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
School Union 52: China	School Union 52: China
Maine School Administrative District No. 47	Maine School Administrative District No. 47

Contact Information:

RPC Facilitators

Name:	James C. Morse, Sr. MSAD #47	Hugh G. Riordan School Union #52
Address:	41 Heath Street Oakland, ME 04963	20 Dean Street Winslow, ME 04901
Telephone:	207-465-7384	207-872-1960
email:	jmorse@msad47.org	hriordan@su52.org

Date Plan Submitted: September 4, 2008

Proposed RSU Operational Date: July 1, 2009

Received

SEP 26 2008

Maine Department of Education

Lawrence W. Brown — 9/12/08 — MSAD #47
Signature/Title — Date — SAU
Lawrence Brown, Member
Board of Directors

Laura Corbett — 9/23/08 — MSAD #47
Signature/Title — Date — SAU
Laura Corbett, Member
Board of Directors

Paul Dumais — 9/17/08 — MSAD #47
Signature/Title — Date — SAU
Paul Dumais, Member
Board of Directors

Jeffrey Frost — 9/5/08 — MSAD #47
Signature/Title — Date — SAU
Jeffrey Frost, Member
Board of Directors

Michael Egnoski — 9-5-08 — MSAD #47
Signature/Title — Date — SAU
Michael Gosselin, Chair
Board of Directors

Karen Hatch-Gagne — 9/5/08 — MSAD #47
Signature/Title — Date — SAU
Karen Hatch-Gagne, Member
Board of Directors

Kelly Roderick — 9-4-08 — MSAD #47
Signature/Title — Date — SAU
Kelly Roderick, Member
Board of Directors

Laura Tracy — 9/5/08 — MSAD #47
Signature/Title — Date — SAU
Laura Tracy, Member
Board of Directors

Michael D. Tracy — 9/5/08 — MSAD #47
Signature/Title — Date — SAU
Michael Tracy, Member
Board of Directors

Per MSAD #47 Board action on September 3, 2008.

The Board members listed below were not present at the September 3, 2008 meeting when the Board took action regarding the reorganization plan, however they are supportive of the plan.

Signature/Title
Lora Downing, Member
Board of Directors

9/25/08
Date

MSAD #47
SAU

Signature/Title
Frank Haggan, Member
Board of Directors

9/24/08.
Date

MSAD #47
SAU

Signature/Title	Date	SAU
[signature]	Sept 16, 2008	China
[signature]	Sept 16, 2008	China
[signature]	Sept 16, 2008	China
[signature]	Sept. 16 2008	China
[signature]	Sept 16 2008	China

RECD SEP 5 2008

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		☒	☐	☐	☐	☐
3.A(2)	Size of governing body		☒	☐	☐	☐	☐
	Composition of governing body		☒	☐	☐	☐	☐
	Apportionment of governing body		☒	☐	☐	☐	☐
3.A(3)	Method of voting of the governing body		☒	☐	☐	☐	☐
3.A(4)	Composition of local school committees	☒	☐	☐	☐	☐	☐
	Powers of local school committees	☒	☐	☐	☐	☐	☐
	Duties of local school committees	☒	☐	☐	☐	☐	☐
3.A(5)	Disposition of real & personal school property		☒	☐	☐	☐	☐
3.A(6)	Disposition of existing school indebtedness (if not using provisions of section 1506)		☒	☐	☐	☐	☐
	Disposition of lease-purchase obligations (if not using provisions of section 1506)		☒	☐	☐	☐	☐
3.A(7)	Assignment of school personnel contracts		☒	☐	☐	☐	☐
	Assignment of school collective bargaining agreements		☒	☐	☐	☐	☐
	Assignment of other school contractual obligations		☒	☐	☐	☐	☐
3.A(8)	Disposition of existing school funds and existing financial obligations		☒	☐	☐	☐	☐
3.A(9)	Transition plan that addresses the development of a budget for the first school year		☒	☐	☐	☐	☐
	Transition plan that addresses interim personnel policies		☒	☐	☐	☐	☐
3.A(10)	Documentation of the public meeting(s) held to prepare or review reorganization plan		☒	☐	☐	☐	☐
3.A(11)	Explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan		☒	☐	☐	☐	☐
3.A(12)	Estimate of cost savings to be achieved		☒	☐	☐	☐	☐
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		☒	☐	☐	☐	☐

[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 (2,500 except where circumstances justify an exception[5])		☒	☐	☐	☐	☐
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		☒	☐	☐	☐	☐
3.B(2)	Comprehensive programming for all students grades K - 12.		☒	☐	☐	☐	☐
	Includes at least one publicly supported high school		☒	☐	☐	☐	☐
3.B(3)	Consistent with policies set forth in section 1451		☒	☐	☐	☐	☐
3.B(4)	No displacement of teachers		☒	☐	☐	☐	☐
	No displacement of students		☒	☐	☐	☐	☐
	No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512		☒	☐	☐	☐	☐
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]		☒	☐	☐	☐	☐

Collaborative Agreements		
	Yes	No
Does your plan currently include information/documentation on collaborative agreements? *(not required, but encouraged)*	☒	☐

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible: 3,342

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	☐	☐	☐
Demographics	☐	☐	☐
Economics	☐	☐	☐
Transportation	☐	☐	☐
Population Density	☐	☐	☐
Other Unique Circumstances	☐	☐	☐

[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?

STATE OF MAINE
DEPARTMENT OF EDUCATION
23 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0023

JOHN ELIAS BALDACCI
GOVERNOR

SUSAN A. GENDRON
COMMISSIONER

September 4, 2008

Jim Morse, Superintendent
MSAD 47
41 Heath Street
Oakland, ME 04963

Hugh Riordan, Superintendent
China School Department
20 Dean Street
Winslow, ME 04901

Dear Superintendents Morse and Riordan:

Members of my staff have reviewed the draft Reorganization Plan that you submitted on August 28, 2008 on behalf of MSAD 47 and China School Department and offer the following comments to assist you in completing your work.

-attached
-to be sent under separate cover

- Please submit a completed Reorganization Plan Cover Sheet (checklist) and Reorganization Plan Submittal Sheet including signatures from authorized representatives of member school units with the final submission of your plan.

- Please see p. 9 of plan.

- 3. Please complete the section with respect to initial staggered terms for the regional school unit board of directors in accordance with P.L. 2007, chapter 240, Part XXXX, section 40 (i.e., 1 board member – 1 year term; 1 board member – 2 year term; 1 board member – 3 year term).

- $123,020 Please see p. 11 of plan.

- 12. Each regional school unit's plan must provide an estimate of the cost savings to be achieved by the formation of a regional school unit and how these savings will be achieved in accordance with 20-A MRSA 1461(3)(A)(12) and in sufficient detail to provide clear direction for the new regional school unit prior to plan approval. Please provide more information with respect to your first three years of operation.

- This section has been amended.

- 13-A. This section still contains reference to a merger with a three-town school union. Please amend this section to reflect the current status of your reorganization plan.

RECD SEP 5 2008

REORGANIZATION PLAN

SAU Submitting: China and MSAD 47
Contact Information: Hugh G. Riordan, Superintendent, SU 52, & Dr. James C. Morse Sr., Superintendent, MSAD 47
Date Submitted by SAU: August 2008
Proposed RSU Operational Date: June 2009

1. The units of school administration to be included in the proposed reorganized regional school unit.

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

A. Town of China, a municipal school unit.
B. Maine School Administrative District No. 47

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

Regional School Unit Composition (China & MSAD 47)

Town	Population	# of Votes	# of Members	Votes per Member	% per Member	Equal weight per Member	Equal % per Member	Excess over Equal
Belgrade	3209	170	2	85	8.50%	100	10.00%	-1.50%
China	4408	233	2	117	11.67%	100	10.00%	1.67%
Oakland	6202	328	3	109	10.95%	100	10.00%	0.95%
Rome	1101	58	1	58	5.83%	100	10.00%	-4.17%
Sidney	3966	210	2	105	10.50%	100	10.00%	0.50%
Totals	18886	999	10					

It is recommended that the 1st election of the initial RSU Board, assuming the consolidation is approved, be scheduled as soon as permissible under applicable laws. It is recommended that participating municipalities adopt a common date for the new members to commence their terms in accordance with 20-A M.R.S.A. δ 1003. The census numbers will be revisited every five years, beginning in 2011, using the 2010 census.

3. The Method of Voting of the Governing Body (Revised 6/19/08)

Weighted Voting

The regional school unit board shall be composed of 10 members. Each municipality in the RSU shall elect the following number of its residents to serve on the Board, and their votes shall be weighted as follows:

The regional school unit board shall use weighted voting as follows:

Municipality	Population	# of Board Members	Votes per Member	Total Vote %
1. Belgrade	3209	2	170/2=85	17.0%
2. China	4408	2	233/2=117	23.3%
3. Oakland	6202	3	328/3=109	32.8%
4. Rome	1101	1	58	5.8%
5. Sidney	3966	2	210/2=105	21.0%
TOTALS	18886	10	1000	100.0%

Each board member shall serve a 3-year term, except that the initial terms of the members of the first regional school unit board shall be staggered, as provided by 20-A M.R.S.A § 1472-B.

4. The Composition, Powers and Duties of Any Local School Committees to be Created (Revised 6/19/08)

Not Applicable

5. The Disposition of Real and Personal School Property

Note: This plan assumes all property is transferred unless listed as an exception.

A. Real Property and Fixtures. Except as listed below, 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 school administrative units and of any school unions of which they are members 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.

B. Personal Property. All other tangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories shall become property of the RSU as successor of the SAUs, except as listed below:

The regional school unit board may require such assignments, bills of sale or other instruments of transfer as in its judgment is necessary to establish the region's right, title and interest in such personal property.

C. 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 regional school unit 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.

School related activities will be the Regional School Unit's first priority when assigning building and grounds.

The current practices & policies in place with municipalities related to use by town recreational programs will transfer to the new Regional School Unit, subject to the authority of the Regional School Unit Board to make changes to the extent permitted by law.

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 (Reference Exhibit 6A.)

A. Bonds, Notes and Lease Purchase Agreements That the RSU Will Assume. The RSU shall assume liability to pay the following bonds, notes and lease purchase agreements:

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of July 1, 2008	Final Maturity Date

Additionally, other bonds, notes and lease purchase agreements issued by an SAU before the operative date of the RSU shall be assumed by the RSU, 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 not longer serviceable or to keep them in normal operating condition.

B. 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 following bonds, notes and lease purchase agreements, which shall continue to be paid by the original members of the SAU indicated, and they shall serve as fiscal agent for the SAU for that purpose:

Not applicable

C. 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.

D. 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 region.

Non-State Funded Local Only Debt

As of June 30, 2008 total local only debt outstanding is $689,500 for MSAD 47. In order to buffer the transition cost shifting the RPC recommends one of the following options. This local only debt is specific to the renovation cost of the Messalonskee Middle School construction. (Reference Exhibit 13 B.1 for the debt schedule.)

The RSU will assume each SAU's local only debt. All members will assume an equal share of the remaining portion for the life of the bonds.

Any local only debt incurred after July 1,2009 will be assumed utilizing the adopted additional local funds cost sharing formula.

7. The Assignment of School Personnel Contracts, School Collective Bargaining Agreements and Other School Contractual Obligations (See Exhibit 7A.)

A. 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.

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.

A list of all employees of the existing SAUs who do not have written individual employment contracts is attached as Exhibit 7-B. 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 Superintendent of the RSU or his/her designee shall determine the duties and assignments of all employees transferred to the RSU.

B. School Collective Bargaining Agreements. The following collective bargaining agreements to which the SAUs are a party shall be assumed by the regional school unit board as of the operational date:

SAU	Positions Included in Bargaining Unit	Next Termination Date	Represented by
SAD 47	Teachers	August 31, 2010	MEA
SAD 47	Custodians, Ed Techs, Food Service Personnel	June 30, 2008	MEA
SAU China	Teachers	August 31, 2008	MEA
SAU China	Ed Techs	August 31, 2008	MEA

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

C. 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:

SAU	Contracting Party	Type of Contract	Expiration Date
SAD 47	Coca Cola (Food Service)	Drinks	7/28/2008
SAD 47	Pepsi @ MHS	Drinks	2016
SAD 47	Pepsi @MMS	Drinks	2012
SAD 47	MePower Options MMS	Electricity	12/01/08
SAD 47	MePower Options ALL Others	Electricity	12/01/08
SAD 47	City of Waterville	Bus Maintenance/Fuel	2013
SAD 47	Mid Me Communications	Telecommunications	7/2011
	Me State Billing	Medicaid Billing	
	Get Best Bid	Purchasing Portal	2011
China	B & P Garage	Bus Maintenance	6/30/2011
	Integrys	Power	4/2/2009
	SPC/Ikon	Copiers	8/1/2012
	Me State Billing	Medicaid Billing	
	Siemans	Building Maintenance	6/30/2009
	Honeywell	Performance Contract	8/15/2019
	Fairpoint	Telephone Service	8/23/2011
	Clean-O-Rama	Cleaning Products	6/30/2011

The list noted above represents, to the best of our knowledge, all multi-year contracts. Should any have been omitted through oversight, they too will be honored.

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

A. 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;

(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, for example, 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 regional school unit board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the RSU sufficient funds to satisfy its existing financial obligations, then, to the extent permitted by law, the regional school unit board may satisfy those obligations from balances that the 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 regional school unit board may take any action permitted by law so that all of the municipalities of the RSU are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the regional school unit 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 regional school unit board it must raise funds from all its members to satisfy existing financial obligations of an SAU, the regional school unit board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the region's approved budget) to those RSU 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 an SAU be borne by its members and not by the other members of the region.

B. 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 RSU 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 RSU allocable to all of the district's members for the operational year.

1. The undesignated general fund balance as of June 30, 2009 in MSAD 47 that represents summer payroll shall be applied to the unfunded payroll liability. The remaining undesignated fund balance, after funding the payroll liability, will be used to offset the assessment of the former SAD 47 towns for FY10 budget.

2. The undesignated general fund balances as of June 30, 2009 for China shall be applied to that town's unfunded school payroll liabilities. The remaining unfunded payroll liability shall be assessed to that town over an eight-year period or until such time as the unfunded payroll liability is met.

3. Special revenues and other grant revenues fund balances shall stay with a given school or school system in which they were originally intended until expended (Reference Exhibit 8-B.3).

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.

C. 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.

D. 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.

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

9. A Transition Plan that Addresses the Development of a Budget for the First School Year of the Reorganized Unit and Interim Personnel Policies (Revised 6/19/08.)

A. It is recommended that the election of the initial RSU board be conducted as early as permissible under applicable laws and in accordance with 20-A M.R.S.A. § 1472-A. The initial RSU board shall have the transitional powers and duties provided by 20-A M.R.S.A. § 1461-A. Board members elected shall draw lots to determine the lengths of the initial terms, which shall be for the following periods in addition to the transitional period:

Belgrade: One one-year term; one three-year term.
China: One one-year term; one three-year term.
Oakland: One one-year term; one two-year term; one three-year term.
Rome: One two-year term.
Sidney: One two-year term; one three-year term.

All terms after the initial terms shall be for three years as provided by law. The following is an illustration of the initial terms and subsequent three-year terms:

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Belgrade 1									
Belgrade 2									
China 1									
China 2									
Oakland 1									
Oakland 2									
Oakland 3									
Rome 1									
Sidney 1									
Sidney 2									
Turnover		3	3	4	3	3	4	3	3

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

C. All China and MSAD 47, and SU 52 policies will continue to apply to the schools, employees and students to which they applied prior to the operational date until such time that the regional school unit board adopts uniform policies for the entire RSU.

10. Documentation of the Public Meeting or Public Meetings Held to Prepare or Review the Reorganization Plan

Minutes of the following public meeting(s) held to prepare or review the reorganization plan are attached as Exhibit 10-A:

Date of Public Meeting	Time	Location
August 22, 2007	5:00 p.m.	MSAD #47 Central Office, Oakland
September 6, 2007	5:00 p.m.	Messalonskee Middle School, Oakland
September 20, 2007	5:00 p.m.	Messalonskee Middle School, Oakland
October 4, 2007	5:00 p.m.	Mid-Maine Technical Center, Waterville
October 18, 2007	5:00 p.m.	Winslow Elementary School, Winslow
November 1, 2007	5:00 p.m.	Messalonskee Middle School, Oakland
November 15, 2007	5:00 p.m.	George J. Mitchell School, Waterville
December 6, 2007	5:00 p.m.	Vassalboro Community School, Vassalboro
February 14, 2008	5:00 p.m.	Belgrade Central School, Belgrade
March 27, 2008	5:00 p.m.	Winslow High School, Winslow
May 1, 2008	5:00 p.m.	Messalonskee High School, Oakland
June 17, 2008	5:00 p.m.	Vassalboro community School, Vassalboro
July 23, 2008	5:00 p.m.	Messalonskee Middle School, Oakland
August 27, 2008	5:00 p.m.	MSAD #47 Central Office, Oakland

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 RSU fail to approve the plan, the SAUs that approve the plan shall proceed as follows:

A. **School Board Approval** - If one or more of the school boards of the proposed members of the RSU does not agree to submit this plan to the Commissioner for approval, the plan will be revised by the remaining RPC members and resubmitted to the participating SAU school boards for approval.

Should an SAU school board reject the plan and request that the remaining RPC members consider specific change(s) to the plan, and if the remaining RPC members are willing to accept the change(s), then the revised Plan will be resubmitted to the SAU school boards for approval.

B. **Referendum Results** - If any SAU rejects the plan at referendum, then the remaining SAUs will hold a joint meeting by December 4, 2008 of the school board and remaining RPC members to decide how to proceed in a manner that conforms to the consolidation law. Should the group decide to revise the plan, it will be resubmitted to the voters at referendum as soon thereafter as permissible under applicable law.

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

We estimate that the formation of the regional school unit will result in the following cost savings during the first three years of operation:

The current SAU budgets for FY09 have been reviewed by the RPC. Savings have been identified in Systems Administration and Special Education that will be achieved by the end of the third year of the RSU operation. These savings approach $123,020. In addition the RPC analyzed MDOE cost centers and have been able to provide a range of costs per SAU for the new RSU board to use as a starting point in creating operation efficiencies. (Reference Exhibit 12.)

The overall financial goal of the new RSU using the cost centers in Exhibit 12 is to articulate 3% savings over a three-year period in constant dollars (FY 2009). Benchmarks will be established by the new RSU board.

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

Should China vote to join the RSU the SU 52 Central Office building shall transfer to the Winslow and Vassalboro by dissolving the inter-local agreement (Exhibit 13 A.). If any of the SU 52 towns do join the RSU, the inter-local agreement must be dissolved, and the member towns will meet to determine the disposition of the building (reference the original agreement).

The RPC Educational Programming Subcommittee identified potential educational benefits (Reference Exhibit 13 B.) that the RPC would ask the RSU Board to review and take under advisement.

The RSU will maintain its current relationship with MMTC and make adjustments with the Governance Board as needed.

13-A. Plans to Reorganize Administration, Transportation, Building and Maintenance and Special Education

The plan according to statute must address how the school administrative unit will reorganize administrative functions, duties and non-instructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2008-09 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program.

The RPC strongly recommends that the staffing transitions occur over the first three years of the newly formed RSU in order to assure smooth transitions from current practices, to assure the complex workload can be done accurately, to blend different institutional systems and to avoid unnecessary complications related to the merger of a three town school union and a Maine school administrative district. The RPC recommends that staff reductions occur through attrition, job reassignment, transfers, and voluntary resignations.

SYSTEM ADMINISTRATION (Handbook IIR)			
China Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
0.3	**1.0**	**Superintendent**	**1.0**
0.3		**Asst Superintendent – Business Operations**	
	0.2	**Asst Superintendent – Education**	**0.2**
0.6	**1.2**	**Totals**	
1.8		**Combined Totals**	**1.2**
		Business Office	
China Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
0.3	**1.0**	**Business Manager**	**1.0**
1.0	**1.0**	**Payroll**	**1.2**
0.0	**0.0**	**Human Resources**	**0.0**
0.4	**1.3**	**Accounts Payable**	**1.0**
0.4	**0.2**	**Purchasing/Inventory**	**0.4**
0.4	**0.2**	**Bookkeeper/Analyst** **Receptionist/Secretary**	**0.5** **0.5**
2.5	**3.7**	**Totals**	
6.2		**Combined Totals**	**4.6**
		Superintendent Support	
China Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
0.6	**1.0**	**Admin Assistant**	**1.0**
0.0	**0.5**	**Secretary**	**1.0**
0.5	**0.5**	**Receptionist/Secretary**	**0.5**
1.1	**2.0**	**Totals**	
3.1		**Combined Totals**	**2.5**
China Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
4.2	**6.9**	**Overall Administration Totals**	
11.1		**Combined Admin Totals**	**8.3**
China	**MSAD 47**	**Total**	**Proposed RSU**
$102,891 Salaries	$389,448 Salaries	$492,339 Salaries $123,085 Fringe $615,424	$446,884 Salaries $111,721 Fringe $558,605

1. MSAD 47 cut 1.34 positions in 2007-08
   .84 payroll
   .50 secretary
   1.34

$615,424
- 558,605
<$ 56,819>

2. Based upon current staffing, the RSU Central office will meet this recommended staffing by year 3.

3. This model is based on recommended staffing levels from MDOE

4. SU 52 Curriculum Director is noted in instruction, as is 80% of SAD 47 Assistant Superintendent.

The Regional Planning Committee recommends one central office administrative model noted above which denotes a savings of $56,819 from current practice of two separate central offices. The administrative offices in Winslow represent the Towns of China, Vassalboro, as well as Winslow. The savings noted above project that 30% of the Central Office costs in School Union 52 are attributed to the Town of China. The second administrative office is located in MSAD 47 in Oakland. As staff retire and contracts expire, central office functions such as payroll, accounts payable, finance management, and federal grant oversight can be managed by one office. In addition, the office of the superintendent can be reduced to one from two. Overall district functions can be managed from one superintendent's office.

