiencies in facility operation and maintenance.
7. Savings of scale realized in bulk or group purchasing.
8. Efficiencies in professional development.
9. Efficiencies in technology; hardware, software, support services and licensing.
10. Efficiencies resulting from a common, aligned curriculum.

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The RSU Transition Team and the RSU Board of Directors will work diligently with existing school committees and superintendents in order to determine if efficiencies can be realized in these and other areas that will not have a negative effect on the quality of education provided to the students of Alton, Bradley and Old Town.

12 C. Potential Additional Costs:

The RPC determined that during the first year(s) of operation there will be additional start up costs for both the RSU and the municipalities. Some of the additional start up costs might include but are not limited to:

1. Legal support costs.
2. Audit support costs.
3. Financial; line of credit to replace municipal cash flow resources.
4. Deeds preparation for property transfer.
5. Collective bargaining.
6. Elections for RSU Board of Directors
7. Establishment of new central office space.
8. Purchase of software/hardware for financial operations
9. Salaries of transition related contracted services or employees.
10. Replacement of services currently provided by the municipalities.

Summary:

While the RPC was unable to identify immediate, measureable cost savings from the formation of the RSU, we believe there is the potential for cost savings over the long term particularly in non-instructional areas. It our hope that those savings in non-instructional areas, if realized, will be used to enhance instructional programs for the students of Alton, Bradley and Old Town.

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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.

13A. Plans to reorganize administration, transportation, building and maintenance and special education.

See Section 12.

13B. Cost sharing in regional school units.

The School Administrative Units coming together in this Regional School Unit agree to share those costs that are above the EPS allocation (also known as "Additional Local Funds") in the following manner:

Year 1 (starting July 1, 2009): Using the current amount of Additional Local Funds raised in each SAU in the school year immediately preceding the year the RSU is formed, a percentage for each SAU of the total amount of Additional Local Funds will be established. This percentage will be applied to the total amount of Additional Local Funds that are raised in the budget for the RSU in the first year of operation. This percentage as applied in the first year of operation shall become the "Standard Additional Local" amount to be utilized in making certain cost-sharing calculations in Year 2 and beyond.

NOTE: If the RSU is formed effective July 1, 2009, the percentages would be as follows:

<u>SAU</u>	<u>Amount over EPS for 2008-2009</u>	<u>Percentage of Allocation</u>
Alton	\$131,342	9.80%
Bradley	\$294,550	22.00%
Old Town	\$913,225	68.20%

TOTAL Additional Local Funds for 2008-09: \$1,339,117

Year 2 (starting July 1, 2010) and beyond: The Additional Local Funds to be raised each year by the RSU will be shared in accordance with a formula that is based 50% on valuation and 50% on the number of pupils in each SAU (the "50%-50% Formula"). This cost-sharing formula may be revised pursuant to Para. 13C.

The cost-sharing plan for the RSU also includes debt service payments (principal and interest), effective July 1, 2010, for the following obligations that are to be assumed by the RSU.

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Debt service to be assumed by the RSU includes:

- Old Town High School Repair/Renovations, \$180,000 (as of 7/1/09).
- Old Town High School, Leonard Middle School Repair/Renovations, \$900,000 (as of 7/1/09).
- Old Town High School, Leonard Middle School, HVAC Upgrades, \$587,806 (as of 7/1/09).
- Old Town High School, Leonard Middle School, Health/Safety (Revolving Renovation Fund), \$678,200 (as of 7/1/09).
- Alton Elementary School, Roof Repair, approximately \$20,836.60 (as of 7/1/09).

(NOTE: The above debt service items are included in the cost sharing plan for two reasons. First, it makes sense to have RSU assume debt service on building maintenance projects that add value to the buildings and reduce future maintenance liabilities for the RSU. Second, the assumption of debt helps alleviate the cost-shifting impact of the 50%/50% Formula, which would have placed an undue burden on Old Town.)

The Debt Service costs will also be shared based on the 50%/50% Formula

Amending the Cost Sharing Formula

The method of amending the cost sharing formula is as follows:

The RSU Board of Directors will have the authority to review and analyze the cost sharing formula within the first 3 years and in any subsequent year following incorporation of the RSU. If the Board in its sole discretion decides that the cost sharing formula should be revised, effective for operational year four or thereafter, to provide greater balance in the cost sharing agreement, the Board shall utilize the following procedure to make any changes it deems advisable.