The range in costs of the current arrangement is approximately $187 to $300 per student, with the RSU average being $273 per student. The RPC encourages the RSU to investigate what contributes to that range and to look for cost efficiencies that can be implemented without impacting the overall quality of services to the system and towns or educational programming. The RPC feels that the recommended administrative structure will not adversely affect the educational/instructional programming.

Transportation

The new Regional School Unit will use routing software provided by the Maine Department of Education or one adopted by the RSU to create more cost effective and efficient bus routes. One of the districts forming the RSU already uses routing software and can attest to the numerous benefits, both financial and non-financial.

Utilization of routing software in the Town of China should result in the reduction of miles driven by eliminating overlapping routes and shorter ride times for students. The software also provides critical information to the drivers.

Moving from a school union configuration to a regionalized administrative model will create inherent time efficiencies. In addition to the potential financial savings the software addresses student safety. Bus drivers have accurate, up-to-date student lists that can be used in emergency situations such as collisions. They also have critical medical information such as allergy information.

Additional savings can be attributed to regional maintenance service already performed for the City of Waterville bus fleet and the bulk purchase of fuel, relative to retail pricing. The RPC encourages the RSU to investigate the creation of a fuel depot somewhere between China to avoid paying retail pricing for fuel.

The current transportation costs range from $ 603 to $635, with an average cost of $610. The RPC encourages the RSU to investigate this range carefully to determine if there are any efficiencies that can be applied to the new RSU. The recommended transportation changes will not adversely affect the educational/instructional programming.

Special Education

Special Education (Handbook IIR)			
China Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
0.5	**1.0**	**Director**	**1.0**
0.0	**0.5**	**Assistant Director**	**1.0**
0.0	**1.0**	**Admin Assistant**	**1.0**
0.6	**0.8**	**Secretary**	**0.5**
1.1	**3.3**	**Totals**	**3.5**
4.4		**Combined Totals**	**3.5***
China Staffing	**MSAD 47**		
$57,212	**$167,751**	**Salaries**	**$172,000**
$14,300	**$41938**	**Fringe Benefits (25% of salaries)**	**$43,000**
$71,512	**$209,689**	**Totals**	**$215,000**
$281,201		**Combined Totals**	**$215,000**
		Savings	**($66,201)**

* Note that two positions are funded from grants, for a total of six positions.

The recommended model above is to replace the current administrative structure to the proposed structure to insure smooth transition. This model projects a reduction in administrative costs of $66,201. The RPC also recommends that the RSU Administration do a complete analysis of each SAU's current programming and staffing to determine the most cost efficient means to deliver services when such efficiencies do not compromise student programming. The current cost of providing service in the School administrative units range from an approximate low of $ 5,851 to a high of $ 9,937, with a RSU average $6,794. It is expected that the above analysis will identify efficiencies. The RSU board should work to make sure that the recommended changes will not adversely affect the educational/instructional programming.

Maintenance

The SAUs involved in this consolidation effort are noted for the excellent condition of their buildings. An analysis of current practices and procedures should be conducted to determine potential cost savings. Viewing the buildings from a single RSU lens, rather than as separate school units, will lead the RSU toward consistency in administration, custodial and maintenance staffing, professional development, contracted services and the purchase of supplies. Costs associated with building and grounds maintenance need to be analyzed by the new RSU.

The current costs in the SAUs forming the new RSU range from $1,095 to $1,425, with an RSU average of $1,371. The RSU board should work to assure that the recommended changes will not adversely affect the educational/instructional programming.

13-B. Cost Sharing in Regional School Units. (Revised 6/19/08)

The regional school unit may raise money, in addition to the required local contribution pursuant to Title 20-A, Section 15690, subsection 1 for educational purposes. The additional local costs of operating the regional school unit shall be shared among all the municipalities within the regional school unit. This local cost sharing formula applies only to the amount, if any, of additional local funds raised by the regional school unit. It does not apply to the required local contributions raised by each municipality pursuant to 20-A M.R.S.A. § 15688.

For the first three operational years of the RSU (FY 2010, FY 2011 and FY 2012) each member municipality shall be responsible for its FY 2009 percentage share of the combined RSU towns additional local funds (hereinafter referred to as "Allocation Percentage") as follows:

Town	FY09 ALF $ Cost Sharing	%
China	$888,897	**24.33%**
Belgrade	$1,009,825	**27.64%**
Oakland	$702,065	**19.21%**
Rome	$472,561	**12.93%**
Sidney	$580,677	**15.89%**
Total	$3,654,025.00	**100.00%**

The intent of this Plan is to have the additional local funds shared fairly and equitably among the RSU's member municipalities.

The RSU member municipalities shall meet by July 2011 to determine the cost sharing formula for FY13 and beyond in accordance with the following procedure. The cost sharing formula may incorporate any factor or combination of factors permitted by law in addition to or in lieu of fiscal capacity and resident pupils.

Procedure for Determining Cost-Sharing Formula Effective FY 2013

A. The member municipalities must convene a meeting by July 2011 to develop a cost sharing formula for additional local funds. Each member municipality must be represented at the meeting or meetings by 2 representatives chosen at large by its municipal officers, and one member of the regional school unit board representing each member community.

B. Prior to the first meeting of municipal representatives the RSU shall engage the services of a facilitator selected from the list, if any, maintained by the commissioner. The facilitator shall:

(1) at the first meeting, review and present data and information pertaining to sharing of costs within the region. Pertinent information may include, but is not limited to, a description of the region'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 region.

(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. The cost-sharing method must be approved by a majority vote of the municipal representatives present and voting.

D. If a cost-sharing method is approved by a majority of the municipal representatives meeting pursuant to paragraph A, the method must be submitted to the voters at a referendum election. It becomes effective when approved by a majority vote of the RSU in a referendum called and held for this purpose in accordance with sections 1501-1504 of Title 20-A, except that, if the proposed cost-sharing plan is based in whole or part on factors other than fiscal capacity or pupil count, the change must be approved by a majority of voters voting in each municipality in the region.

E. If approved at referendum, assessments made by the regional school unit 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 determine its method of sharing costs. The state board shall issue an amended certificate of organization showing this new method of sharing costs.

In the event that no cost sharing formula has been approved by the voters by January 31, 2012 in accordance with the procedure described above then the following cost sharing agreement will become effective starting in Fiscal Year 2013: In FY 2013 additional local funds will be allocated as follows: 67% based upon the 2008-09 Allocation Percentage and 33% based upon 75% state valuation and 25% student count. In FY 2014, 33% based upon the 2008-09 Allocation Percentage and 67% based upon 75% state valuation and 25% student count. In FY 2015 it will be 75% state valuation and 25% student count. The formula for FY 2015shall remain in effect thereafter until amended as provided below.

The cost sharing formula shall be reviewed in FY 2017 and every five years thereafter to assure equity and fairness to all member communities. The method of amending the cost sharing formula is as follows:

A. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the regional school unit, or if approved by a majority of the full regional school unit board, the regional school unit board 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 2 representatives chosen at large by its municipal officers, and one member of the regional school unit board representing each member community.

Prior to the first meeting of municipal representatives the RSU shall engage the services of a facilitator selected from the list, if any, maintained by the commissioner.

The facilitator shall:

(1) at the first meeting, review and present data and information pertaining to sharing of costs within the region. Pertinent information may include, but is not limited to, a description of the region'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 region.

(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.

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 referendum election. It becomes effective when approved by a majority vote of the RSU in a referendum called and held for this purpose in accordance with sections 1501-1504 of Title 20-A, except that, if the proposed change in cost-sharing plan is based in whole or part on factors other than fiscal capacity or pupil count, the change must be approved by a majority of voters voting in each municipality in the region.

E. If approved at referendum, assessments made by the regional school unit 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-C. Tuition Contracts and School Choice (Revised 6/19/08)

1. Tuition Contracts

Not applicable – there are no tuition contracts.

2. School Choice

Secondary students residing in China with a parent or guardian with legal custody shall continue to have school choice as follows:

SAU	Description
China	All students 9-12 may choose to attend any secondary school approved for tuition purposes. The RSU will pay tuition up to the RSU's secondary tuition rate.

The RSU will act as the financial agent for China for purposes of paying tuition to any approved public or private secondary school. Should the tuition rate for a school that is not operated by the RSU exceed the RSU secondary tuition rate, the excess amount shall be assessed to the municipality in which the student resides with his/her parent or guardian with legal custody.

In the event that the state does not continue reimbursement for insured value, China will assume financial responsibility directly to any school(s) of choice that include an insured value factor in their tuition rate.

The RSU agrees to provide transportation for secondary students residing with their parents or guardians with legal custody in China to Erskine Academy, with the cost shared utilizing the MDOE cost sharing formula.

Should circumstances change related to decreased student enrollment, state law, or other unforeseen circumstance the RSU Board may review and change school choice arrangements and/or the transportation policy if permitted by State law.

This busing agreement will be reviewed at the same time the RSU cost sharing formula is reviewed.

13-D. Claims and Insurance (See Exhibit 13 D.)

Insurance coverage shall continue uninterrupted from the SAUs to the RSU.

13-E. Vote to Submit Reorganization Plan to Commissioner

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

Vote to be Adopted by [School Committee/Board] to Submit Reorganization Plan to Commissioner:

VOTED: That the provisions included in the school reorganization plan prepared by the China and MSAD 47 Reorganization Planning Committee to reorganize into a regional school unit with an operational date of July 1, 2009, are determined to be necessary within the meaning of Section XXXX-36(5)(M), and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to the Commissioner of Education on behalf of this school administrative unit by December 1, 2008.

Note: Adoption of this vote does not necessarily mean that the governing body of the school administrative unit endorses the school reorganization plan. This vote is required in order for the school reorganization plan to include "such other matters as the governing bodies... determine to be necessary" under Section XXXX-36(5)(M) of the school reorganization law and in order for the plan to be submitted to the Commissioner of Education by the school administrative unit as required by Section XXXX-36(4).

13-F. Section for RSUs with Fewer than 2,500 Students

Not Applicable

13-G. Collaborative Agreements

Collaborative agreements are agreements to share the responsibility for and cost of the delivery of certain administrative, instructional and non-instructional functions. "Collaborative agreements" include, but are not limited to:

A. Shared purchasing or contract agreements: Kennebec Alliance

B. Agreements for shared staff or staff training: Kennebec Alliance

C. Agreements to share technology or technology support: none

D. Agreements to provide special education programs and support services: Kennebec Alliance

E. Agreements to share accounting, payroll and financial management services: none

F. Agreements to coordinate transportation routing and vehicle maintenance: Waterville & MSAD 47

G. Agreements to share food service planning and purchasing: Waterville & MSAD 47

H. Agreements to coordinate energy and facilities management: none

I. Adult Education: Winslow, Waterville & MSAD 47

A school administrative unit may enter into collaborative agreements with other school administrative units and, whenever possible, with local and county governments and State Government, to achieve efficiencies and reduce costs in the delivery of administrative, instructional and non-instructional functions.

A collaborative agreement between two or more previous education units may remain in effect after July 1, 2008. Notwithstanding any other provision of law to the contrary, collaborative agreements in existence on the effective date of this section may be extended or modified by the parties to the collaborative agreement.

Reorganization Plan
China and MSAD 47

List of Exhibits

Exhibit 6A: Existing Debt and Lease Purchase Agreements

Exhibit 7A: Assignment of School Personnel Contracts, School Collective Bargaining Agreements and Other School Contractual Obligations

Exhibit 7B: Employees of the Existing SAUs Who Do Not Have Written individual Employment Contracts

Exhibit 7C: School Contractual Obligations

Exhibit 8B3: Special Revenues and Other Grant Revenues Fund Balances

Exhibit 10A: Minutes of Public Meetings(s) Held to Prepare or Review the Reorganization Plan

Exhibit 12: Range of Costs per SAU for the New RSU Board to Use As a Starting Point in Creating Operation Efficiencies

Exhibit 13A: SU 52 Inter-local Agreement

Exhibit 13B: Potential Educational Benefits

Exhibit 13B1: Local Only Debt Schedule

Exhibit 13D: Pending Claims and List of Coverages

Exhibit 6A

Existing Debt and Lease Purchase Agreements

Exhibit 6-A, Existing Debt & Lease Purchase Agreements					
Name of SAU	**Year Issued**	**Original Principal Amount**	**Asset Acquired, Constructed or Renovated**	**Principal Balance as of July 1, 2008**	**Final Maturity Date**
China	5/24/1990	$3,313,000	China Primary	$514,820	11/1/2010
China	11/1/08	$80,112	China Middle RRF 1 – Water Damage #863	$48,067	11/1/2012
China	FY09	$525,000	China Middle RRF 2 – Air Quality #971	$157,658 local share	FY 2018
China	FY08	$63,307	Copiers	$63,307	8/1/2012
China	FY08	$547,255	Performance Contract – Energy & CMS Kitchen	$547,255	8/15/2019
China	FY05	$58,039	Buses	35,573	9/15/2009
China	FY06	$59,123	Buses	35,573	8/15/2009

MSAD #47
GENERAL OBLIGATION DEBT
6/30/2008

	Date of Issue	Amount Issued	Interest Rate	Maturity Date	Balance 6/30/08 Principal	Interest	Total
Messalonskee High School							
Maine Municipal Bond Bank	1990	8,315,000	7.00%-7.38%	2010	1,247,250	85,876	1,333,126
State/ Local							
Messalonskee Middle School							
Maine Municipal Bond Bank	2002	12,883,987	4.59%	2022			
State/ Local		11,898,987			8,329,293	2,921,858	11,251,151
Local Only		985,000			689,500	241,839	931,339
Total MMS Debt		12,883,987			9,018,793	3,163,697	12,182,490
Oakland, Sidney, Belgrade							
Elementary School ADA upgrades							
Maine Municipal Bond Bank	2006	91,405	0%	2010	36,562	0	36,562
Revolving Renovation Loan		net of forgiven amt.					
GRAND TOTAL Debt Sevice					10,302,605	3,249,573	13,552,178

CAPITAL LEASES
MSAD 47
as of 6/30/08

The following is a schedule of lease obligations as of 6/30/08

1	T.D. BankNorth Elementary Lease conversion 1/13/03-8/1/11	1,861,712
2	Key Bank Bus Lease 7/10/06-07/10/09	27,013
3	Sun Financial HS Portable 7/13/2005-6/13/10	96,818
4	Sun Trust Financial Tech Lease 09/23/05-08/23/08	25,841
5	Suntrust 3 year BUS 10/24/07-4/24/09	120,224
6	Suntrust grounds truck/tractor 10/24/07-7/24/2011	57,207
6	Suntrust music instruments 10/24/07-7/24/2011	21,080
6	Suntrust copiers 10/24/07-7/24/2011	84,289
7	Key Government Energy Management 8/30/07-5/30/11	50,989
8	Suntrust JB portable 10/11/06-10/11/08	18,013
8	Suntrust van/mower/truck 10/11/06-10/11/08	17,044
8	Suntrust bus lease fall 2006 10/11/06-10/11/08	50,795
	Total all Capital leases	**2,431,025**

Exhibit 7A

Assignment of School Personnel Contracts, School Collective Bargaining Agreements and Other School Contractual Obligations

Exhibit 7A - School Union 52 - Individual Contracts

Name	Location	Position	Duration
Carl Gartley	China	China Public Schools Principal	2010
Darlene Pietz	China	China Asst Principal/SPED Director	2010
Lois Bowden	China	China Asst Principal/Guidance	2010
DickR., Rebecca	China	COTA	2010
Gerstenberger, Vickey	China	School Nurse	2010
Hugh Riordan	U52	Superintendent	2011
Gary Smith	U52	Assistant Superintendent	2011
Nora Murray	U52	Cur	2011
Cates, Bill	U52	Computer Support Analyst	2010
Phillips, Shelley	U52	Grounds & Maintenance Supervisor	2010
Hiltz, Wayne	U52	Grounds and Maintenance	2010
Heffernan, Claire	U52	School Health Coordinator	2010
Woodworth, Joanne	U52	Transportation Supervisor	2010

Exhibit 7A - School Union 52 - Group Agreements

Town	Group	Expiration
China	Secretaries	8/31/10
	Custodians	6/30/10
	Cooks	8/31/10
	Bus Drivers	8/31/10
	Support Services Benefit Pkg.	6/30/10
	Prof Services Benefit Pkg.	8/31/10
SU52 Office Staff	Office Staff (Admin Asst, Payroll, Reception, Financial Analyst, AP)	6/30/10

EXHIBIT 7A

MESSALONSKEE SCHOOL DISTRICT
ASSIGNMENT OF SCHOOL PERSONNEL CONTRACTS

Name	Position	Contract Duration
Bacon, Gwen	Associate Principal, Messalonskee High School	7/1/08 – 6/30/11
Bowers, Daniel	Assistant Principal, Messalonskee High School	7/1/08 – 6/30/09
Callan, Paula	Associate Principal, Messalonskee High School	7/1/08 – 6/30/11
Gordon, Catherine	Principal, Belgrade Central School	7/1/08 – 6/30/11
Haney, Jennifer	Principal, Atwood Primary School	7/1/08 – 6/30/11
Harris-Smedberg, Kathy	Principal, Williams Elementary School	7/1/08 – 6/30/11
Hatch, Mark	Principal, Messalonskee Middle School	7/1/08 – 6/30/11
Laughlin, Linda	Assistant Superintendent/ Curriculum Director	7/1/08 – 6/30/11
Mercier, Cheryl	Special Education Director	7/1/08 – 6/30/11
Moody, Jonathan	Assistant Principal, Messalonskee Middle School	7/1/08 – 6/30/09
Morse, James	Superintendent of Schools	7/1/08 – 6/30/12
Packard, Constance	Business Manager	7/1/08 – 6/30/11
Reynolds, Nancy	Principal, James H. Bean School	7/1/08 – 6/30/11

Exhibit 7B

Employees of the Existing SAUs Who Do Not Have Written individual Employment Contracts

EXHIBIT 7B

MESSALONSKEE SCHOOL DISTRICT
EMPLOYEES WHO DO NOT HAVE
WRITTEN INDIVIDUAL EMPLOYMENT CONTRACTS

All employees who are not listed above or are not covered under a bargaining unit have one-year employment contracts that terminate in June, 2009. This includes positions such as administrative assistants, bus drivers, secretaries, accounting staff, substitutes, playground monitors and others.

CHINA PUBLIC SCHOOLS
EMPLOYEES WHO DO NOT HAVE
WRITTEN INDIVIDUAL EMPLOYMENT CONTRACTS

All employees for the China Public Schools were listed in Exhibit 7A previously and this section does not apply.

Exhibit 7C

School Contractual Obligations

Exhibit 7C – School Contractual Obligations

SAU	Contracting Party	Type of Contract	Expiration Date
SAD 47	Coca-Cola (Food Service)	Drinks	7/28/2008
	Pepsi @ MHS	Drinks	2016
	Pepsi @MMS	Drinks	2012
	MePower Options MMS	Electricity	12/01/08
	MePower Options ALL Others	Electricity	12/01/08
	City of Waterville	Bus maintenance/fuel	2013
	MidMe Communications	Telecommunications	7/2011
	Me State Billing	Medicaid Billing	
	Get Best Bid	Purchasing Portal	2011
China	B & P Garage	Bus maintenance	6/30/2011
	Integrys	Power	4/2009
	SPC/Ikon	Copiers	8/1/2012
	Me State Billing	Medicaid Billing	
	Siemans	Building Maintenance	6/30/2009
	Honeywell	Performance contract	8/15/2019
	Fairpoint	Telephone Service	8/23/2011
	Clean-O-Rama	Cleaning Products	6/30/2011

Exhibit 8B3

Special Revenues and Other Grant Revenues Fund Balances

MSAD #47
SUMMARY OF OTHER FUNDS
6/30/08

Fund Number	Name
110	Adult Education
293	School Nutrition
550	Trust Funds
900	Regional Summer School
905	Safe Child
906	Kennebec Consortium
907	KVSA
910	Waterville Bus
912	Sheriff Gas
930	Student Accounts
950	Medical Reimbursement/125
951	Dental Insurance
952	Laptop Repair

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 47 Schedule 2
Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budgetary basis
For year ended June 30, 2008

			Revenues			Expenditures		
		Beginning of Year fund balances	Federal funds	Other revenues	Total revenues	Program Expenditures	Excess / (deficit)	6/30/08 Balances
Federal funds								
230	Title I A	100,476	395,681	2,658	398,339	411,647	(13,309)	87,167
238	Comprehensive School Development	20,820	22,000		22,000	42,820	(20,820)	-
247	Local entitlement	123,565	503,937		503,937	454,714	49,223	172,789
251	Local entitlement-preschool program	2,554			-	423	(423)	2,131
260	Drug Free-title IV	2,843	13,187		13,187	9,267	3,920	6,763
264	Title V Innovative Education	3,672	25,519		25,519	26,575	(1,056)	2,616
265	Title IID Techonology Literacy Challenge	6,054	5,498		5,498	7,901	(2,403)	3,651
267	Title VI Rural and Low Income	22,106	77,556		77,556	74,712	2,844	24,950
269	Title IIA Teacher Quality	2,893	121,021		121,021	82,442	38,579	41,472
274	Comprehensive School Health Education	1,441	2,000		2,000	3,441	(1,441)	-
290	School bus Clean Air Zone Signs	-	2,500		2,500	2,500	-	-
	Total federal funds	286,425	1,168,899	2,658	1,171,557	1,116,443	55,114	341,539
Other Programs								
201	Every 15 Minutes	942					-	942
202	CAM Assess	0				0	(0)	0
203	Project Scholar/MMS	41		2,510	2,510	2,550	(41)	-
204	MELMAC	-		5,000	5,000	3,331	1,669	1,669
205	Robotics Grant	82		2,500	2,500	500	2,000	2,082
206	UME Extension	486			-	486	(486)	-
207	George Mitchell Grant	7		1,667	1,667	1,120	546	554
208	Greater Waterville Program			2,000	2,000	2,000	-	-
209	ME Humanities Council Grant	1			-	1	(1)	-
211	Health Grant	99			-	25	(25)	73
212	Partners in Art and Learning	6,084			-	-	-	6,084
214	MSLA-Practise Grant	516			-	102	(102)	414
215	Sappi Forest Agreement	1,297			-		-	1,297
216	Tech Fair donations	422			-		-	422
217	Oak Grove Coburn Foundation	860		14,188	14,188	14,001	187	1,047
218	Civil Rights grant	250			-		-	250
219	Waterv! Commun Youth	531			-	170	(170)	361
225	Dental Health	278		2,422	2,422	2,391	31	308
226	Instructional support (Distinguished Ed)	44,081		244,150	244,150	251,360	(7,210)	36,871
246	Medicaid	259,183		251,407	271,836	258,249	13,587	272,770
261	Nat Council of Teachers	1,000		1,000	1,000	1,000	-	1,000
262	United Way Grant grant	(2,525)		33,919	33,919	31,394	2,525	-
263	Wellness	1,500		1,235	1,235	1,135	100	1,600
264	Trails	2,433			-		-	2,433
450	Tech borrowing	30,353		832	832	31,185	(30,353)	-
451	School Bus			151,710	151,710	151,710	-	-
452	Portable Buyout/Misc leases	(88,949)		88,949	264,736	175,786	88,949	-
	Total other programs	258,970		803,489	999,704	928,498	71,206	330,176
	TOTAL	545,394	1,168,899	806,146	2,171,261	2,044,941	126,320	671,714

School Union 52 Special Revenue & Grant Fund Listing

Town	Fund #	Special Revenue & Grant Funds
		China
China	201	ERATE
China	202	INSURANCE PROCEEDS
China	207	CMS CIVIL RIGHTS
China	213	OAK GROVE GRANTS
China	220	LEARNING RESULTS
China	224	DENTAL
China	230	TITLE IA
China	247	LOCAL ENTITLEMENT
China	251	PRE SCHOOL HANDICAPPED
China	264	TITLE V
China	265	TITLE IID - ENHANCING ED THROUGH TECHNO
China	270	TITLE IIA TEACH QUALAITY
China	274	CSHE
China	280	TITLE IV - DRUG FREE
China	281	RURAL SMALL SCHOOLS
China	293	CHILD CARE
China	600	LUNCH

Summary of NO CHILD LEFT BEHIND (NCLB) Title Grants
5 SAU
2007-08

	← SAU →			
GRANTS	**SAD 47**	**CHINA**	**TOTAL**	**CONSOLIDATION IMPLICATIONS**
Title 1A Services for At-Risk Students	$395,681	$89,492	$485,173	Allocation based on census (2004) poverty % - although many variables, appears approx. the same amount. Distribution to schools based on highest poverty - school needs minimum 35% free & reduced or above RSU average. Per pupil $ reduction to private schools.
Title IIA Professional Development	$121,021	$38,338	$159,359	No significant change
Title IID Technology	$5,498	$1,331	$6,829	No significant change
Title IV Safe and Drug Free Schools	$7,187	$4,660	$11,847	No information
Title V Innovative Education	$10,163	$2,421	$12,584	Some increase for RSUs over 35% free & reduced rate
Title VI flexible Small Rural Rural Low Income	$77,556	$13,698	$91,254	Greater than 20,000 population - No longer eligible
Total	**$617,106**	**$149,940**	**$767,046**	

Exhibit 10A

Minutes of Public Meetings(s) Held to Prepare or Review the Reorganization Plan

REGIONAL PLANNING COMMITTEE
MINUTES
August 22, 2007

The meeting of the Consolidation Planning Committee was called to order by James C. Morse, Sr., Superintendent of Schools for Maine School Administrative District No. 47, at 5:00 p.m. in the Board Meeting Room at the Central Office at MSAD 47 in Oakland. Dr. Morse served as Chairperson of the meeting, noting that he, Eric Haley, Superintendent of Schools for the Waterville Public Schools, and Elaine Miller, Superintendent of Schools for School Union 52, would share that responsibility on a rotating basis.

Those in Attendance: Lawrence Brown, Lee Cabana, Robin Colby, Judy Coombs, Steven Dyer, Doug Eugley, Ralph Farnham, Jeffrey Frost, Monique Gilbert, Michael Gosselin, Eric Haley, Doug Harlow, Michael Heavener, Pamela Jabar Trinward, Dennis Keschl, Linda Laughlin, Elaine Miller, Robert Moreau, Nora Murray, Wendy Nivison, Constance Packard, Paula Pooler, Gary Smith, Jack Sutton, Peter Thiboutot, Michael Thurston and Michael Tracy

Dr. Morse asked members of the Committee to introduce themselves and state a question they each would like answered regarding the consolidation process.

Dennis Keschl, Belgrade Town Manager – What is the fiscal impact that the consolidation process will have on the Town of Belgrade?

Jack Sutton, Chair of the Budget Committee, town of Belgrade – Mr. Sutton stated he is very interested in the process by which the potential financial impacts on each one of the potential member communities is going to be.

Doug Eugley, Chair of the Sidney Board of Selectpersons – Mr. Eugley would like to see what the numbers look like.

Larry Brown, MSAD 47 Board Member representing the Town of Rome – Mr. Brown stated that the Town of Rome is a brand new member of the MSAD 47 District. How does this impact education for students?

Bob Moreau, Member, Rome Board of Selectpersons – What will the impact be on tax base and valuations?

Doug Harlow, Sentinel Correspondent – Mr. Harlow indicated he had too many questions.

Mike Thurston, President of the Winslow Education Association – If districts submit two or more letters of intent, who, ultimately, will make the final decisions in these cases?

Robin Colby, President of the Messalonskee District Education Association – How will consolidation impact teachers and students?

Judy Coombs, President of the Waterville Teachers' Association – Will we still be able to provide equitable quality education to our students? Where are the savings?

Mike Heavener, Winslow Town Manager – Will consolidation increase or enhance the educational opportunities for our students?

Mike Tracy, MSAD 47 Board member representing the Town of Oakland and Oakland Police Chief – How will consolidation impact the students?

Steve Dyer, Oakland Town Manager – Where are the savings? Is there the political will and wherewithal in Central Maine to make this happen? Is there the will of the people to make this happen?

Ralph Farnham, Member of the Oakland Town Council – What is the financial impact for Oakland?

Connie Packard, Business Manager, MSAD 47 – Ms. Packard is looking for the savings but is also concerned about preserving the integrity, quality and service for the students, teachers and the staff.

Wendy Nivison, Winslow School Committee Member – What are the fiscal outcomes for the towns, and can we maintain quality of education?

Nora Murray, Director of Curriculum, School Union 52 – What's going to happen with school choice and implications for Winslow where they have not been involved in the consolidation process with the towns of Vassalboro and China? What are the implications for the towns that don't choose to approve of a plan that goes forward?

Gary Smith, Director of Business, School Union 52 – We have three great educational systems. How do we bring three systems like this together and maintain the controls that exist in those systems while keeping efficiencies?

Pam Trinward, Member, Waterville School Board – How can we possibly work this out and bring back to the Legislature where the real issues are?

Lee Cabana, Chair of the Waterville School Board – What are the advantages the students in these communities will receive? Where will the savings be?

Mike Gosselin, Chair, MSAD 47 Board of Directors – Mid-Maine Technical Center has students from four communities represented by the people here. That is a model of cooperation among the communities.

Linda Laughlin, Assistant Superintendent of Schools, MSAD 47 – Ms. Laughlin stated she is looking forward to maintaining and improving programming for our students.

Peter Thiboutot, Assistant Superintendent of Schools, Waterville Public Schools – How do we enhance education for all students?

Paula Pooler, Director of Finance, Waterville Public Schools – Ms. Pooler stated she is concerned about maintaining integrity and quality of programming for students.

Elaine Miller, Superintendent of Schools, School Union 52 – How do we join together and maintain that culture, and how do we make sure that we maintain schools, sports teams and school choice?

Eric Haley, Superintendent of Schools, Waterville Public Schools – We have been at this for a number of years. There are two goals for any initiative that we take on: (1) program enhancement, and (2) financial savings and efficiencies.

Dr. Morse reviewed with Committee members the agenda for the evening, which included introductions of Committee members, a review of ground rules, a PowerPoint presentation with baseline data about the three school systems, a brainstorming activity, formation of subcommittees, and establishing future meeting dates. Dr. Morse stated that in the end the job of Committee members is to make a recommendation to their respective school boards. From that recommendation those boards will make a decision as to whether to merge or not. This process ends with a decision by December 1, 2007.

Dr. Morse reviewed with Committee members the make-up of the Consolidation Planning Committee. Representation on the Committee is as follows: three teachers' association presidents, six town/city managers/1st selectmen, six school board members, six community members and three superintendents. Meetings will be held on the 1st and 3rd Thursday of each month from 5:00 to 7:30 p.m. in the cafeteria at Messalonskee Middle School in Oakland. All meetings will be open to the public.

Dr. Morse reviewed with Committee members the ground rules.

- Each School Administrative Unit (SAU) will appoint a spokesperson for voting.
- There will be one vote per SAU.
- There will be 20 minutes reserved at the beginning of each session for public comments, with a two-minute limit per person.
- Meetings will occur on the 1st and 3rd Thursday of each month.
- Superintendents of the three schools systems involved will chair the Committee on a rotating basis.

Regarding delegations, Dr. Morse noted that if members of the communities want to address the Planning Committee they would have the opportunity to do so. There will be up to 20 minutes reserved at the beginning of each meeting for anyone in the audience who would like to address the Planning Committee, with a two-minute limit for each individual.

Pam Trinward suggested that at some point there should be an opportunity for citizens to respond to the work of the Committee.

Dennis Keschl suggested that the Committee offer an email address where people can email questions to the Committee.

Dr. Morse noted that at the next meeting the minutes will be adopted. Once adopted, they will be posted on the Web page. The PowerPoint presentation will be posted on the Web page as well.

Eric Haley asked how the group would feel about having a public session within each individual community. He suggested having a disclaimer on the Web page that states that people may send in their comments and questions, but won't necessarily receive an individual response. Questions will be addressed in a global fashion.

Meetings are scheduled for September 6, September 20, October 4, October 18, November 1, and November 15.

Gary Smith asked if respective school committees must approve plans before they are submitted to the Department of Education. Eric Haley noted that school districts must file a plan by December 1, 2007. There are no penalties that districts will receive prior to consolidation on July 1, 2009.

Jack Sutton asked where, when and how in this process the pro forma financials for each of the municipalities will be developed. Dr. Morse noted that that will be completed by the next meeting on September 6, 2007.

Dennis Keschl asked if there has to be a referendum by January 15. Eric Haley replied only if districts want to consolidate by July 1, 2008.

Hobart Pierce asked where the towns of China and Vassalboro fit in the plan.

Dr. Morse noted that the towns of China and Vassalboro are not represented at the table because the law allows China and Vassalboro to maintain school choice. If districts accept the two towns that have school choice, they would have to enroll any child who the other high schools choose not to enroll. For example, Erskine does not serve students with extreme special needs, behavioral problems or attendance issues. Under this law, if China and Vassalboro were part of the new regional school unit, the three high schools would have to enroll any students that Erskine does not enroll. Winslow would end up with a disproportionate number of special needs students. If China and Vassalboro were part of this particular discussion, there would have no choice.

Elaine Miller noted that Vassalboro voted to submit two letters of intent to the State, one including Winslow, China, Vassalboro, Palermo, and Waterville, and a second including Winslow, China, Vassalboro, and Palermo. China also voted to submit two letters of intent, one including China, Vassalboro, Winslow, Palermo, and Waterville, and a second including China, Vassalboro, Winslow, and Palermo. Winslow also submitted two letters of intent, one including

Winslow, Waterville, and MSAD 47, and a second including Winslow, China, Vassalboro, and Palermo. Ms. Miller noted that Palermo chose not to join any of those towns.

Dr. Morse noted that the law and implications of the law do protect school choice but do not necessarily favor towns like Winslow. Currently Winslow acts as Waterville and Messalonskee in that they may choose to enroll or not enroll students. If they consolidated only with Winslow, they will be forced to take every single student, and that is a huge concern for the public high schools. Dr. Morse noted that currently the three districts enroll tuition students, but they have the option of not enrolling them.

Mike Gosselin asked if communities might contract with high schools. Dr. Morse noted that MSAD 47, Waterville, and Winslow would continue to accept students on a tuition basis.

Elaine Miller noted that towns that have school choice must identify in their plans how they will educate students in grades K-12, and how to provide education for those students who can't get in or get dropped.

Dr. Morse reviewed with Committee members a PowerPoint presentation dated August 22, 2007 related to a Messalonskee, Waterville, and Winslow regional school unit, giving a snapshot of the three school systems. The Districts have been working on a relationship with Waterville, Winslow, and Messalonskee. All want to do more for students than under the Kennebec Alliance in terms of buying paper cheaper and copier contracts. They are looking for professional development for their teaching staffs. There are two issues: educational opportunity and maintaining and improving what is currently in place and doing it more cost effectively.

The purpose of the Regionalization Planning Committee is to increase educational opportunities for Messalonskee Waterville, and Winslow students, as well as to create cost efficiencies, and to comply with the consolidation law in order to make recommendations to respective school boards.

The Consolidation Law was embedded in the state budget. The law reduces Maine school systems from 290 to 80, with at least 2,500 students per Regional School Unit (RSU). The Consolidation Law was drafted due to declining student enrollment statewide, taxpayer revolt, and school administrative units being too small due to declining enrollment. Exceptions to the 2,500 student goal per RSU include off-shore islands and Indian Schools, efficient high performing schools, and the "doughnut" hole. This would be a case where a school unit would be in the middle of surrounding school units that have consolidated but no one has partnered with the particular school unit. The Consolidation Law requires the formation of Regional Planning Committees to review pros and cons of possible partnerships and the creation of a regional agreement.

Key Dates of the Consolidation Law include:

- Summer of 2007 – formation of Regional Planning Committee
- August 31, 2007 – Notice of Intent Letter submitted to Commissioner
- December 1, 2007 – Regional Plan submitted to Department of Education
- January 15, 2008 – 1st voting opportunity, with operational date of July 1, 2008
- November 4, 2008 – 2nd voting opportunity, with operational date of July 1, 2009 - If there is lack of voter approval, penalties will be invoked.

Penalties for non-compliance include an additional 50% reduction in administrative support, less favorable treatment for school construction, reduction in Essential Programs and Services (EPS) subsidy, and ineligibility for transition adjustment.

There are currently three governance models for school districts: municipalities, school unions, and school administrative districts. A municipality is a department of the city, such as Waterville. A school union is comprised of several municipal school systems that share the cost of a central office, but each member is independent of the other members and has its own school board, such as School Union 52. Under a school administrative district, member communities share school governance through one school board, such as MSAD 47. Under the consolidation law, all these units will disappear and be replaced with Regional School Units, which are similar to school administrative districts.

Dr. Morse reviewed details related to MSAD 47, Waterville, and Winslow. The Census 2006 estimated population for MSAD 47 is 14,478, Waterville is 15,639, and Winslow is 7,944, for a total population of 38,061, with each community having a voting weight of 1 vote per thousand.

The valuation as per 2006 data from the Maine Department of Education for MSAD 47 is $1,248,200,000, for Waterville is $632,500,000, and for Winslow is $437,650,000, for a total valuation of $2,318,350,000. This is the data that the Department of Education uses as a foundation as to what districts receive for school funding. The valuation as per 2007 data from Maine Revenue Service is $1,484,600,000 for MSAD 47, $697,450,000 for Waterville, and $474,850,000 for Winslow, for a total valuation of $2,656,900,000.

Eric Haley noted that there are two items that affect state funding: student count and state valuation. If valuation increases and student count decreases, it is detrimental to school districts, as school funding is based on these two items. This is what is happening in MSAD 47, Waterville, and Winslow. It will be difficult to sustain the quality of programming in schools with less funding.

The estimated debt as of June 30, 2009 is $11,981,809 for MSAD 47, $4,401,351 for Waterville, and $10,246,524 for Winslow. The possibility exists that both state and local debt will have to be assumed, but it is a negotiable item.

The 2007-08 combined school budgets total $58,912,844, with MSAD 47 at $25,401,211, Waterville at $19,367,633, and Winslow at $14,144,000, serving a total student population of

approximately 6,000. Each district is operating efficiently. As a comparison, the Portland Public Schools has a budget of $75,000,000, serving a student population of approximately 7,000.

Student population (based on 2004-05 data) is 6,069, with 2,634 students in MSAD 47, 2,010 students in Waterville, and 1,425 students in Winslow. In MSAD 47 there have been decreases in enrollment at both the Middle School and High School. All schools in Waterville are at capacity. Winslow schools are not to capacity, and Winslow High School has approximately 100 students attending on a tuition basis. The 2007-08 student population as per the ED 281 state report is 5,775 for all three districts. The ED 281 report uses the average of the April 1 and October 1 enrollment.

Dr. Morse reviewed a comparison of student drop out rates, graduation rates, average daily attendance, and college placement.

District	Drop-out Rate	Graduation Rate	Average Daily Attendance	College Placement (2005-06)
SAD 47	0.77%	92.76%	96.90%	84.00%
Waterville	1.50%	87.57%	94.15%	78.00%
Winslow	0.17%	88.65%	94.24%	80.00%

It was noted that all three high schools are accredited through the New England Association of Schools and Colleges.

The socio-economic data related to free/reduced lunch status and special education counts was also reviewed. All three school systems have comprehensive programs to deal with the most needy youngsters, as well as gifted youngsters.

Per pupil costs (based on 2004-05 data) for secondary education were also reviewed. The yearly cost to educate students in grades 9-12 is $7,729.32 in MSAD 47, $9,037.85 in Waterville, and $8,480.27 in Winslow. The state average is $8,230.

In MSAD 47 50% of the teachers have master's degrees, and 5% have advanced degrees; in Waterville 42% of the teachers have master's degrees, and 9% have advanced degrees; and in Winslow 29% of the teachers have master's degrees, and 2% have advanced degrees. In the State as a whole 36% of teachers have a master's degrees, and 2% have advanced degrees.

Required elements of the regional plan to be submitted to the Department of Education include governance, disposition of real and personal school property, disposition of existing school indebtedness, lease purchase obligations, assignment of school personnel contracts, disposition of existing school funds, transition plan for the development of a first-year budget, and interim school policies. Dr. Morse noted that by combining the three school districts, the opportunity exists for enhancing educational opportunities for all students.

Eric Haley noted that Robin Colby, a Latin teacher, will be teaching this year at both Messalonskee High School and Waterville High School. The Latin program was eliminated at Winslow High School, but there are slots in Waterville for Winslow students who want to take Latin. This is an example of collaboration that is already occurring among the three districts.

Pam Trinward asked what kind of support districts would receive from the Department of Education. Dr. Morse noted that the superintendents feel that the work can be completed without help from the State, and that the school systems are similar in nature and comfortable with each other. At this point nothing has been requested from the State.

Ms. Trinward asked if the Committee could be provided with a model of what the districts would look like if they were one school system. What will the EPS model look like, and how will the districts be affected? Dr. Morse noted that the State will use state subsidy and budgets and will merge into "what if" scenarios.

Mike Gosselin noted that while districts are going forward with consolidation, all other day-to-day issues are going on as well. Top-level managers are at the disposal of the Committee. Dr. Morse noted that the Committee may apply for $2,500 to help with costs upon approval of a plan.

At this point Committee members formed subgroups to generate topics and ideas. Each group listed items and topics to address, which will be broken down into the required elements of the plan.

Waterville representatives had the following concerns.

- EPS Funding – How will it affect the local system and Waterville community? How will it be disbursed by the RSU? Will it be prorated?
- 281 – Individual vs. RSU
- Combined Contractual Costs – What will it look like, and how much will it cost?
- Merging of Contracts
- Manner in which staff reductions are handled

Winslow representatives had the following concerns.

- Management of Support Services (transportation, facilities, food service)
- Understanding Financial Impact
- Local Only Debt
- School Choice and Tuition
- RSU Equitable Programs and Services Across Schools
- Student Teacher Ratios
- Federal Funding Impact (NCLB)
- Governance and Voting
- Contracts/ Bargaining
- Policies

MSAD 47 representatives had the following concerns.

- Why do we want to join? What are incentives to join and what are incentives not to join?
- How do we offer the same opportunities to all elementary students? How do we insure equity and opportunity?
- Debt
- Salary Differentials
- Transportation Issues
- Facilities – What are the needs, and who will pay?
- Savings – Where are the opportunities? Priorities? Additional costs?
- EPS – How do we control EPS, and how do we insure we understand it?
- Public Education – Cost, Accurate Numbers, LD1 Limitations
- Role of Municipalities in Governance, Taxes, Warrants
- Small School Culture
- Educational Vision – themed high schools (career focused), reduce redundancy
- Saving money is important, but not at the expense of students' education.
- Maintain integrity of school systems. Analyze staffing needs across the board. Staff stretched too thin.
- Look at class sizes, curriculum, literacy, technology, arts, foreign languages.
- What does governance look like?
- Renegotiation of all Contracts and Unionization of Non-union Employees
- Policies and Procedures – What are transitional policies?
- Bottom Line for Member Communities
- Enrollment Projections

Dr. Morse reviewed the "big" issues with Committee members.