1. The Board shall conduct a review and study of the cost sharing formula as it has been used during the prior years and the implications of its continued use for subsequent years. In doing so, the Board shall consider variations in local costs that have occurred as a result of implementation of the cost sharing plan.
2. The Board may choose to conduct the review as a full Board, or to assign it to an appropriate Board sub-committee. By majority vote, the Board may, determine to employ a qualified consultant or consultants to conduct the review and bring any recommended changes to the Board for consideration.
3. If cost sharing changes are recommended by the Board, the Board will present those changes for discussion and review in a public hearing held for the residents of the RSU.
4. Following the public hearing, the Board shall complete a final review and consideration of the recommended changes as part of a regularly announced Board

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meeting. The Board may amend the proposed changes to the cost sharing formula presented at the public hearing.

5. If the Board decides to proceed with changes to the cost sharing formula, the changes shall be presented to the public for ratification through a District wide referendum or a District wide meeting. A three-fifths majority vote shall be required for approval of changes to the cost sharing formula. The Board may also choose to include such changes as part of the regularly scheduled District Budget meeting or at the following District Budget validation referendum.
6. The meeting (or referendum) will be preceded by a public hearing on the proposed changes at which a complete impact analysis of the changes will be explained to the public both in writing prior to the hearing and verbally at the hearing. The writing shall be deemed sufficient if made available on the RSU website prior to the hearing and made available at the hearing. An objection to the availability, sufficiency or accuracy of the impact analysis or explanation shall not be a sufficient basis to enjoin or invalidate the public hearing or the subsequent District wide meeting (or referendum) if called by the Board, or to overturn the action of the voters at that meeting (or referendum).
7. The voting process and public hearings will otherwise be conducted in compliance with applicable state law and RSU Board policy.
8. The RSU Board shall review the cost sharing plan in the above manner at least every 5 years, for the purpose noted in statement #1 above. Any change in the cost sharing formula shall become effective for the first budget year commencing at least 90 days after the action of the voters, and shall remain in effect for a minimum of three (3) years.
9. Notwithstanding the previous subsection, should the Board decide not to consider any changes in the formula in the years designated for review, a petition signed by a number of voters that is at least 10% of the number of voters from the RSU who voted in the last gubernatorial election shall cause the Board to conduct the review and to report the decisions that come from that review at a regularly scheduled meeting of the Board.

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13C. Tuition contracts and school choice.

1. Tuition Contracts: NA

2. School Choice

To the extent allowed by law, grade levels in the existing SAUs that have choice of schools as of the operational date shall continue to have the same choices in the RSU.

13D. Claims and insurance. NA as of 9/25/2008

13E. Vote to submit ORIGINAL reorganization plan to Commissioner.

SAU	Date Approved to Submit
Alton	10/23/2008
Bradley	10/23/2008
Greenbush	10/23/2008
Milford	10/23/2008
Old Town	10/23/2008

13F. Request for support from the Dept. of Education for the construction of a new regional high school.

The goals of the 2007 school consolidation law and the RSU are to achieve long term cost savings, provide equity and fairness for its member municipalities and most importantly, to provide additional and more creative educational opportunities for our students. ***The construction of a new regional high school is paramount if school consolidation in this region is to be successful and ultimately sustainable.***

Communities in this region have realized the need of a regional high school for some time. Throughout the year regional school administrators, elected municipal officials and elected school officials from these communities have been actively collaborating with the University of Maine in pursuit of a new regional high school.

Given inevitable school consolidation realities for the communities of Alton, Bradley, Greenbush, Milford, Old Town, Glenburn, Orono, and Veazie, the RSU is prepared and willing to provide the necessary leadership for the construction of a new regional high school.

In the interest of meeting the goals of the 2007 school consolidation law, we request in the strongest terms possible that the Department of Education support the new construction of a regional high school as an integral part of the RSU regional school unit proposal.

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14. Amendments to the RSU plan

Upon adoption of the plan by a majority of the voters of the member school administrative units of the RSU, any amendments to the Plan shall require approval by the Commissioner of Education and a majority of the voters in the RSU, except as described in Sections (13.B, cost sharing process).