- Financial Concerns – local-only debt, LD 1
- Personnel Issues – support contracts, human resource issues
- Student Issues – equity in education
- Governance Issues – policies, role of municipalities
- Facilities

Subcommittees will be formed to carry forth work regarding these issues in relation to what needs to be completed to have a plan ready for the Commissioner for December 1. Subcommittees will be formed by sign-up. There will be a balance of community representation on each subcommittee.

Elaine Miller noted that this meeting was a good start, with good brainstorming. It points out similarities in questions and what information is still needed.

Dennis Keschl asked what would happen if the plan does not go forward as envisioned. Where will communities be on December 1? Dr. Morse noted that if the plan doesn't come together as the districts had hoped, work would continue. Have we put due diligence into this effort, and are

we working towards the closure? There are financial penalties for non-compliance. As much work needs to be completed as possible.

Mr. Keschl asked what would happen if we come together in due diligence but cannot come to agreement and efforts fail. Dr. Morse noted that under the current statute, if these discussions fall apart, MSAD 47 has over 2,500 students, so there is no penalty. Waterville and Winslow, with fewer than 2,500 students would face sanctions.

Dr. Morse thanked members of the Committee for attending the meeting. He noted that this is some of the most exciting work in terms of school governance that people have seen since the Sinclair Act of 1957. He appreciates those people who attended. The Superintendents thanked all who attended.

The meeting adjourned at 7:40 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
September 6, 2007

Eric L. Haley, Superintendent of Schools for the Waterville Public Schools, called the meeting of the Consolidation Planning Committee to order at 5:03 p.m. in the cafeteria at Messalonskee Middle School in Oakland. Mr. Haley served as Chairperson of the meeting, noting that he, Dr. James C. Morse, Sr., Superintendent of Schools for MSAD 47, and Elaine Miller, Superintendent of Schools for School Union 52, would share that responsibility on a rotating basis.

Those in Attendance: Mary Ann Bernier, Lawrence Brown, Lee Cabana, Malcolm Charles, Charles Clark, Robin Colby, Judy Coombs, Donald Dufour, Steven Dyer, Elwood Ellis, Doug Eugley, Ralph Farnham, Jr., Jeffrey Frost, Monique Gilbert, Michael Gosselin, Eric Haley, Michael Heavener, Melanie Jewell, James Jurdak, Linda Laughlin, Libby Mitchell, Robert Moreau, Nora Murray, Wendy Nivison, Joan Phillips Sandy, Paula Pooler, Kelly Roderick, Gerald Saint Amand, Phil St. Onge, Jack Sutton, Sara Sylvester, Peter Thiboutot, Michael Thurston, Laughlin Titus, and Michael Tracy

Mr. Haley reviewed with Committee members the ground rules.

- Each School Administrative Unit (SAU) will appoint a spokesperson for voting.
- There will be one vote per SAU.
- There will be 20 minutes reserved at the beginning of each session for public comments, with a two-minute limit per person.
- Meetings will occur on the 1st and 3rd Thursday of each month.
- Superintendents of the three schools systems involved will chair the Committee on a rotating basis.

Mr. Haley asked if there were any delegations.

Malcolm Charles, a Selectman representing the Town of Rome, addressed the Committee regarding the addition of the Towns of China and Vassalboro. With the addition of China and Vassalboro, there are only five meetings to develop a plan to submit to the state, and he expressed concern about developing plans and having enough time to do so.

Mr. Haley noted that these needs are formulative needs, and that there are no absolutes because towns have filed letters of intent.

Elaine Miller noted that Vassalboro voted to submit two letters of intent to the State, one including Winslow, China, Vassalboro, Palermo, and Waterville, and a second including Winslow, China, Vassalboro, and Palermo. China also voted to submit two letters of intent, one including China, Vassalboro, Winslow, Palermo, and Waterville, and a second including China, Vassalboro, Winslow, and Palermo. Winslow also submitted two letters of intent, one including Winslow, Waterville, and MSAD 47, and a second including Winslow, China, Vassalboro, and Palermo. The only town that has filed an amendment for this group is Vassalboro. Ms. Miller noted that representatives from the Town of Palermo have openly stated that they have no

interest in partnering with Winslow, and if Winslow is involved with any of the letters of intent of the other towns with which they will partner, Palermo will not be involved.

Dr. Morse noted that the letters of intent are just that – the intentions of what will be done. MSAD 47 filed three letters of intent, one by itself, one including MSAD 47, Waterville and Winslow, and one including China, MSAD 47, Vassalboro, Waterville, and Winslow. As Committee members go through the process, they need to review what makes sense, how they want to proceed, and then make recommendation to respective school committees. They are trying to meet state deadlines while not knowing definitely where they will be going. They want to insure that towns are covering all the bases.

Elaine Miller noted that School Union 52 is very effective and efficient, but under the new law, the school union will be dissolved. It is difficult for school unions because they have worked in partnership for many years. Under the new law, what was once a good partnership does not necessarily become a good RSU.

Jack Sutton, Chair of the Budget Committee for the Town of Belgrade, noted that the pro forma analysis of the financial impact on the municipalities before the savings by taking today's budget and allocating them based on the letters of intent will go a long way in sorting out what route this Committee will take.

Mr. Haley noted that whatever the Committee decides for a plan will have to be presented to and approved by the public, and their question is the budget.

Phil St. Onge noted that at the last meeting the Committee voted to have one vote per SAU and asked how that would be accomplished.

Dr. Morse noted that what was attempted last week was to level the playing field. What would have happened is that if voting were done by town/SAU, Messalonskee would have four votes, Waterville one vote, and Winslow one vote. Any vote that was taken, the Messalonskee vote would carry. By having one vote per SAU it insures that each SAU is acting as one and that the voting would be equitable for all parties.

Joan Phillips Sandy noted that when it really comes down to it, the key decision is who will be partnering with whom and where they are headed. This group does not have the authority to compel any arrangement; it has to be voluntary.

Gerald Saint Amand noted that last week Commissioner Gendron reinforced her intent. Once towns finalize and focus on one letter on intent, there is no mechanism in the law to change that.

Mr. Haley noted that there are no financial penalties if the Committee does not come up with a plan by December 1, 2007. The next fiscal year is not where the penalties will be assessed if the Committee does not agree regarding consolidation. It very well may be that the December 1, 2007 plan will state that the RPC is "in progress". There is that flexibility.

At this point, Mr. Haley asked for new members of the Committee to introduce themselves and state a couple concerns they each have.

Don Dufour, representative from the Waterville City Council, is concerned about the quality of education for children, as well as the financial impact on voters and taxpayers.

Joan Phillips Sandy, a member of the Waterville School Board, is concerned about the quality programming for children and the fiscal responsibility.

Jeffrey Frost, Board Member from MSAD 47, stated he is convinced it takes a community to raise a child and is concerned that if there is too much centralization, community involvement will be lost. Can this be done without interruption to employees, by putting money into the classrooms and by reducing costs?

Laughlin Titus, community representative from the Town of Vassalboro, stated that the Committee needs to insure that this makes sense financially.

Gerald Saint Amand, a member of the Winslow Town Council, stated that he hopes that further possibilities will be available for the students of Central Maine, and that there needs to be a better understanding of school choice.

Charlie Clark, a member of the China School Committee, wants to insure the educational enhancement and benefits for all schools in the Central Maine area and wants to review the financial picture.

Mr. Haley noted that the state has provided for up to $2,500 to RSUs, once letters of intent have been approved, to help pay for costs in order to move ahead. The public must be kept as informed as possible, and information must be made available for the public as soon as it is available. On each district's web site there is a regionalization link that will provide updated information.

A discussion ensued regarding the availability of the meeting minutes and at which point they will be posted on line for access to the public. It is very important that the information that is published is the best information available and that it is accurate.

The Committee reached a consensus that the minutes will be distributed to Committee members. Everyone will have 48 hours to report any errors or omissions. If there are none, then the minutes will be posted as a draft copy. If there are concerns, the minutes will not be posted, and amendments will occur at the next Committee meeting.

Elaine Miller addressed the Committee regarding the latest developments involving the Towns of China and Vassalboro. There has been much discussion surrounding the towns of the school union. There are concerns about a K-12 system being aligned. The one issue that continues to arise is how the school choice piece in the law impacts the K-12 systems. There were multiple

meetings with the union board and also the separate school committees. Members felt they wanted to stay together and wanted to be aligned with K-12 systems. The Town of China is being recruited to join School Union 132 (Chelsea, Jefferson, Whitefield) and School Union 133 (Palermo, Somerville, Windsor). China and Vassalboro representatives felt very strongly that in the law they need to be aligned or be able to contract with a public high school. They cannot align with a school that will not contract. They want to insure that all children in China and Vassalboro have the opportunity to attend public high school and give them more choices.

In the initial conversations Winslow included Waterville and Messalonskee in their consolidation discussions, but Waterville and Messalonskee had concerns over school choice, as did Winslow. There have been discussions this week regarding China and Vassalboro, and it was decided that China and Vassalboro representatives would be invited to come to the table to discuss consolidation.

Charlie Clark of China noted that the process has been long. The Board had a couple of options. Erskine has been considered the hometown high school for many years. There were issues, and there was the possibility that the School would be turned over to the Town of China. There are certain groups of people who feel they should not have to pay for the extras. China pays the state average, and that has always meant higher tuition rates. It is a higher burden because the state average includes all high schools. China pays an insured value, and that has been an issue of concern. Insured value is the state's way of equalizing state aid funds. When this law was passed China thought that it would simply turn the union into a RSU, with the possibility of becoming RSU 26, including Winslow, Vassalboro, China, and Palermo. Looking at that it could be seen that the savings would be from Palermo. The Town of Palermo is much like China and Vassalboro in some ways, with regard to economic background, lakefront properties and valuation.

The Town of China does not want to give up school choice. China representatives have opted not to partner with Augusta because of governance issues. They were told that they are very interested in the "Super 8", the six union towns that wanted to come together and include Vassalboro and China with them and wanted to try to come up with agreements with 16 towns. The concerns were very varied, but they wanted to align with two high schools. The RSU with Messalonskee, Waterville, and Winslow has three public high schools. We have some very good things in the Town of China that would benefit the group. For the last 12 years China has voted their budget by referendum. Budgets not only have to be sold to school boards and school committees, but they also have to be sold to the public.

Mr. Haley noted that the insured value factor pays for private school is a 10% surcharge. Even paying a state average, tuition is still at a higher rate. It costs China and Vassalboro more money to send students to Erskine. What the law says is that the additional cost would be borne by the municipality.

Dr. Morse reviewed with Committee members a PowerPoint presentation he presented at the last meeting on August 22, 2007 related to a Messalonskee, Waterville, and Winslow regional school unit, with the addition of the Towns of China and Vassalboro, giving a snapshot of the three school systems. The most important issue is the focus on the youngsters. What are the educattional opportunities that could exist for MSAD 47, Waterville, Winslow, China and Vassalboro?

The purpose of the Regionalization Planning Committee is to increase educational opportunities for Messalonskee Waterville, Winslow, China and Vassalboro students, as well as to create cost efficiencies, and to comply with the consolidation law in order to make recommendations to respective school boards. Can we create a better school system, perhaps the best public school system in the state, and can we do it cost effectively?

The Consolidation Law reduces Maine school systems from 290 to 80, with at least 2,500 students per Regional School Unit (RSU). The Consolidation Law was drafted due to declining student enrollment statewide, taxpayer revolt, and school administrative units being too small due to declining enrollment. Exceptions to the 2,500-student goal per RSU include offshore islands and Indian Schools, efficient high performing schools, and the "doughnut" hole. This would be a case where a school unit would be in the middle of surrounding school units that have consolidated but no one has partnered with the particular school unit. The Consolidation Law requires the formation of Regional Planning Committees to review pros and cons of possible partnerships and the creation of a regional agreement.

Key Dates of the Consolidation Law include:

- Summer of 2007 – formation of Regional Planning Committee
- August 31, 2007 – Notice of Intent Letter submitted to Commissioner
- December 1, 2007 – Regional Plan submitted to Department of Education
- January 15, 2008 – 1st voting opportunity, with operational date of July 1, 2008
- November 4, 2008 – 2nd voting opportunity, with operational date of July 1, 2009 - If there is lack of voter approval, penalties will be invoked.

Penalties for non-compliance include an additional 50% reduction in administrative support, less favorable treatment for school construction, reduction in Essential Programs and Services (EPS) subsidy, and ineligibility for transition adjustment.

There are currently three governance models for school districts: municipalities, school unions, and school administrative districts. A municipality is a department of the city, such as Waterville. A school union is comprised of several municipal school systems that share the cost of a central office, but each member is independent of the other members and has its own school board, such as School Union 52. Under a school administrative district, member communities share school governance through one school board, such as MSAD 47. Under the consolidation law, all these units will disappear and be replaced with Regional School Units, which are similar to school administrative districts. Every school system in the state will become a regional school union, even if the systems have no partners. A system may have one member, but it will be a RSU.

Dr. Morse reviewed details related to MSAD 47, Waterville, Winslow, China and Vassalboro. The Census 2006 estimated population for MSAD 47 is 14,478, Waterville is 15,639, China is 4,408, Vassalboro is 4,337 and Winslow is 7,944, for a total population of 46,806, with each community having a voting weight of 1 vote per thousand. If districts are viewed collectively, they are at about 1/3 of the population each. In relation to the merging of these five different administrative units, the balance is impressive.

The valuation as per 2006 data from the Maine Department of Education for MSAD 47 is $1,248,200,000, for Waterville is $632,500,000, for China is $285,100,000, for Vassalboro is $236,250,000, and for Winslow is $437,650,000, for a total valuation of $2,839,700,000. Collectively the towns look balanced, indicating that in terms of how each is viewed socio-economically, they are very similar. This is the data that the Department of Education uses as a foundation as to what districts receive for school funding. The valuation as per 2007 data from Maine Revenue Service is $1,484,600,000 for MSAD 47, $697,450,000 for Waterville, $323,450,000 for China, $259,650,000 for Vassalboro and $474,850,000 for Winslow, for a total valuation of $3,240,000,000.

The estimated debt as of June 30, 2009 is $11,981,809 for MSAD 47, $4,401,351 for Waterville, $385,330 for China, $1,267,784 for Vassalboro and $10,246,524 for Winslow. The way the law was written, state approved debt transfers into the RSU, meaning that debt will be paid for by all taxpayers in the RSU.

The 2007-08 combined school budgets total $73,840,451, with MSAD 47 at $25,401,211, Waterville at $19,367,633, China at $7,936,777, Vassalboro at $6,990,830 and Winslow at $14,144,000, serving a total student population of 7,117. Each district is operating efficiently. As a comparison, the Portland Public Schools has a budget of $75,000,000, serving a student population of approximately 7,000.

Student population (based on 2004-05 data) is 7,117, with 2,634 students in MSAD 47, 2,010 students in Waterville, 535 students in China, 513 students in Vassalboro and 1,425 students in Winslow. There are some small neighborhood schools in these towns. These schools are not in danger of closure in an RSU because they are all full. School closure is an unlikely event based on the population that is being served in those schools. The 2007-08 student population as per the ED 281 state report is 7,249 for all three districts. The ED 281 report uses the average of the April 1 and October 1 enrollments.

Dr. Morse reviewed a comparison of student drop out rates, graduation rates, average daily attendance, and college placement.

District	Drop-out Rate	Graduation Rate	Average Daily Attendance	College Placement (2005-06)
SAD 47	0.77%	92.76%	96.90%	84.00%
Waterville	1.50%	87.57%	94.15%	78.00%
Winslow	0.17%	88.65%	94.24%	80.00%

It was noted that all three high schools are accredited through the New England Association of Schools and Colleges.

The socio-economic data related to free/reduced lunch status and special education counts was also reviewed. All three school systems have comprehensive programs to deal with the most needy youngsters, as well as gifted youngsters. All of the units, except for Waterville are in the 1/3% range in terms of free/reduced lunch and special education counts. Waterville has twice as many poor youngsters as Winslow. When high school completion, placement, and dropout rates are reviewed, Waterville is comparable to MSAD 47 and Winslow in each category. It may be speculated that because there are many poor students, there must be a lot of children with special needs. This is not true. Waterville has taken poverty out of the equation. .

Per pupil costs (based on 2004-05 data) for secondary education were also reviewed. The yearly cost to educate students in grades 9-12 is $7,729.32 in MSAD 47, $9,037.85 in Waterville, $8,040.97 in China, $8,125.73 in Vassalboro and $8,480.27 in Winslow. The state average is $8,951.75. The cost per student in MSAD 47 is lower than the other towns. This is because there are four towns in MSAD 47 that share expenses and have already "regionalized". Dr. Morse stated that the regionalization of school systems should not be anything to fear. At Messalonskee the education results are great, and the cost per student is decent.

Per pupil costs (based on 2004-05 data) for elementary education were also reviewed. The yearly cost to educate students in grades pre-k through 8 is $6,621.48 in MSAD 47, $6,764.78 in Waterville, $6,961.75 in China, $7,008.22 in Vassalboro and $7,912.86 in Winslow. The state average is $7,873.29. By and large almost all of the schools are operating below the state average.

Required elements of the regional plan to be submitted to the Department of Education include governance, disposition of real and personal school property, disposition of existing school indebtedness, lease purchase obligations, assignment of school personnel contracts, disposition of existing school funds, transition plan for the development of a first-year budget, and interim school policies. Dr. Morse noted that by combining the three school districts, the opportunity exists for enhancing educational opportunities for all students. Dr. Morse stated that from his perspective and from the perspectives of Superintendents Haley and Miller this consolidation effort will not involve the closure of high schools or the elimination of sports programs. The new vision for schools is providing the best education in the State of Maine. The Superintendents feel strongly that by combining efforts, they can enhance educational opportunities for all students.

Dr. Morse noted that the commitment that could come from China and Vassalboro is that these issues are on the table. If discussions go forward in the next couple of months, they might be willing to limit that choice and then have discussions regarding special needs programs and costs associated with tuition and assuming a share of debt. The result of inviting China and Vassalboro representatives to the table is to move forward together to see if a plan may be forged that is cost effective and benefits students.

Eric Haley noted that the state approved debt service by law has to be absorbed by the RSU. Who will benefit the most? The RSU could state that a school will be accepted and used, but that it doesn't want the debt service. According to the current law, the school system that was in the original district will assume that debt.

Mr. Haley stated that he, Superintendent Miller and Superintendent Morse have a vision of a school system that would be the envy of all. This would be a unique development tool to entice people to move to the Central Maine area because people would want their children in these schools. People will move here if they believe that there is a much better system in this area. There are resources to make this happen. There are opportunities right now to make some major changes in opportunities for students.

Mike Gosselin said that it is his understanding that Elaine Miller has resigned as of December 1. He asked if the Winslow Board would appoint a new superintendent. Superintendent Miller noted that if a superintendent were appointed, it would be a superintendent of schools for the union and, most likely, would be an interim position. There has been some discussion about the plan for a superintendent, but nothing has been decided.

Mr. Gosselin said that the Director of Technology for Waterville has resigned. He asked if there was intent to replace that position. Mr. Haley said that a discussion needed to occur with the Board of Directors prior to hiring.

Jack Sutton noted that the presentation was well and good, but until these numbers are translated with pro forma figures, there is a lot of doubt. The sooner that is done, the better all will know where the districts are headed financially. He asked that the figures be out on the table so that the core of the issues may be discussed. He noted that the Commissioner sent a template for systems to use and asked when a budget would be available.

Dr. Morse noted that those figures should be available when the Finance Subcommittee meets next Thursday, September 13. The superintendents want to insure that the data that will be presented is as accurate as possible.

Phil St. Onge asked what themed high schools are and what type of high school Winslow High School would be, and if there would be school choice for students.

Mr. Haley stated that there is much discussion about being able to offer specialty discipline areas to students.

Elaine Miller stated that discussion has occurred regarding thematic high schools, but the culture of communities should be maintained. We want to make sure we don't take opportunities away from students. The concept of a themed high school is similar to the concept of a vocational school, where students come together for vocational courses. In viewing themed high schools, if communities are part of an RSU instead of each high school in the RSU trying to offer everything, each high school in the RSU would have an expertise, such as math or science.

Dr. Morse noted that the U.S. Department of Education has identified 16 career pathways. Fundamentals of the high school curriculum being exactly the same in all three high schools would not change. What would change would be the electives in that high school. For example, if Winslow High School were a science high school, it is very possible that an engineering course would be offered there, with Messalonskee and Waterville students sitting in their host schools picking up that course through technology, or attending Winslow for that course. Themed high schools would open up pathways for students who have a particular interest. However, there needs to be assurance that the populations of the high schools are balanced.

Mr. Haley noted that the technology is available now through ATM. There are, however, scheduling issues with these three high schools that would need to be aligned.

Charley Clark asked if there is much that has been said about finances and debt service. In relation to consolidation discussions, China has very little debt. But that doesn't mean that there isn't any anticipated debt. It is anticipated that there would be debt service in China.

Eric Haley noted that by June 30, 2009, school districts need to be consolidated. There will be no more state approved debt service. He noted that Libby Mitchell sponsored a public hearing last night and asked if she would provide an update.

Senator Mitchell referred to a newspaper article that appeared today and noted that often newspaper articles are not clear. In reading the article, those were the questions asked, and those were the answers provided. She thought the Commissioner was extraordinarily professional. The Commissioner stood and took questions for almost two hours. If she could score one thing when this law was being discussed in the Legislature, what is happening around this table was the ideal vision for legislators. People coming together trying to create something better for children, building on the work that Waterville, Winslow, and MSAD 47 has done for five years. When there are huge differences in valuation that is a big issue for cost sharing for bringing towns together. It doesn't work so well with the current school funding formula when funding is based on valuation.

Another issue was school choice and who will take care of all of the special needs students. What are the financial barriers for dealing with young people from towns with choice and the fear that all students will not be accepted at private schools? This will now become the financial problems of all these RSUs. School districts will bring their debts and assets to the table and try to balance out those issues. We are very dedicated to trying to make this work. You are offering the best of all worlds, and we will do our part. Senator Mitchell noted that the leadership of this group has been noticed in Augusta.

Elaine Miller stated that there were a many questions. Winslow, China and Vassalboro representatives attended the meeting. A majority of the audience members were representing small towns and school choice towns. Joel Elliott, Sentinel reporter, revisited the question of how towns were going to work with their voters regarding school choice. There needs to be a way for the public high schools to also have some choice. Work needs to be done on the

law to make it more palatable with public high schools. There needs to be assurance that all students are provided with a quality education.

Joan Phillips Sandy asked if there is a likelihood the legislators will address the specific piece of who pays for school choice. Currently, the towns pick up the tuition. She also asked if there is a likelihood that the law will be addressed and altered so that perhaps families pay some portion of the tuition rather than towns.

Senator Mitchell stated that the law states that municipalities must pay the tuition. As the state struggles, she is learning that it is not just Vassalboro and China who are working in good faith, but this issue encompasses the entire state. How do we solve and recognize the extra burden and the cost?

Charley Clark noted that in Vassalboro the town pays the state average tuition plus 10% insured value. If parents wants their children to attend school elsewhere, then the family picks up the difference over and above the state average plus 10%. Senator Mitchell noted that under the new law, the municipality picks up the cost.

Mike Gosselin asked in terms of the school choice issue, if he is a resident of Oakland, and he has an 8th grade student, whether his family would have school choice.

Senator Mitchell noted that the law guarantees choice to those schools that had it. Eric Haley noted that within the RSU there is the possibility of school choice because it is would be the same school system.

Jim Morse noted that there are different kinds of required subcommittees that need to be formed. The handout lists the items the plans must cover. He asked that Committee members assign themselves to a Subcommittee.

Subcommittees were formed to carry forth work regarding these issues in relation to what needs to be completed to have a plan ready for the Commissioner for December 1. There must be a balance of community representation on each subcommittee.

Jim Morse stated that the last time the Committee met there were various questions and concerns from the communities, centering on two issues: educational planning and finances. The law requires four areas to address: transition, personnel, governance and finance. There is also a local option committee to discuss educational programming.

Dr. Morse reviewed the charges of each Subcommittee (from flip chart).

Charges of The Transition Subcommittee

1. Develop a protocol for the first RSU budget.
2. Educate community and public regarding the budget validation process.
3. other transition issues as identified

Elaine Miller will lead this Subcommittee.

Charges of the Personnel Subcommittee

1. contracts
2. salary comparisons
3. comparing collective bargaining agreements
4. review personnel issues
5. other personnel issues as identified

Eric Haley will lead this Subcommittee.

Charges of the Governance Subcommittee

1. SAUS involved
2. size, composition, coordination of public meetings
3. method of voting
4. Identify what happens if one SAU does not pass consolidation.
5. choice issue
6. what to do regarding local school committees
7. other governance issues as identified

Jim Morse will lead this Subcommittee.

Charges of the Finance Subcommittee

1. indebtedness
2. lease purchases
3. trust funds, reserve accounts
4. disposition of school funds
5. real and school property
6. facilities
7. estimate of savings (costs – transition)
8. other finance issues that develop

Connie Packard, Paula Pooler, and Gray Smith will lead this Subcommittee.

Charges of the Educational Programming Subcommittee

1. future search
2. schedules
3. graduation requirements
4. course offerings
5. other educational issues identified

Linda Laughlin, Nora Murray, and Peter Thiboutot will lead this Subcommittee.

Jim Morse asked Committee members to sign themselves on to the Committee on which they would like to work and begin the process of identifying what is required for information.

There are 13 required elements of the reorganization plan, and the Subcommittees identified the required elements and assigned individual Subcommittee work as follows.

Finance Subcommittee

5. The disposition of real and personal school property. Please describe.

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. Please describe.

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. Please describe.

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

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. Please describe.

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. Please describe.

The Finance Committee is tentatively scheduled to meet on September 13 at 5:00 p.m. in the Council Chambers at the Oakland Town Office.

Governance Subcommittee

1. The units of school administration to be included in the proposed reorganized regional school unit. Please describe.

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

3. The method of voting of the governing body. Please describe.

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

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. Please describe.

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. Please describe.

The Governance Subcommittee is tentatively scheduled to meet on September 13 at 5:00 p.m. at the Superintendent's Office of MSAD 47 in Oakland.

Personnel Subcommittee

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

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

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. Please describe.

Transition Committee

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

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

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. Please describe.

The Personnel and Transition Subcommittees will merge and are tentatively scheduled to meet on September 13 at 3:30 p.m. at the Superintendent's Office of the Waterville Public Schools.

Mr. Haley thanked members of the Committee for attending the meeting.

The meeting adjourned at 7:45 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
September 20, 2007

Elaine B. Miller, Superintendent of Schools for School Union 52, called the meeting of the Regional Planning Committee to order at 5:02 p.m. in the cafeteria at Messalonskee Middle School in Oakland. Ms. Miller served as Chairperson of the meeting, noting that she, Dr. James C. Morse, Sr., Superintendent of Schools for MSAD 47, and Eric L. Haley, Superintendent of Schools for the Waterville Public Schools, would share that responsibility on a rotating basis.

Those in Attendance: Lawrence Brown, Lee Cabana, Charley Clark, Robin Colby, Judy Coombs, Don Dufour, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Michael Heavener, Dennis Keschl, Linda Laughlin, Libby Mitchell, Robert Moreau, Nora Murray, Wendy Nivison, Constance Packard, Paula Pooler, Gerald Saint Amand, Gary Smith, Frank Soares, Phil St. Onge, Jack Sutton, Peter Thiboutot, and Lauchlin Titus

Ms. Miller asked Committee members if they would consider the possibility of changing the time of the meeting to 5:00 to 7:00 p.m., rather than 5:00 to 7:30 p.m. Committee members gave their consensus to the time change for meetings.

Ms. Miller noted that there is an agenda item called "Declaration of a Quorum," and that agenda item will be removed from future agendas.

Doug Eugley made a motion, and Judy Coombs seconded the motion, to approve the minutes of the September 6, 2007 meeting as amended. Motion carried.

Ms. Miller asked if there were any delegations to be heard. As there were none, the meeting turned to Subcommittee reports.

Linda Laughlin noted that the Educational Programming Subcommittee met on September 13 and brainstormed educational programming topics that need to be addressed, as consolidation is reviewed more closely. Committee members also created a template that would help investigate each of these topics. Student handbooks and high school curriculum guides were shared with Committee members, and information regarding bell schedules and Advanced Placement (AP) programming, collected from a 2004-05 study, was reviewed. The next Educational Programming Subcommittee meeting is scheduled for September 26, 2007, at 4:00 p.m. at the Superintendent's Office in Waterville.

Nora Murray noted that representatives from the Maine Department of Education will be invited to attend the next Educational Programming Subcommittee meeting to discuss consolidation and the impact of federal programming, if any, such as the No Child Left Behind Act (NCLB), and if so, what the impact would be.

Jim Morse noted that he, Eric Haley and Elaine Miller discussed the possibility of assigning data collection surrounding special education to the Educational Programming Subcommittee. The plan must address choice, and part of that choice is special education. Another significant requirement by the State is transportation, which is a major issue for an SAD. Collectively China, MSAD 47, Vassalboro, Waterville and Winslow have to review transportation, as transportation is a targeted area in which the State is expecting efficiencies. The consensus of

the Regional Planning Committee (RPC) was that the charge of collecting data for special education and transportation would be assigned to the Educational Programming Subcommittee.

Jim Morse provided a report of the Governance Subcommittee meeting held on September 20, 2007. Two major issues were discussed: the size and configuration of the proposed RSU Board and the voting methods prescribed in the law. Committee members reviewed a number of configurations for size, composition and apportionment of the RSU Board. The Subcommittee was prepared to make a 16-member RSU Board recommendation to the Regional Planning Committee. However, upon review by Attorney Bruce Smith of Drummond Woodsum, a 16-member RSU Board would not be in compliance with statute, as there cannot be more than 2% variance between the weights of each member's vote. The Committee needs to review how large this Board can be in order to meet the requirements of the law, with the potential of towns sharing representation.

The next meeting of the Governance Subcommittee is scheduled for September 27, at which time Committee members will attempt to resolve this issue, with the goal of having a recommendation for the Regional Planning Committee on October 4.

Mr. Keschl asked a question about the 2% variance between weights of members' votes. He asked if the Governance Subcommittee was reviewing votes by town, and then asked if Dr. Morse could provide more information.

Dr. Morse noted that the weighted vote is directly tied to the census. As the population changes, the weight of each voting member may be adjusted accordingly. Weighted voting guarantees that every community would have representation on the RSU Board, with different weights afforded each member when it is time to vote. Weighted voting guarantees a voice for each town in all discussions.

Dr. Morse noted that the consensus of the Subcommittee was that weighted voting was the best possible solution, as it would allow the smallest town to have a voice at the table. For example, Rome would still influence voting because of its participation. There was strong consensus that each town should have a voice at the table.

Steve Dyer asked if the only way this would work and give Rome at least one vote would be to have a Board with at least 19 people.

Jim Morse said that they have not been able to create a board with the weight system with less than 19 people.

The Personnel and Transition Subcommittee met last Thursday and discussed employee contracts, with the most discussion centering around teacher contracts. The next meeting is scheduled for September 27 at 3:30 p.m. at the Superintendent's Office in Waterville.

Discussion centered around what should occur as contracts are negotiated. The Winslow teachers' association tried to find a pay scale that was in depth so that everything had equal

adjustments so that teachers move up the scale according to degree earned. There are peaks and valleys in individual district pay scales. A base figure will be negotiated. Placement of teachers on the salary scale needs to be reviewed so that pay will be based on where teacher salaries are now and where they would be placed on the scale according to degree earned and years of experience. Robin Colby will put together the data for MSAD 47, Judy Coombs for Waterville, and Michael Thurston for China, Vassalboro, and Winslow.

Robin Colby asked if other members of the teachers' associations could be part of the discussions of the Personnel and Transition Subcommittee. Mr. Haley noted that they are welcome to come and listen to discussions, but there is no authority to add people to subcommittees at this time.

Elaine Miller noted that parts of the meeting were like the negotiations process, and that is not the responsibility of this Committee. Representatives from the different personnel groups are welcome to attend the meetings, but not as members of the Committee. Communications will remain open so that all personnel groups will stay informed.

Lori Fowle asked if this group would consider inviting representatives from China and Vassalboro so that they can be communicating their concerns and feedback to people.

Mr. Haley noted that Committee members would listen to any issues and concerns. These are public meetings and anyone may attend; however, Committee representation will remain as it is.

Libby Mitchell asked how the Committee chose to represent itself at the table.

Jim Morse noted that the law was followed, and in inviting teacher union presidents to the table, the Committee actually stepped outside the law. However, the Committee felt it was important to have union representation at the table.

Mr. Haley noted that the regionalization process began before the Governor announced the consolidation law. Messalonskee and Waterville have been working together for over five years in relation to transportation, nutrition, and purchasing of certain supplies. What happened was that the existing committee was expanded according to State law.

Gerald Saint Amand asked if Subcommittees are limited to those members on the Committee.

Eric Haley stated that the subcommittee is responsible for reporting to others. Voting will be completed by school system. If a request is made, then it will be discussed, and if a vote is required, voting will be completed with one vote per school system.

Libby Mitchell noted that there is an emphasis on not just bringing in school people but bringing in the public as well, but that school officials are needed on the Committee as they have the knowledge needed regarding the school systems.

Phil St. Onge asked who actually on the Committee has a vote.

Jim Morse noted that he is more interested in the people of the Committee who are not the superintendent. He is more interested in what they have to say, and that superintendents are the hired professionals working at the behest of the Committee. He wants to make sure that the work of the Governance Subcommittee represents the work of the entire Committee.

Elaine Miller noted that she doesn't see herself voting, but sees herself as a facilitator.

Charley Clark noted that in China this subject has arisen. Elwood Ellis and he are thinking about forming a subcommittee that is only responsible to oversee - another set of eyes. They would be able to report back to these other people in the town who are interested, and suggested that something similar could be done with this Committee.

Elaine Miller noted that she had a meeting in Vassalboro and it became apparent that some Committee members are a month behind and requesting what happened a month ago. She has invited them to please come to the meetings. There is a lot that happens in a month. It is important that community members are encouraged to come and listen and feel that they are part of the process.

Gary Smith reviewed the progress of the Finance Subcommittee. The key task that they are working on is the financial template for the RSU that was developed by the state, along with updates by the business managers. They want to insure that the work is as accurate and complete as possible prior to releasing it to the public. Mr. Smith noted that he met with Jim Rier, Management Information Systems Team Leader for the Maine Department of Education, to figure out if this financial template makes sense for all the communities. Mr. Smith reviewed the financial template for the proposed RSU; debt, including bond and lease/purchases; recommendation regarding local debt; and finance teamwork plan.

The financial template is based on the 2007-08 funding year and assumes no changes in students, valuations, mil rate, etc. If reorganization of SAUs had occurred this year, it is likely that some funds would have been allocated differently, resulting in a lower mil expectation. For 2008-09 pupil counts, valuations, and total state dollars will change. There is an additional $43 million in state subsidy for the EPS model for next year. This may result in a lower mil expectation, possibly as low as 6.80 mils.

Regarding the communities versus the state template, in one scenario based on the new cost sharing formula, the RSU assumes local debt. Total debt for the towns in the proposed RSU is $27,510,006. The difference due to template difference from the ED 281 numbers is $34,020. In a second scenario if the SAU keeps the debt, the difference due to template difference from the ED 281 numbers is $34,018.

Mr. Smith also reviewed per pupil costs and contribution. The RSU operating budget would be $59,193,042. RSU per pupil student count would be 7,363.5, with an average per pupil cost of $8,039. He noted that the cost per student would typically be less for K-8 students than for 9-12 students. All communities will be contributing the per pupil amount to the cost of educating their children through state and local contribution. This would include students with school choice attending non-RSU schools.

Mr. Smith also reviewed issues related to tuition and school choice. The law requires school choice towns to pay the difference from the RSU tuition rate for students attending non-RSU schools. The Department of Education created a blended tuition rate for Messalonskee, Waterville, and Winslow High Schools of $7,147. The state average tuition rate for 2006-07 was $7,618. As an RSU the obligation for students not attending the RSU is no greater than that tuition rate. The contribution per community approaches $8,000 per student. It is the difference between the state average tuition rate and the tuition rate where the students will attend school. The assessment to China for students attending non-RSU schools would be $113,859, and to Vassalboro it would be $77,161. These assessments would be direct costs to those communities and not shared across the RSU.

The combined RSU is roughly $3 million over the Essential Programs and Services (EPS) funding target, $2 million in SAD 47 and $1 million in China and Vassalboro combined. Today that money comes directly from the communities. In the law that money is allocated according to the cost sharing formula.

The current financial analysis does not address the duplicative efforts or possible efficiencies that will be achieved regarding the four targeted areas of system administration, special education, transportation, and facilities and maintenance.

Phil St. Onge asked how many times the State Department of Education has changed how much money each district will receive, and how concrete those figures are, and asked if it would be possible to run those numbers with new schools in Waterville and China and with what everybody in the proposed RSU needs. He also asked when the 281 reports are provided.

Jim Morse noted that that would be difficult because of the process. The reports are received later and later every year. By statute, districts are supposed to have the reports by January. This past budget year school districts all made adequate guesses, and the funding came in after budgets were presented, not before. That is when superintendents rely on past experience.

Eric Haley noted that before this process is complete, it must be determined what districts need what facilities. This needs to be determined before these decisions are made and what will go on with school consolidation and how the RSU will handle local debt. If the RSU will take a building and use it, then the RSU would have an obligation to take the debt for that building as well.

Charley Clark noted that the RSU needs to identify the needs, but that doesn't mean they will do it with local money. The RSU should not spend local money if the state will provide major construction money.

Regarding Waterville High School, Eric Haley noted that because the staff takes care of the buildings Waterville rates low on the state's rubric for school construction, receiving no priority for construction or renovation. When money is non-state approved, it is money that is not subsidized by the state. It must be insured that all projects are put on the table.

Dennis Keschl made the following points: (1) Members of the RPC should be clear that they are part of a committee that is analyzing whether or not they should consolidate, that they are not developing a plan to consolidate. This is an important distinction. As the Belgrade Town Manager he doesn't want any Belgrade citizen to think that the RPC has already decided and is putting the "plan" together. However, he does not recognize that the Committee must put a plan together to do the analysis, but he is not using that terminology in speaking to citizens. (2) There needs to be time to explain to citizens what it is that will ultimately be recommended to the public. That is, if China, MSAD 47, Vassalboro, Waterville, and Winslow go forth with consolidation, all need to explain what has been done and how they came to that conclusion. The education process alone will take a long time. People need to understand the potential impact on our residents. Members of the RPC all need to know how the numbers are put together so that they may explain it to those who ask. (3) Finally, there needs to be stability in what funding the State provides through EPS. In the current situation, the State decides what is or is not an "essential program or service". This makes it difficult for the towns to make decisions based on the analysis that is being done because funding scenarios could change. Mr. Keschl urges the State to try to provide stability in EPS so that town residents understand and can go forward with what that is going to be. The real question with State funding from year to year is, "Fifty-five percent of what?"

Eric Haley noted that $20 million is what needs to be raised among the school districts, to add to what the state says it will be able to give is about $62 million. There is another $11 million of non-tax revenue that comes into the school systems in the form of tuition. However, this will no longer be tuition; it will be part of an assessment. Other examples of non-tax revenue are Maine Care, for which Districts bill for day treatment program and receive reimbursement, gate receipts, and assessments for Mid-Maine Technical Center students.

Jim Morse noted that the Finance Subcommittee provided a work plan, and the issue regarding facilities is part of the work plan. That work will be presented to the RPC at a future meeting.

Gary Smith also reviewed the respective debt of each school district. As a way of doing business, each community does use lease purchasing, as well as bonds. Bonds are used for school construction and renovations. Lease purchases are used for buses, technology, copiers, telecommunication, facilities and efficiency projects. Total outstanding obligations, including state/local debt, local only debt and lease purchases, for China, SAD 47, Vassalboro, Waterville and Winslow are $41,353,912.96. What are some of the important factors of the local only debt? Bonds and lease purchase agreements must be reviewed in total. Ongoing positive relationships between the RSU and local communities must be maintained. For the long-term all communities will require facilities work, and the decision of the Regional Planning Committee may lead to quid pro quo voting or non-approval of needed facility work in a community.

At this point the Finance Subcommittee recommendation to the RPC work group is that the RSU should include the assumption of local only debt and lease purchase obligations as part of consolidation planning. This would include the debt on record as of June 30, 2008, as some projects are currently underway but financing is not yet completed. If any future local only debt efforts are under way, that debt would need to become the responsibility of the RPC as well.

Doug Eugley stated that there needs to be clarification. There are some projects that are underway, such as copier leases and bus leases. There are some projects that need to be outlined. Large construction projects are not part of this June 30 date.

Jim Morse assured members involved in this discussion that no SAU would undertake a capital improvement project, with the understanding that the RSU would pay for that project. The Committee is trying to select a point in time so that all will feel comfortable that a process has been identified so that a limit on capital improvement projects has been set during these discussions.

Dennis Keschl noted that it seems as if everyone recognizes that putting a plan together by December 1, 21007 to meet a goal of implementation by July 2008 was probably not doable. He further commented that, given this while the Committee should work as expeditiously as possible to get the work done, the Committee must make sure that it is doing the best analysis possible. Recognizing the time issue, there should be agreement that any plan would not be ready for submission to the public until November 2008 at the earliest. This recognition would help to alleviate some of the pressure everyone feels. It would also allow time to educate the public as to what is being proposed, the amount of work needing to be done, and not push to get as much work done. It would also allow time to provide for public education and awareness in order for the public to make an informed decision and for community leaders to answer their questions.

Jack Sutton asked if there would be any amendments to this recommendation, as this analysis is based on the debt situation, as it exists now.

Eric Haley noted that everything that each district is undergoing is reported in this analysis.

Laughlin Titus asked if the RSU could include the debt identified on record as of December 1, 2007 and encumbered by June 30, 2008.

Gary Smith noted that as this process goes forward, there would be a collection of decisions made and brought forth. What needs to be considered is what makes sense for the RSU.

Dennis Keschl stated that what he is hearing is that all of that debt would be included in this year's budget, which runs through June 30, 2008. No other debt can be assumed because it is not already in that budget.

Eric Haley noted that all of the debt assumed is included. He is comfortable with the work of the subcommittee. That number will be reduced before districts consolidate, as there will be less local debt.

Jim Morse noted that the next step in this process is that there would be a recommendation. The Committee would break up by respective units, MSAD 47, School Union 52 and Waterville and come to consensus, with school units having to vote to accept or reject the recommendation.

Dennis Keschl noted that the fact that the Committee may or may not vote regarding this issue tonight, to accept that recommendation does not necessarily go in the direction of forming the RSU.

Jim Morse noted that that was a correct assumption. What the RPC is doing is putting a plan together to present to respective school systems.

The Finance Subcommittee recommendation before the RPC is that the RSU should include the assumption of local only debt and lease purchase obligations as part of consolidation planning. This would include the debt on record as of June 30, 2008, as some projects are currently underway but financing is not yet completed. If any future local only debt efforts were under way, that debt would need to be brought forth to the RPC as well.

Larry Brown speaking on behalf of representatives of MSAD 47 stated that the group gave its consensus to move forward as recommended.

Lee Cabana speaking on behalf of representatives of the Waterville Public Schools stated that the group gave its consensus to move forward as recommended.

Gerald Saint Amand speaking on behalf of representatives of China, Vassalboro and Winslow stated that the group gave its consensus to move forward as recommended.

Nora Murray stated that in the Finance Committee work, there have been discussions about federal programming, and asked if committees should work together regarding this issue.

Elaine Miller noted that every system receives a significant amount of money from federal funds and noted that the Finance and Educational Programming Subcommittees should jointly review this data.

Elaine Miller noted that it has been asked if the RPC would consider changing locations of some of the meetings so that it is not perceived that all planning and analysis work is all done at Messalonskee. The next meeting, scheduled for October 4, 2007 will be held at the Mid-Maine Technical Center in Waterville. The meeting scheduled for October 18, 2007 will be held at Winslow Elementary School.

Libby Mitchell asked what the status is with the Department of Education.

Elaine Miller noted that if districts filed their letters of intent, they now know whether or not their letters have been accepted or denied. China and Vassalboro were denied because Waterville and Winslow did not submit amendment letters including China and Vassalboro. The question this evening is what is the plan regarding China and Vassalboro?

Mr. Haley noted that Waterville would need to submit an amended letter of intent. That item is on the Waterville Board of Education's agenda for their next meeting.

The meeting adjourned at 7:10 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
October 4, 2007

1. Call to order: Jim Morse, Superintendent of Schools for School MSAD 47, called the meeting of the Regional Planning Committee to order at 5:03 p.m. in the cafeteria at Mid-Maine Technical Center in Waterville. James Morse introduced Mark Powers who provided an overview of the Mid-Maine Technical Center. Dr. Morse then introduced Claire Moen, Webmaster of MSAD 47, Messalonskee High School, and Messalonskee Middle School. He also recognized audience members who have been present for each meeting—questions from the audience were postponed to later in the meeting.

2. Those in Attendance: Maryanne Bernier, Lee Cabana, Malcolm Charles, Charles Clark, Robin Colby, Judy Coombs, Steve Dyer, Don Dufour, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Eric Haley, Dennis Keschl, Linda Laughlin, Michael Mcquarrie, Elaine Miller, Claire Moen, James Morse, Nora Murray, Constance Packard, Deanne Pizzo, Mark Powers, Marie Pulsifer, William Pulsifer, Debrajean Scheibel, Gary Smith, Frank Soares, Phil St. Onge, Jack Sutton, Mike Thurston, Lauchlin Titus, Michael Tracy, and Pam Trinward

3. **Education Committee Report** – A Powerpoint presentation, prepared by Jackie Godbout and Kathryn Manning, Title IA Program Consultants of the Maine Department of Education, was presented by Nora Murray. The presentation outlined the impact of consolidation on federal funding and No Child Left Behind, which funding levels will increase and which would actually cease based on population numbers. Title 1 funds are the largest source of federal funds. For more information please see: Consolidation and No Child Left Behind.

   Concerns were voiced regarding Title funds that would be directed to schools with the highest needs (Highly Qualified Teachers for example) and take away from schools with lower needs. Linda Laughlin and Dr. Morse noted that use of local funds would insure equity among the schools.

   Nora Murray noted that Title 1 funding levels may very well stay the same based on census figures for FY 2004-05 rather than based on free and reduced numbers.

4. **Finance Committee Recommendations**

   Committee Tasks: Recommendation on disposition of school accounts, balances, reserves, summer pay liability and trust funds

   1. Recommend to RPC that all existing trust funds at the date of RSU consolidation be transferred to the RSU with existing trust fund conditions/restrictions remaining in place, to be administered by the RSU. Consensus.

   2. Recommend to RPC that all general fund balances be transferred to the RSU. Consensus.

   3. Recommend to RPC that the summer pay liability be transferred as either funded or unfunded as existing at 6/30/09. Recommend that Winslow, Vassalboro and China will be fully funded by the end of eight (8) years subsequent to the RSU formation through additional assessment to Winslow, Vassalboro, China. Waterville and MSAD 47 will be transferred as fully funded. Consensus.

   4. Recommend to RPC that Adult Education fund balances be transferred to the RSU. Consensus.

   5. Recommend to RPC that Food Service balances be zeroed out prior to 7/1/09 and transferred at zero balance. Consensus.

   6. Recommend to RPC that Student Activity Account balances be transferred to the RSU, keeping accounts for use by each school as they now exist. Consensus.

   7. Recommend to RPC that the agency funds be transferred to the RSU, keeping all accounts separate. Consensus.

   Phil St. Onge: Can we dictate to school boards? Answer: We can make recommendations- our best work and request adoption as a plan. Local boards have to approve the RPC plans and it is binding on the RSU.

   Vote: Move these recommendations (individually or collectively) to break out groups by town to decide. Dennis Keschl moved, Jeff Frost seconded. Waterville questions general fund balances. State the recommendation clearly 6/30/2009 balances are returned to towns to disperse and 7/1/2009 general fund starts with a zero balance. Balances left would lessen a town's financial commitment to the RSU (to lower the liability of the individual towns). **3-0 vote to accept recommendations.**

5. **Governance Committee Recommendations**:
   Complete recommendation available here
   http://www.msad47.org/co/consolidation/plan_committee/governance_subcmte/pdf/gov_rec.pdf
   based on each town having representation on the RSU School Board – a 13 member board:
   Motion to disperse for further discussions by town representatives -- moved by Ralph Farnham, Pam Trinward seconded.
   3-0 vote to accept recommendations.

Audience Questions: No questions. Malcolm Charles – Board continue to allow time at the end of the meeting for questions from the audience.

The meeting adjourned at 7:05 pm.

REGIONAL PLANNING COMMITTEE
MINUTES
October 18, 2007

Eric L. Haley, Superintendent of Schools for the Waterville Public Schools, called the meeting of the Regional Planning Committee to order at 5:00 p.m. in the cafeteria at Winslow Elementary School in Winslow.

Those in Attendance: Maryanne Bernier, Lawrence Brown, Lee Cabana, Doug Carville, Charley Clark, Robin Colby, Judy Coombs, Don Dufour, Steve Dyer, Elwood Ellis, Doug Eugley, Lori Fowle, Jeffrey Frost, Monique Gilbert, Michael Gosselin, Michael Heavener, Dennis Keschl, Linda Laughlin, Mike McQuarrie, Libby Mitchell, Robert Moreau, Nora Murray, Constance Packard, Paula Pooler, Marie Pulsifer, William Pulsifer, Gerald Saint Amand, Debrajean Scheibel, Joel Selwood, Gary Smith, Phil St. Onge, Jack Sutton, Peter Thiboutot, Michael Thurston, Lauchlin Titus, and Pamela Trinward

Gerry St. Amand made a motion, and Phil St. Onge seconded the motion, to approve the minutes of the October 4, 2007 meeting as amended. Motion carried.

The meeting turned to Subcommittee reports.

Linda Laughlin noted that on October 11 through October 13, 2007 a Future Search Conference was held. Thirty-eight people from China, Messalonskee, Vassalboro, Waterville, and Winslow participated, representing a variety of stakeholders, including parents, students, businesses, town officials, community members, teachers, school staff and administration. The focus of the conference was to engage the communities in a dialogue about the future direction of our schools, with the outcome being a community-based vision for our students' learning. As participants facilitated through the three-day process, they discussed what an educational program would look like. There is a small group that will get together on Monday, October 22, to write the mission statement. The details will be shared at the next meeting of the Regional Planning Committee (RPC). Photos of individuals who attended the event were viewed. Nora Murray noted that there were similarities in terms of what people wanted for their children. All communities were represented at the workshop. She noted that several high school students attended as well, and took on their roles very seriously.

Jeff Frost noted that it was interesting to see all the different cultures represented at the Conference.

Eric Haley noted that even before the Governor's proposal regarding consolidation, Waterville and Messalonskee were working on collaborative efforts, including quality programming and what can be done to make our educational program that much better through this process. There were common themes that came from all the communities involved and what everyone wants for our students.

Jim Morse noted that there are numerous bills that have been presented to the Legislature in consideration of modifying the consolidation law. Pam Trinward could bring some real life experience to the Legislature. The educational programming piece needs to be in the law. What participants spent three days doing was focusing in on students. It was suggested that Libby Mitchell and Pam Trinward bring that suggestion to the Legislature.

Connie Packard reviewed the work of the Finance Subcommittee. Discussed were the buildings, enrollments, square feet, additions and future needs. An overview of the VFA Facility Management Software used by all districts was provided. It provides information regarding the condition of the districts' buildings. Also discussed was the concept of a building's facility condition index (FCI), which is a measure in place for all buildings. FCI is a measure of a building's condition using a standardized approach, which reflects the ratio between the amount of repairs, renovations requirements, deficiencies, life safety issues and other issues. All that needs to be addressed in a building and costed out compared to the replacement value. As a building's FCI approaches 1.0, typically around 70%, the building is approaching the end of its useful life. At that point, the recommendation would be for a new building. The lower the FCI, the better. Ms. Packard noted that the Subcommittee identified projects needed in each town, which reflect needs for the next seven years. This is a snapshot of how five SAUs rate with all their buildings.

The recommendation of the Finance Subcommittee is that the Regional School Unit assume transfer and title of the collective school facilities/sites provided in the summary lists prepared for this meeting (refer to spreadsheets for SAD 47, Waterville, and Union 52). All preexisting arrangements/joint use agreements to be maintained/honored as currently done in each District.

Eric Haley asked how the cost sharing method in the consolidation law is adversely affecting some communities. There have been two articles recently in the paper regarding this issue. The Commissioner has said the Legislature will review the law and make adjustments to it regarding cost sharing and EPS.

Libby Mitchell noted the Commissioner stated there is a possibility of being able to return to cost sharing prior to EPS and calculating it in a different way. That seems to be a barrier for lots of schools. Senator Mitchell noted the Commissioner is committed to bringing legislation in January because this is an issue for lots of schools.

Several questions were asked. What would go if consolidation took place? What about the football field in Waterville, for example? It is used by the Parks and Recreation Department. Would the City have to give the field to the RSU? What happens to a building if it is not being used and the City paid for building? Would it go to the RSU?

Jim Morse noted that the representatives from the school systems that currently exist need to discuss with town government officials the parameters of what they see as being transferred.

Gary Smith noted that there were also projects completed with federal money. The RSU would have to work that out.

Elaine Miller noted that there is also the superintendent's office in Winslow, which is owned by Winslow, China, and Vassalboro, but sits on Winslow land.

Jim Morse noted that these issues will need to be reviewed by town and city governments to determine what will be school property.

Eric Haley noted that Elwood Ellis will discuss transfer issues with Mike Roy, Waterville City Administrator, to determine what would be considered RSU land, school land, municipal land and what transfers to the RSU.

Gerry St. Amand asked if it was premature to vote tonight regarding the RPC's intent.

Jim Morse recommended that representatives of the Subcommittee have a discussion with town leaders to define school property.

Joel Selwood noted that whatever the entities end up being, it would require title work and all legalities to transfer the titles. He asked where expenses would be borne.

Don Dufour asked how this will go through and what the impact will be. The feeling is to postpone the vote.

Judy Coombs noted that if the RPC is trying to work with the towns and maintain good relations, it would be wise to get their input before a formal vote.

Doug Eugley noted that when the Finance Subcommittee met, it was discussed that any town owned properties could be deeded to the RSU. He has no problem with delaying the vote and getting a more detailed listing. He asked if there are any fields that are town owned or part of Recreation Departments.

Eric Haley noted that fields would still be used as they are now.

A motion was made by Phil St. Onge and seconded by Dennis Keschl that the Regional Planning Committee table action regarding the recommendation of the Finance Subcommittee that the RSU assume transfer and title of the collective school facilities/sites provided in the summary lists prepared for this meeting, until such time as representatives of the Subcommittee have had an opportunity to discuss with town leaders the definition of school property and provide them the opportunity for discussion prior to a vote by the RPC. Motion carried unanimously.

Eric Haley asked if there were any delegations to be heard. Bill Pulsifer of Belgrade asked how this will affect different sports programs and if the sports programs will become one budget.

Jim Morse noted that the vision is to bring athletic programs under one budget but to have three separate programs to maintain identity.

Eric Haley noted that schools would still have their booster groups supporting teams within their communities because those teams would all exist. The vision is to run sports programs as they are currently run, but under one budget.

Jim Morse noted that it does open the opportunity for districts to save money. For example, athletic tape and services with Red Cross. Can we get a better deal on those services if we run the program together?

Jim Morse provided a report of the Governance Subcommittee meeting held on October 9, 2007. The Subcommittee had two tasks that they needed to work through: school choice and governance in terms of how many members each town will have represented on the RSU Board. Unresolved at the last meeting was how to proceed through the election of Board members, and whether this Committee can establish the structure of a new board. The Commissioner, in addition to the Planning Committee report she will approve, has to make sure it meets the law. There currently are three-year cycles for election of Board members. This deals with how territories of elected representatives will be defined. The idea is communities with multiple representatives for three different voting methods, as long as it follows one-man one vote rule.

The Governance Subcommittee recommends the Board voting pattern noted below with the understanding that Waterville, Winslow and Oakland Board members will need to draw lots to determine who is on the RSU Board for one, two or three year terms once they have been elected.

Town	Population	# of Votes	# of Members	Votes per member	% per member	Equal weight per member	Equal % per member	Excess over equal
Belgrade	3209	69	1	69	6.86%	77	7.69%	-0.84%
China	4408	94	1	94	9.42%	77	7.69%	1.73%
Oakland	6202	133	2	66	6.63%	77	7.69%	-1.07%
Rome	1101	24	1	24	2.35%	77	7.69%	-5.34%
Sidney	3966	85	1	85	8.47%	77	7.69%	0.78%
Vassalboro	4337	93	1	93	9.27%	77	7.69%	1.57%
Waterville	15639	334	4	84	8.35%	77	7.69%	0.66%
Winslow	7944	170	2	85	8.49%	77	7.69%	0.79%
Totals	46806	1000	13					

The Governance Subcommittee recommends that the city and towns with multiple Board members determine whether they wish to use at-large representation, a ward system, or some combination, noting that whatever method is chosen must adhere to the one man one vote principle.

The Governance Subcommittee recommends that the official ten-year census be used to adjust the votes per member and that the updated U.S. Census figures be used to adjust votes per member mid-way through the official census. Such adjustments will be made the first year after the official census and the 6th year after the official census using updated numbers generated by the U.S. Census Bureau.

Gerald Saint Amand speaking on behalf of representatives of China, Vassalboro and Winslow stated that the group gave its consensus to move forward as recommended.

Lee Cabana speaking on behalf of representatives of the Waterville Public Schools stated that the group gave its consensus to move forward as recommended.

Jack Sutton speaking on behalf of representatives of MSAD 47 stated that the group gave its consensus to move forward as recommended.

Motion carried unanimously to support the Governance Subcommittee recommendations relating to governance in terms of how many members each town will have represented on the RSU Board.

Jim Morse noted that the Governance Subcommittee also discussed the issue of school choice and tuition contracts. This issue needs to be addressed based on the plan put forth. There are currently no tuition contracts in existence in any of the districts. However, two of the towns offer school choice. Dr. Morse reviewed a description of school choice. For China "All students 9-12 may choose to attend any secondary school approved for tuition purposes. China pays the maximum allowable tuition for each student plus insured value factor for students attending Erskine. They also pay Erskine an additional amount for any special education students enrolled at Erskine. Transportation is also provided to Erskine, paid for by the towns." The same language was duplicated for the Town of Vassalboro. The vast majority of youngsters in China and Vassalboro make the choice to attend Erskine.

Dr. Morse reviewed with the RPC the recommendations of the Governance Subcommittee related to school choice.

1. The Governance Subcommittee recommends "choice" among the three public high schools as long as no students who would have traditionally attended Messalonskee, Waterville, or Winslow would be displaced by a student from one of the other communities, and as long as there is available space in the school requested.

2. The Governance Subcommittee recommends that students from China and Vassalboro who choose to participate in vocational technical education do so at Mid-Maine Technical Center in Waterville. Students who are enrolled at the Capital Area Technical Center in Augusta at the time this agreement becomes operational may continue to participate in the program in Augusta.

3. The Governance Subcommittee discussed transportation of students enrolled at Erskine. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for transportation of any student who has chosen to attend any school other than those public schools within the RSU.

4. The Governance Subcommittee discussed the additional costs being charged by Erskine for educating special needs students. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for additional costs of any student who has chosen to attend any school other than those public schools within the RSU.

Mike Gosselin asked how the Committee proposed to have that enforced in terms of schools that traditionally attend. For example, what happens if a student from China and attends Waterville High School and makes the varsity basketball team and causes a Waterville student to be placed on the JV team?

Pam Trinward noted that students would be accepted based on space in the school, not space in the specific programs.

Mike Gosselin asked what would happen if all three schools said there was no room.

Pam Trinward noted that it would be the responsibility of the RSU. If there were room at Waterville and Winslow but not at Messalonskee, then students would have to go to Waterville or Winslow.

Mike Thurston asked if recommendation #1 speaks to China and Vassalboro only.

Jim Morse noted that it did not. He, Eric Haley and Elaine Miller have philosophically done this. What currently happens is if a child from Winslow wants to go to Messalonskee or Waterville, the student generally does based on the best interests of that child. It is an exchange between the schools now.

Elaine Miller noted that what is currently done is based on academic courses, not sports. For example students who go to Waterville for the strings program or for an AP bio class it is because those are courses that are not currently offered at their own high school.

Eric Haley noted that Waterville has superintendents' agreements for ten students who are coming for one course only. The law says if two superintendents agree, it is in the child's best interest.

Elaine Miller also noted that if there are homeless students, the homeless law must be followed.

Doug Eugley asked about transportation for choice schools. What about transportation to other schools? What if a Sidney child goes to Winslow all day?

Jim Morse noted that primarily Belgrade buses serve Belgrade and Rome; Sidney buses serve almost exclusively all of Sidney. Parents may need to provide transportation. For example, if someone will want to go from Summer Haven to Winslow, it doesn't necessarily mean that the District would pick up transportation costs.

Pam Trinward noted that if there is a student who is failing in terms of social behavior issues in Winslow, for example, that student now will have the opportunity to attend Waterville or Messalonskee to try to get the student out of a situation where he/she is failing and put him/her in a place where the student will succeed.

Mike Gosselin noted that people from China and Vassalboro would have to pick up what's left. If choice is to be given, then it should be a choice among the three high schools. If China and Vassalboro students want to go to Waterville, why can't they now?

Mr. Haley noted that students should go to the high school in the town where they reside. In viewing communities with multiple middle schools, for example, those middle schools are organized such that students go to the ones that are in their regions or wards. If choice is allowed, the expectation is that the students would go to the schools in the towns where they reside.

Judy Coombs noted that she is a teacher, taxpayer and has a student in the system. She has 32 years of teaching experience and has seen a lot of changes. One of her concerns is that communities will separate and lose diversity. All the "haves" cannot be in one school. What happens to the "have-nots" is not acceptable. That needs to be supported for our schools.

Libby Mitchell noted that people do, indeed, move to China and Vassalboro because of school choice. Choice is very cherished by parents and by students. It is so important that people move. Where do these children go? Mostly to Waterville, Winslow, Messalonskee, and Erskine. It is schools where parents feel they are welcome. According to the law, opportunities for school choice provided by a previous school unit must be maintained by the RSU for students in those municipalities that offered choice. You are willing to compete for our kids. One of the things we are being asked to consider is to give up our choice to all schools to Messalonskee, Waterville, Winslow, and Erskine. That is a much smaller universe than before. It is okay to give up the universe because we will have three great high schools. They are all good schools. We can overcome that if we keep the vision.

Charley Clark noted that his understanding is that the benefit of being in an RSU is because of special education and the way the law was written. If we would end up with a high student cost, would it go back to the town?

Jim Morse noted that with regard to school choice, the issue is more complicated. For students choosing a public school in a different school unit the RSU must pay tuition not to exceed its own secondary tuition rate. If the tuition payable to the choice school exceeds the RSU's tuition rate, the additional expense must be paid by the responsible municipality. It is about special education students from private schools only. If a child continues to attend Erskine, for example, then the community would pick up the cost. The RSU would not be responsible under the statute. Special education law states that the municipality has to cover the cost.

Jack Sutton asked if the adoption of any or all recommendations would be binding for future Boards or if future Boards would have the option to make adjustments.

Jim Morse noted that whatever is included in these organizational plans becomes binding contracts. All these sections that have been approved ultimately will go before our school boards before a final plan is adopted. This is something that we can live with, but once Board and voters approve the future RSU is bound.

Eric Haley noted that if something is not required to be in the plan, it is not necessarily binding. If it's mandated by the consolidation law to be in the organization plan, then it probably binds the RSU. If not required, then RSU Board may change.

Lori Fowle asked about China and Vassalboro students who choose to participate in vocational technical education programs in Augusta. If they were currently enrolled there, would their transportation be picked up by the RSU?

Jim Morse noted that an assumption was made that the RSU would be responsible for transporting high school students because it is the law related to SADs not the law for municipal school systems. The law is unclear regarding this issue, but it makes sense that one would come to that conclusion.

Eric Haley noted that given the amount of concerns expressed with the recommendations presented this evening, that the Governance Subcommittee take this input and make amendments to the recommendations for the next meeting.

Peter Thiboutot asked if there was additional language to that first recommendation regarding school choice. If a student wants to attend another school why is that? What does that other school offer that we don't have? The RSU needs to discuss equity to level the playing field in those areas that are in question. What will philosophy be in terms of providing opportunities for students?

Lori Fowle made a motion, and Phil St. Onge seconded, to table the recommendations until the Governance Subcommittee has had an opportunity to review them further and make amendments if necessary.

The RPC gave its consensus to table the recommendations of the Governance Subcommittee until such time as the Subcommittee has had time to review those matters and return with amended recommendations as necessary.

The next meeting of the Governance Subcommittee is scheduled for Thursday, October 25, 2007 at 4:00 p.m. at the George J. Mitchell School in Waterville.

The Personnel and Transition Subcommittee continued to work on trying to come up with a solution to merge employee contracts and what should occur as contracts are negotiated. Mr. Haley noted that the three teachers' association presidents, Robin Colby for MSAD 47, Judy Coombs for Waterville, and Mike Thurston for China, Vassalboro and Winslow, have been very helpful. Contracts are very different, and Mr. Haley noted that these meetings are not considered negotiations meetings. What is being discussed is the creation of a 20-step teacher contract, giving them an increase from wherever they are on their current scales, regardless of how that compares to where they are on the scale. Eventually, all teachers would be paid the same. The Committee is working through regarding what those costs would be. Mr. Haley noted that another issue being discussed is health insurance. There is about a $2,300 difference between the top insurance plan and the lower plan.

The Subcommittee was charged with looking at a transition plan, and has not yet done anything with the transition plan. The Subcommittee needs to determine what services will be provided to local municipalities and schools. Real estate and title to properties are issues as well. There is also the issue of liability insurance and whether it will be more or less expensive than what is currently in place. The RPC needs to insure that there are no lapses in coverage.

The transition plan also needs to address the development of personnel policies. In order to determine what the transition plan is we need to know dates and timelines. Will we be ready for December 1, with a referendum vote by January 15? If not ready by then, when?

Jim Morse noted that the RPC should consider a deadline of June. This would give school systems a full year for coming to conclusion on this work.

Phil St. Onge asked if there was any sentiment in Augusta to let up on this date.

Libby Mitchell said there is not at this time. Perhaps if more people report back about honest efforts to get the work done, maybe. What there is not support for is that school districts may have forever to complete their work.

Pam Trinward noted that this was one of the compromises in the Legislature with December and a referendum in June. We should continue to work as hard as we can. It is possible that if it does not pass in the community, that November election will be needed.

Eric Haley noted that this RPC is so far ahead of everybody else in terms of completing its work. The work has been good. He received a call from a reporter from the Portland Press Herald yesterday, and the reporter noted that this RPC has completed more work than anyone else with whom he has spoken.

Dennis Keschl noted that the press is not taking this seriously. They should be. It will be difficult to bring the public along. The education process needs to start now to let the public know what work has been completed and where we stand.

Mr. Keschl suggested that a common product be put together that is at the polls on November 6 to at least make the public aware of these discussions. There can be a display at each polling location. This would allow time to educate the public as to what is being proposed and the amount of work needing to be done. It would also allow time to provide for public education and awareness in order for the public to make an informed decision and for community leaders to answer their questions.

Pam Trinward suggested that the polls should be manned. People should be told when the RPC meets and to please come to the meetings.

Dennis Keschl noted that the press needs to be brought into these meetings because they are part of the public process.

Eric Haley asked if the RPC would like the Personnel and Transition Subcommittee to develop a transition plan based on a June referendum vote on the plan and a November referendum vote on the school board. At the next Subcommittee meeting a timeline will be drafted based on those benchmarks.

Libby Mitchell noted that Laughlin Titus writes an email message. Each town might do some of that as well. His letter is published in the *Town Line*, a local paper. The Paper prints his letter verbatim.

The next meeting of the RPC is scheduled for Thursday, November 1, 2007 at Messalonskee Middle School in Oakland.

The meeting adjourned at 6:58 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
November 1, 2007

James C. Morse, Sr., Superintendent of Schools for the Messalonskee School District, called the meeting of the Regional Planning Committee to order at 5:00 p.m. in the cafeteria at Messalonskee Middle School in Oakland.

Those in Attendance: Gwen Bacon, Maryanne Bernier, Lawrence Brown, Doug Carville, Charley Clark, Robin Colby, Don Dufour, Steve Dyer, Elwood Ellis, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Michael Heavener, Melanie Jewell, James Jurdak, Dennis Keschl, Kathi King, Linda Laughlin, Mike McQuarrie, Libby Mitchell, Jonathan Moody, Robert Moreau, Nora Murray, Wendy Nivison, Constance Packard, Paula Pooler, Don Poulin, Mark Powers, Marie Pulsifer, William Pulsifer, Kelly Roderick, Gerald Saint Amand, Debrajean Scheibel, Joel Selwood, Gary Smith, Frank Soares, Jamie Soule, Phil St. Onge, Jack Sutton, Peter Thiboutot, Michael Thurston, Lauchlin Titus, Linda Titus, and Michael Tracy

Dr. Morse noted that as Committee members thought about the next meeting, they wanted an official report by November 15 so that the respective school boards would have an opportunity to approve a plan prior to submission to the State by December 1. The State recognizes that December 1 is an unfair deadline. As December 1 approaches, the Commissioner is not expecting a completed plan. She will be looking for a progress report. The State will be submitting a checklist type format so that school districts may indicate what they have accomplished. Dr. Morse suggested that the Regional Planning Committee (RPC) complete this process at the next meeting scheduled for November 15. The RPC needs to review a summary of the work that needs to be completed. The report that is submitted to the state must be accurate. Once that process is complete, the RPC needs to think about scheduling a meeting in December.

Robert Moreau made a motion, and Jeffrey Frost seconded the motion, to approve the minutes of the October 18, 2007 meeting as printed. Motion carried.

The meeting turned to Subcommittee reports.

Dr. Morse noted that as a Committee the RPC decided to create an Educational Programming Subcommittee, which was not part of the state's requirements. The law did not require one, but people are connected to children and our towns. Before consolidation discussions Waterville and Messalonskee had planned to conduct a future search vision exercise. Eric Haley suggested that the Future Search exercise be turned over to the Educational Subcommittee, but to insure that Winslow, Vassalboro, and China were directly involved in that process as well. There were 36 people involved, representative of business community and school personnel. Key questions included, "What is it that we would like to see accomplished?" and "What could happen for our children if this was one school system?"

Linda Laughlin updated the RPC regarding the work of the Educational Programming Subcommittee, specifically the vision statement and recommendations regarding school calendar and educational policies. Regarding the Future Search workshop held on October 11, 12, and 13, 36 people participated from the communities of Belgrade, China, Oakland, Rome, Sidney, Vassalboro, Waterville, and Winslow. Of the 36 people, 17 were staff members from MSAD 47, School Union 52, and the Waterville Public Schools, and 14 were community members, including parents, business people, political leaders, and board members. Ms. Laughlin

reviewed the description of a Future Search, which is a process used to engage a diverse set of stakeholders in a planning process that establishes a clear direction for the organization. At the end of the three-day workshop, participants had developed a set of themes. Also, the group wants to write a vision statement that reflects what was discussed in those three days. The essential questions are, "Does this reflect what it is that was talked about? Is this an accurate statement? Does it accurately reflect the results of those three days?"

Lori Fowle reviewed one of the vision themes, which is learning for all. Education shouldn't stop at a certain age, or when people achieve what they need to achieve. Learners should experience continuous achievement. At this point in time education is thought of as education for students. The idea of learning for all would give opportunities for those who need to take more time. Continual access to educational opportunities allows for learners of all ages to continue to learn throughout their life span.

Jeff Frost reviewed a second vision theme, which is a personalized and engaging educational environment. Discussed was relevancy as it relates to technology. Electives are centered around clusters or pathways as defined by the U.S. Department of Education (USDOE). Specific direction is provided where students may go forth and pick up additional information needed to make their final career decision. There would be specific personal learning plans (PLP) for students, focusing on their interests and aspirations, allowing students to progress and master the curriculum.

Linda Titus discussed varied pathways and schedules, which relate to school year and school day for varied learning opportunities. This would allow educational opportunities to have an open format where students may access multiple learning experiences in ways that accommodate their learning styles and educational needs.

Elwood Ellis reviewed the high tech environment. Students have state of the art technology available, exposure to emerging technologies, as well as virtual courses as part of their daily schedule. Technology is used as a tool for global learning and to enhance collaborations and partnerships.

Another theme is community is our campus. Mark Powers noted that the community is an integral part of the educational program. Community support for education happens through a variety of relationships, including mentoring, partnerships, and internships. Local businesses and the community are integral parts of the educational experience.

Kathi King reviewed the theme of professional growth through collaboration. If the face of education changes, we will all have to change, even classroom teachers. We have to use applied technologies. If we want to connect to this, we have to think about how we do things. Staff will access an established school community coordinated training center to improve their delivery of instruction.

Linda Laughlin noted that those six themes were on the core at the end of the Future Search workshop. Committee members took those six themes and put a writing committee together to work on writing a mission statement. This mission statement is going through a draft process.

What is happening right now is that the 36 people who participated received the copy of this draft. The next steps would be to engage communities in public forums to build on the future search work, with the objective of building an understanding and ownership and to gather data about the strategies that would move the system in the desired direction. Once that work is completed, the plan would be to put together a smaller strategic planning committee to develop long and short-term goals and specific action steps to be taken to move the system toward the vision.

Dr. Morse noted that the vision statement presented is a fairly elaborate first draft. He suggested that RPC members read it through and offer their suggestions. The ultimate goal would be to have the blessing of the RPC. Tonight we want you to take it, read it, absorb it, and react to it. Then, ultimately, the Educational Programming Committee will have something to present to the RPC for the next meeting.

The Educational Programming Subcommittee had two recommendations for this evening. Peter Thiboutot reviewed the first recommendation, which is for the Regional School Unit (RSU) to adopt a common school calendar, allowing high schools to better share courses and to better share professional development resources. This common school calendar should include common workshop days, as well as common student days.

Nora Murray reviewed the second recommendation of the Educational Programming Subcommittee, which is for the RSU to assign a subcommittee immediately upon reorganization that will align all school programming policies across the region.

Don Dufour asked if that alignment of policies would be done prior to the citizens voting on the RSU.

Nora Murray noted that that would not happen prior to the vote. That would happen once the vote occurred.

Peter Thiboutot noted that policies would need to be prioritized as to which policies would be reviewed first.

Dr. Morse noted that federal and state mandates would start this process immediately.

Jack Sutton asked if this subcommittee feels that the objectives of these recommendations can only be met if the RSU is formed formally according to the plan that is being drafted.

Jim Morse noted that that is what they are seeing in these recommendations. To try to do any work before there is a blessing of the voters would be premature.

Jack Sutton asked if the RSU has to be formed in order to make these things occur.

Jim Morse noted not to the extent that they are envisioning here. For example Messalonskee, SAD 49, Waterville and Winslow currently work on a common calendar related to the vocational center. In state statute districts have to make an attempt to getting the calendars the same.

Then the state gives districts a "fudge factor" of about nine days in total. In the current governance model there are several different school systems involved at the Mid-Maine Technical Center. It is unlikely that all four districts would have the exact same calendars. If an RSU were formed, all districts in the RSU would have the exact same calendar. Participating Districts at MMTC are as close as any school system in the State of Maine, with only five days difference this current school year.

Melanie Jewell noted that a foreign language curriculum is missing at the elementary school level. At Messalonskee one of the things that has been cut from previous budgets is the life skills class. How do you teach kids how to balance a checkbook?

Dr. Morse noted that those are the kinds of issues that would need to be deferred to the Educational Programming Subcommittee.

Gerald Saint Amand was wondering if the RPC is not reaching too far at making work that doesn't need to be done.

Dr. Morse noted that policy formation would happen once the formation of the RSU is approved.

Lori Fowle asked about policies being different in each town.

Dr. Morse noted that this would be one of the first actions of the RSU Board. Districts are continuously adding policies. There would have to be a full-time Board working to get through all the policies on the books. It does provide an opportunity for review and updates.

Gerald Saint Amand asked if everything that was discussed and reviewed affects individual district identity in each community.

Eric Haley noted that the RPC is getting at the core of one of the issues of consolidation in that there is a culture in the communities. For example, there are differences in certain policies in Messalonskee and Waterville.

Dennis Keschl said that he thinks it is almost essential that the RSU have a common set of policies, especially giving the fact that students will potentially be moving from one school to another. Every student in the RSU must know that there is a common set of expectations. The very fact that a new RSU is being formed, with a new structure over time will result in a new culture and common policies to govern students in that new culture and structure are essential. .

Nora Murray noted that when looking at a union with different policies in different towns, if there is a new RSU Board and discipline issue comes forth, for example, the Board would have to act on policy.

Dr. Morse noted that it opens up legal issues and liability for the RSU if there are different policies for different communities.

Phil St. Onge asked if someone checked if Portland and Deering have the same policies.

Dr. Morse noted that they do have one policy.

At this point, there are two recommendations from the Educational Programming Subcommittee before the RPC related to school calendars and policies. Representatives from the different towns met in their respective groups to determine how each group will vote.

The Educational Programming Subcommittee recommends that the RSU adopt a common school calendar to allow high schools to better share courses and to better share professional development resources. This common school calendar should include common workshop days, as well as common student days.

The Educational Programming Subcommittee recommends that the RSU assign a subcommittee immediately upon reorganization that will align all school programming policies across the region.

Gerald Saint Amand speaking on behalf of representatives of China, Vassalboro and Winslow stated that the group gave its consensus to move forward as recommended, noting that the group was unanimous regarding the school calendar but not quite unanimous regarding policies

Jack Sutton speaking on behalf of representatives of MSAD 47 stated that the group gave its consensus to move forward as recommended.

Maryanne Bernier speaking on behalf of representatives of the Waterville Public Schools stated that the group gave its consensus to move forward as recommended.

Motion carried to support the Educational Programming Subcommittee recommendations relating to a common school calendar and the assignment of a subcommittee to review and align all school programming policies across the region once reorganized.

Gary Smith reviewed the work of the Finance Subcommittee and noted that the Committee is making progress. One of the last major tasks to complete is the identification of how to achieve savings in system administration, transportation, facilities and maintenance, and special education. In the next year the financials will have to be converted into one common chart of accounts. How will the savings be determined and documented among the five separate systems? The Finance Subcommittee has been reviewing the chart of accounts, and they are amazed at how very little differences there are in system administration, transportation, special education, and facilities and maintenance. At the next meeting there will be a recommendation with respect to acquisition of land and buildings by the RSU.

Jim Morse reviewed the work of the Governance Subcommittee related to tuition contracts and school choice. At the meeting of October 18, the Governance Subcommittee recommendation related to school choice read as follows.

The Governance Subcommittee recommends "choice" among the three public high schools as long as no students who would have traditionally attended Messalonskee, Waterville, or

Winslow would be displaced by a student from one of the other communities, and as long as there is available space in the school requested.

Regarding this recommendation, RPC members decided to have an intense discussion. The Subcommittee met on October 25, 2007 and tried to incorporate the suggestions of members of the RPC into the new proposals. The suggestion was that high school students have choice. In the Subcommittee meeting it was decided to strike the recommendation entirely because it can be dealt with at the RSU level when the RSU is formed.

The recommendation of the Governance Subcommittee related to school choice is as follows.

This is an issue that is not required to be addressed by the state. The Governance Subcommittee recommends that this issue be left to the RSU Board yet to be formed.

Gerald Saint Amand asked how the RPC could respond to citizens and taxpayers and tell them not to worry about the school choice issue, that the RSU will deal with it. The original recommendation seemed to be sound and make sense. There was a concern that the recommendation as written would cause more problems than solve.

Mike Thurston noted that there might be students who transfer from one school to another who have particular advantages or issues. Transfer between schools can be creative, such as sharing a strings program. A student doesn't have to be a transfer student to participate in that program. A student, for example, could still attend Messalonskee for a particular class and maintain local identity.

Dennis Keschl noted that this seems to be a policy that has to be developed once the RSU is formed because the RSU could take a look at this issue in a more clear way.

Lauchlin Titus noted that he believes RPC members are safe in saying that the RPC endorses choice within the RSU, and it charges the newly formed board with the mechanics. He noted that it is important the RPC tell the voters if they think consolidation is a good idea or not. The RPC members need to tell voters what they think.

Don Dufour questions the validity of both arguments. When looking at a situation like this, the RSU will need to be relied on to make some decisions. The RPC can perhaps give impressions or ideas, however as the union is developed, they will have to make these tough decisions, and we have to let go.

Dennis Keschl noted that on a couple of occasions he has heard that districts don't want to lose identity. Once infrastructure is developed, loyalties will change and identities will be lost. The same that will happen with RSU; districts will lose identity in the long run.

Mike Thurston noted that he didn't think that is the reality. The SAD forms one high school. There is no loss of schools.

Melanie Jewell noted that the RPC is not selling this to the people in the communities. The RPC's job is to get all information to the people, and that the information is presented accurately. The voting will still be done and everything will still be the same. There will be some issues that will not be the job of the RPC to address.

Gerald Saint Amand noted that if members of the RPC live in China, Vassalboro or Winslow, they are the ones who will be asked for some information regarding school choice.

Senator Mitchell noted that she agrees that the fine details of this will be worked out at the RSU level. But there is something more important here at stake to those who have school choice. People like the idea of choice. Most RSUs have one high school. What brought China and Vassalboro to the table was the excitement for shared resources. That should not be lost in this discussion, otherwise people might feel they are giving up too much. Towns are gaining here. Choice has multiple meaning, and it is an opportunity for improved education for our children. If that is lost, then a lot is lost. The vision must be kept that there might be a better school system at the end of the day. This choice piece needs to include reference to sharing resources with these three independent cultures.

Eric Haley noted that there is a difference between choice versus where students register and where they receive programming. There are students registered in Winslow who come to take a course in Waterville. There is a difference where students register versus the ability to take courses elsewhere. There needs to be a list of items for the RSU Board that will give them some priority as to what they need to take on as a RSU. This is something of which the RSU needs to be aware.

Phil St. Onge stated that parent choice is being confused with superintendent choice. What we are advocating for is parent choice. For example if a parent comes in to say I want my child to attend school here. The RPC has authority to grant that request.

Linda Laughlin noted that what is difficult now is to make a decision based on reality at this point. There are three comprehensive high schools trying to run programs for their students. Is the goal to have a particular program hosted by a particular building versus having a program done in all three buildings?

Phil St. Onge noted that it is probably essential that the RPC as a group decides that educational programming is an integral part of the program, not just governance or finance. Currently there are three comprehensive high schools.

Dennis Keschl noted that the RPC is here to inform the public. He believes that an informed public will make the right choice. He commented that based on the discussions the RPC has had over the past few months, there seems to be a belief that the framework that is being set for an RSU is like the framework in our constitution, except there does not seem to be any provision to allow the RSU Board to change what is being built. He would like to provide an opportunity for amendments based on changing circumstances that can't be predicted now. There should be some method of amending whatever is done if it does not work.

Dr. Morse noted that China and Vassalboro as of the operational date shall continue to have the same choices in the RSU.

At the meeting of October 18, the Governance Subcommittee recommendation related to vocational technical education read as follows.

The Governance Subcommittee recommends that students from China and Vassalboro who choose to participate in vocational technical education do so at Mid-Maine Technical Center in Waterville. Students who are enrolled at the Capital Area Technical Center in Augusta at the time this agreement becomes operational may continue to participate in the program in Augusta.

Gerald Saint Amand noted that this Subcommittee is changing the recommendation regarding vocational centers.

Dr. Morse asked as an RSU if would we want students to go to Mid-Maine Technical Center exclusively. The students who are attending Erskine are not exclusively China and Vassalboro students. For example, a youngster attended Erskine in grade 9 and grade 10. That student decides to attend Capital Area Technical Center. The RSU would actually be endorsing relationships that students have formed. Why not let students go with their peers that they went to school with in 9th and 10th grade year? Cost difference is about $200 per student. Bussing becomes an issue of cost.

The revised recommendation reads as follows.

The Governance Subcommittee recommends that students from China and Vassalboro who are enrolled at Erskine and choose to participate in vocational technical education do so at Capital Area Technical Center. China and Vassalboro students who attend RSU high schools will attend Mid-Maine Technical Center.

At the meeting of October 18, the Governance Subcommittee recommendation related to transportation read as follows.

The Governance Subcommittee discussed transportation of students enrolled at Erskine. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for transportation of any student who has chosen to attend any school other than those public schools within the RSU.

The Governance Subcommittee made no changes to the recommendation related to transportation. This is a restatement of what the RSU's responsibility is in terms of transportation. The RSU law failed to address directly transportation, which will be corrected in this upcoming Legislative session. The intent is that the RSU law follow SAD law. That means this recommendation is accurate.

At the meeting of October 18, the final recommendation of the Governance Subcommittee related to special education costs read as follows.

The Governance Subcommittee discussed the additional costs being charged by Erskine for educating special needs students. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for additional costs of any student who has chosen to attend any school other than those public schools within the RSU.

It is already know that there are certain programs that Erskine does not provide. Erskine does not have a resource room program. A child could attend Erskine. That would have been the federal law. However, there would need to be a PET. Would we disrupt a student because the student received special education services and move the student into an RSU high school? That is not the intent. The intent is to look at the child's situation and make the best placement for that child.

Lori Fowle noted that with special education there are usually extra monies. Would those monies follow that student?

Deb Scheibel, Director of Special Services in Winslow addressed the RPC. She said that she attended a workshop with Eric Herlan, an attorney from Drummond Woodsum of Portland. The interpretation is that students would be identified through an IEP process as to whether or not their placement would be at a particular town. If it were a choice, that student with an IEP process would be placed in that particular town with the program for the student. If the cost exceeded what the cost would be within the RSU for the same services for that child, the RSU would pay up to that dollar amount. Anything above that would be insured by the town. For example it costs $8,016 to educate a child. Erskine charges $9,016. The RSU would be responsible for $8,016, and the additional $1,000 would have to be paid by the town.

Dr. Morse noted that the recommendation before the RPC this evening is the same as was presented on October 18, with language added that refers to the PET process as written below.

The Governance Subcommittee discussed the additional costs being charged by Erskine for educating special needs students. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for additional costs of any student who has chosen to attend any school other than those public schools within the RSU, unless, through a P.E.T. process run by the RSU Special Education Director or his/her designee, it is determined that the student's educational needs are best met at a location other than the RSU schools.

Melanie Jewell asked if the RSU recommendation is to send the special education student to a particular school, and if the parents want the child to attend Cony or Erskine, for example, and cost is $1,000 more, then taxpayers of that town pay for that bill.

Lori Fowle noted that this only affects China and Vassalboro students. That is basically what happens now. The town picks up the added cost after what the state pays.

Dr. Morse noted that it is possible for a youngster with special needs to attend Erskine as long as the child has gone through a PET/ IEP process.

Dr. Morse noted that at this time there are four recommendations from the Governance Subcommittee before the RPC. Representatives from the different towns met in their respective groups to determine how each group will vote.

Gerald Saint Amand speaking on behalf of representatives of China, Vassalboro and Winslow stated that the group couldn't accept recommendation #1 related to school choice as written. They would like additional wording and language regarding programming and opportunities. Their recommendation would be to return the issue to the Governance Subcommittee for further review. Regarding recommendations #2, #3, and #4, they gave their consensus to move forward as recommended; however, they asked that additional language be included in recommendation #3 related to transportation, as it is unclear regarding classification of new law.

Don Dufour speaking on behalf of representatives of the Waterville Public Schools stated that the group gave its consensus to move forward on recommendations #1, #2, #3, and #4 as written.

Melanie Jewell speaking on behalf of representatives of MSAD 47 stated that the group gave its consensus to move forward on recommendations #1, #2, #3, and #4 as written.

Linda Titus of Vassalboro noted that she was part of the Future Search workshop held in October. She said that she left the workshop with excitement about potential for students in respective districts. Discussed were different ideas and models that could be used as a base.

James Jurdak requested copies of financial information related to China, MSAD 47, Vassalboro, Waterville, and Winslow. Specifically, he requested copies of each SAUs detailed worksheet of the over/under EPS for both FY 2007 and FY 2008. Also requested were copies of each SAU's student enrollments for the past five years, by school and by grade. He also asked for any information that is available on how consolidating the five SAUs will impact the over/under EPS, reduce other costs, improve educational opportunities and performance for students, and improve operational efficiencies.

Dr. Morse noted that most of this information is already available on line on the District's Web site. The information related to enrollment will be gathered and forwarded to Mr. Jurdak.

Gerald Saint Amand asked if the RPC could look ahead to December meetings.

Dr. Morse noted that the RPC would review the work that is remaining at the next RPC meeting on November 15, find out where the RPC is collectively and determine where to go. There is still work to be done with which the RPC is charged to do under the law.

Dr. Morse noted that a document was prepared with questions related to consolidation. Dennis Keschl and Pam Trinward had requested that such a document be made available at the polls for the November 6 election. The publication is not something that the RPC is "selling", but just factual information. The document will be made available to all towns at all polling locations.

Steve Dyer asked how the document would be presented and if there would be someone at each polling place, or if the document would simply be placed on a table for people to pick up.

Dr. Morse noted that the intent is to have the document on display.

The next meeting of the RPC is scheduled for Thursday, November 15, 2007 at Waterville Junior High School in Waterville.

The meeting adjourned at 7:03 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
November 15, 2007

Elaine Miller, Superintendent of Schools for School Union 52, called the meeting of the Regional Planning Committee to order at 5:00 p.m. in the library at the George J. Mitchell School in Waterville. Superintendent Miller thanked everyone for coming to the meeting and noted that she, Mr. Haley, and Dr. Morse appreciate people coming to the meetings.

Those in Attendance: Maryanne Bernier, Lawrence Brown, Lee Cabana, Charley Clark, Robin Colby, Judy Coombs, Steve Dyer, Elwood Ellis, Doug Eugley, Lori Fowle, Jeffrey Frost, Monique Gilbert, Eric Haley, Michael Heavener, Melanie Jewell, James Jurdak, Dennis Keschl, Linda Laughlin, James C. Morse, Sr., Nora Murray, Wendy Nivison, Constance Packard, Gerald Saint Amand, Debrajean Scheibel, Gary Smith, Jamie Soule, Phil St. Onge, Jack Sutton, Peter Thiboutot, Michael Thurston, Lauchlin Titus, Michael Tracy, and David Trask

Gerald Saint Amand made a motion, and Peter Thiboutot seconded the motion, to approve the minutes of the November 1, 2007 meeting as printed.

Phil St. Onge asked about the exchange that occurred at the November 1 meeting between Mike Thurston and Dennis Keschl related to identities and one school.

Mr. Keschl clarified his comment. He was hearing a lot over the past several weeks about people thinking that things won't change. When a new institution is built and things come together, there will be changes. Changes are inevitable. People could not just think there will not be any changes. People may think that things will be the way they are now and that nothing will change. The fact is that people and loyalties will change. Their focus will be on the RSU. Change will occur.

Mike Thurston noted that the reason there was an exchange is that part of the law protects that. For example, a student will not be thinking that he/she goes to school at a Regional School Union. The student will, for example, refer to his/her school as Winslow High School.

Mr. Keschl noted that this is true. This happened when Belgrade joined MSAD 47; however, people adopted the SAD #47 identity as time went on, as people will ultimately be focused on the RSU and adopt its identity.

Phil St. Onge said he would say that. Winslow High School will not be closed. There needs to be some language in the charter that will leave it in the hands of the town as to whether the law penalizes an RSU if a school stays open. He noted he has been told by Jim Morse many times that they are not looking to close Winslow High School. It is not known who the superintendent will be or who will be on the RSU Board. There needs to be some language that states there needs to be "hoops we can jump through" before reassigning or closing a school.

The original motion, made by Gerald Saint Amand and seconded by Peter Thiboutot, to approve the minutes of November 1, 2007 carried.

The meeting turned to Subcommittee reports.

Eric Haley noted that members of the Personnel and Transition Subcommittee all took major assignments in reviewing contracts and insurances.

Mike Thurston prefaced his presentation by stating that this is not negotiations. He doesn't want salary scales to be thrown around, and noted that he did not provide copies of his PowerPoint presentation for that reason. This is an interim report regarding merging teacher contracts. The good news is that this RPC seems to be way ahead of other school districts. The four presidents of the local associations were at a meeting last night and making sure to get together with groups of teachers and having those discussions. They have actually been meeting for years. That transition might be easier for this RPC. This is not a negotiation. If the RSU is formed, real bargaining will be in the fall of 2009 and, hopefully, a contract in 2010-11. At this time there will not be any recommendations, as the Subcommittee is working on ways to merge the contracts.

School Union 52's is the most difficult to bring together because of so many contracts and differences in them. The problem is that there are five vastly different scales. Some have steps of $3,000 - $5,000, and some it's $8,000. There are five sets of language in these contracts related to school day, just cause, and teacher rights. There are five benefit packages. Messalonskee probably has the best health package right now. The Subcommittee will have to look at potentially the best benefit packing in that situation. There are five stipend schedules. The same is true of ESP units. Potentially the Subcommittee might be looking at taking between 10 to 15 contracts and whittling them down to see if everything falls into place the way it could.

Once the RSU is formed, existing contracts will remain in force until a new single RSU agreement is reached, even if it takes until 2011-12. The law says contracts must be merged as soon as practicable. China is negotiating this year; Vassalboro will negotiate next year. Right now Messalonskee and Winslow go to 2010. Ideally, the RSU will have a new contract for when those contracts expire.

In comparison to other school districts, Elaine Miller noted the contracts for our new RSU would be simpler that others, for example, Millinocket's contract which includes lifetime health benefits.

Mr. Thurston noted that merging salary scales bring the greatest challenge. He reviewed some of the ways the scales could be merged. (1) Build an index scale for the new RSU. (2) Agree on real increase for each teacher as a method of bringing them on that new scale. It could be 4% for example. (3) In year one of the agreement each teacher is awarded a 4% raise and is placed accordingly from one of the five old scales to the new scale. (4) In year two, each teacher would begin climbing from that point.

Eric Haley noted that that is a major shift. Teachers need to know that they are not going to be any worse off. Build on teacher scales on years of experience. It is possible for a teacher in China and a teacher in Waterville with each 15 years of experience to be on a different scale.

Mike Thurston noted that it would be the RPC's job to sell that idea.

Lori Fowle asked about hiring teachers from within the Union. If, for example a person who teaches in Vassalboro were hired to teach in Winslow, where would that person be placed on the salary scale?

Mike Thurston noted that the teacher would be placed on the scale according to the number of years of teaching experience. There aren't any jumps in this scale; there are just 20 steps. For example, in using 2006-07 salary scales from five different schools, teachers would be placed on the respective scales according to experience, as listed below.

China	16	$46,804
Vassalboro	14	$43,330
Waterville	12	$40,578
Winslow	17	$48,278
Messalonskee	17	$47,991

In eight years all would be making the same no matter what. Some may see it as though it is not fair. Is it fair, however, that one person is getting a $2,000 raise and another person is getting a $10,000 raise? Trying to find an equitable way of placing teachers on a scale has been a challenge. Teachers will benefit over time.

Mr. Keschl noted that a similar issue occurred throughout the State when the Legislature moved the beginning teacher salary to $30,000. In a sense we are talking about the same thing but involving 4 different schools. There has to be some way to adjust the salaries of people who may have been at five years making $30,000, and now new teachers making $30,000. That needs to be adjusted some way.

Nora Murray noted that a neighboring small town had a lower pay scale at the beginning. There were teachers with 6-7 years of experience making the same as a beginning teacher.

Mike Thurston noted that for China and Vassalboro the beginning contract is the same for the first five years.

Eric Haley noted that this happens a lot. For example, he said he coached and taught. When the head coach retired, the coach was making $700 a year coaching baseball. When Mr. Haley took the job, he made $750. The contracts and amount of money change as time goes on. The important piece is that teachers will not be any worse off than they were if they stayed in the original school system.

Mike Thurston noted the new scale would earn teachers a lot more money over time. If teachers are hired from the outside, where are they placed on the scale? There has to be some type of mechanism on how to place teachers on the scale. All that must be included in the contract language.

Jack Sutton said he understood the problem and at some level he understands the concept of the solution being discussed, however, he doesn't understand how all this contributes to the role of the RSU for saving money.

Mike Thurston noted that the big savings do not come from this.

Jim Morse noted that if the RPC went from the principle that we traditionally bargain from, the teachers' association would take the highest paid contract and place everybody on that contract accordingly.

Judy Coombs noted that it would take $900,000 alone to bring Waterville up to this scale.

Eric Haley noted the savings would come from here but over a three to five-year period, as people leave who don't need to be replaced because of student count. It is a less drastic increase or decrease.

Dennis Keschl noted he finds it hard to understand mathematically how one could see a savings in the approach to teacher salaries. The fact is that all the teachers will be at the highest step at some time over 20 years. Everyone will get to that high level. That means that costs will increase in salaries within the RSU vs. as it is now. The point is there is a dollar cost out there that is higher for some schools than others, but over that 20-year period ultimately all these personnel costs will increase.

Judy Coombs noted that there are so many people who are at the latter part of their careers, and they will be retiring within the next five years.

Lori Fowle noted that an increase would still be negotiated each year for these teachers. They will still receive step increases even if consolidation does not occur.

Dennis Keschl noted that the only point he is making is that personnel costs aren't where the savings are. By bringing everyone up, there will be higher costs per teacher in the end.

Lori Fowle noted that the Governor's plan was not looking at teachers being reduced; it was looking more at administrative costs.

Phil St. Onge asked if this is where people are being asked to take a giant leap of faith. It would be nothing to have your members asking for a higher contract. It is difficult when the case is where we are asked to trust in the future that it will work out. There are no guarantees.

Lori Fowle noted that there is a factor that needs to be considered. There is the possibility of the contract being much higher. Teachers have to consider being a little reasonable when moving forth.

Phil St. Onge noted that everything that is discussed in these groups is brought into the best possible light.

Eric Haley noted that in the first meeting it was suggested that everyone be placed under the best contract.

Phil St. Onge asked if the RPC shouldn't be sharing with the voters the worst-case scenario.

Lori Fowle said she thinks it is her job to explain to teachers that they should not be expecting to have that if this plan is approved. The expectations of the plan are put on the table. When

people go back to the community they have to speak to the citizens as to what they think the expectations are – the teachers' expectations.

Phil St. Onge said the RPC must follow a labor contract that doesn't go backward. It needs to go forward.

Lori Fowle said that makes sense, but the RPC can't expect that will happen.

Mike Thurston said that what is being discussed is the merging of five contracts. The RPC, for example, can come to the table and say it wants Messalonskee's scale. Finding some kind of solution to that is the job of all RPC members.

Judy Coombs said that at this time it is unknown who will even be negotiating a contract.

Lauchlin Titus noted that right now the RPC is being presented with reasonable information. When the new RSU Board bargains, if it all falls apart, hopefully the RPC has laid out enough now so that people working on fact finding and arbitration will hold as to what the RPC was talking about now. That is the checks and balances and minimizes the risk.

Mike Thurston noted that China, Vassalboro and Waterville would negotiate before the RSU is formed.

Doug Eugley noted that the presentation is very good and ideas presented are very reasonable. It seems to make sense whatever that 4% number ends up being, hopefully that scale will change over time. If all towns vote to join this RSU, are they locked into joining the RSU? If a town joins the RSU and there are teachers' contracts that are staggered, can these towns get out?

Jim Morse noted that once the RSU is formed, faith needs to be put into the bargaining team.

Doug Eugley noted that people who have worked on that know that there is not an endless supply of cash in the towns. That will be a huge impact to some of the towns if, in fact, that goes the other way.

Robin Colby said she understands you have to agree it may go the other way.

Doug Eugley noted that it is not known who will be on the negotiating team.

Judy Coombs said that what is here are the who, what and when as to who will represent and when the different contracts will expire. China teachers and ed techs are negotiating now. MSAD 47 custodians, food service personnel and ed techs are negotiating now. Waterville custodians and food service personnel are also currently negotiating. The law says that within 90 days prior to the expiration date of the agreement, once the RSU is formed that a petition needs to be sent to the Maine Labor Relations Board in order to set up the election. The only bargaining agreements that can be considered are the ones that are already in place. For example for bus drivers it would be the agreement with the American Federation of State County and Municipal Employees (AFSCME) union. There could be a vote between them and no union at all.

Jim Morse noted that this would become effective at the date of the forming of the RSU.

Judy Coombs noted that for custodians there would have to be a vote because there are three groups – Teamsters, MEA, and AFSCME. For food service personnel there would be a vote because current contracts are with the MEA and AFSCME. For secretaries and education technicians, it would be the MEA or no union at all. The task for the Personnel and Transition Subcommittee is to determine for the interim what things need to be addressed.

Lauchlin Titus noted that in Vassalboro the only gray area was the contract of a school nurse.

Judy Coombs noted that the nurse is now under the teachers' contract.

Jim Morse noted that the recognition clause is all part of the bargaining process.

Elwood Ellis said that the concern is the transfer of real and personal property. For example, Vassalboro has charges that will be incurred by the RSU. An SAD is all one unit, so it is an easier transfer. Waterville Parks and Recreation wants to keep all property. All of these issues will be settled.

Eric Haley reviewed with the RPC a scenario regarding calculations for converting health insurance benefits to the highest benefit now allowed in the five school systems. He noted that in China, Vassalboro, Waterville, Winslow and SAD 47 the plans are Blue Cross/Blue Shield HMO or standard plans. Reviewed were the highest rates now paid and the number of staff at each benefit level. It would cost $654,625.94 to move everybody to the best benefit level.

James Jurdak asked if those are today's insurance rates.

Eric Haley noted that they are today's insurance rates.

Wendy Nivison asked if these costs would be shared, and Eric Haley noted that they would be.

Eric Haley said he was contacted by Walt Harris, Director of the Center for Research and Evaluation at the University of Maine. The Center is conducting a survey for RPC members. The purpose of the survey is to document the views of RPC members about school district reorganization and determine the extent to which these views change over time. Mr. Haley distributed copies of the survey to RPC members and asked that they be returned to the Center in the postage-paid envelope provided. He thanked the RPC members for giving the Personnel and Transition Subcommittee additional time this evening to review the progress of their work.

Jim Morse reviewed the work of the Governance Subcommittee. He noted that he received a report from the Maine Department of Education via email yesterday. He indicated that there still is a December 1 deadline for reporting the work that has been completed to date. The towns are required to submit a progress report but not a full plan. The RPC will review the plan, and if members are in agreement, he asked that they sign the document.

Dr. Morse reviewed the required elements of the plan and the status for each element, e.g., not applicable, complete, in progress, not yet started, identified barrier, and need assistance.

3.A(1) - SAUS included in the RSU - complete
3.A(2) - size of governing body – complete
- composition of governing body – complete
- apportionment of the governing body - complete
3.A(3) - method of voting of governing body – complete
3.A(4) - composition of local school committees – not applicable
- powers of local school committees – not applicable
- duties of local school committees – not applicable
3.A(5) - disposition of real and personal school property – in progress
3.A(6) - disposition of existing school indebtedness – complete
- disposition of lease purchase obligations - complete
3.A(7) - assignment of personnel school contracts – in progress
- assignment of school collective bargaining agreements – in progress
- assignment of other school contractual obligations – in progress
3.A(8) - disposition of existing school funds and existing financial obligations – complete
3.A(9) - transition plan that addresses the development of a budget for the first school year – not yet started
- transition plan that addresses interim personnel policies – not yet started
3.A(10) - documentation of the public meeting(s) held to prepare or review reorganization plan (to the date of this report) – complete
3.A(11) - explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan – in progress
3.A(12) - estimate of cost savings to be achieved – not yet started
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 – in progress

Eric Haley noted that this is a Maine Department of Education survey to determine where the RPC is.

Dennis Keschl stated that item 3.A(8) does not to include insurance group in teacher contracts.

Jim Morse noted that that was a correct assumption.

Regarding item 3.A(9) related to a transition plan, Jim Morse noted that in conversations with the Governance Subcommittee, it was recommended that no action be taken because the RPC is in need of better financials before a recommendation may be made.

Doug Eugley noted that for 3.A(12), estimated cost savings to be achieved, the RPC hasn't really started looking at cost savings.

Jim Morse noted that that item is the next section.

Dr. Morse reviewed the parameters for plan development and the status for each element, e.g., not applicable, complete, in progress, not yet started, identified barrier, and need assistance.

3.B(1) - Enrollment meets requirements. – complete
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. – complete
3.B(2) - comprehensive programming for all students grades K-12 – complete
- Includes at least one publicly supported high school. – complete
3.B(3) - consistent with policies set forth in section 1451 – complete
3.B(4) - no displacement of teachers – complete
- no displacement of students – complete
- no closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512 - complete
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. – in progress

Jim Morse noted that the RPC needs to start thinking about what obstacles it faces.

The items listed below are considered by the RPC to be barriers in completing the reorganization plan.

- manpower restrictions
- timeline
- combining policy manuals
- contract insurance merging
- number of contracts to merge
- in-kind services
- federal funds potential loss
- Governor's $36 million
- cost redistribution/shifting
- disposition of school indebtedness
- equitable disposition of funds
- repeal effort
- redistribution of costs among potential members
- ownership of municipal property (real and personal) to be transferred to the RSU
- bringing all school units to same financial profile

Dennis Keschl asked whether the RPC agreed to refer policy work to the RSU Board.

Jim Morse noted that was correct, but the RPC is referring to the work involved.

Jim Morse noted that in terms of what the RPC just did, if they are comfortable with the progress report, he asked that each member sign his/her name by their respective school units so that each town may present the report to their respective school boards for approval in order to be submitted by the December 1 deadline.

Eric Haley noted that the law says that each of these plans needs to be submitted by the Board, stating that they concur that this is the status of where we are at in the RPC now.

Jim Morse noted that a copy of the plan would be given to each Board to sign. The school boards will give approval to submit this report.

Elaine Miller said that there is a union meeting scheduled for November 29th regarding the new Superintendent. There will be time set aside at the beginning of that meeting for China and Vassalboro to deal with the issue of the RPC progress report.

Jim Morse reviewed with the RPC the final recommendation of the Governance Subcommittee related to the composition, powers and duties of any local school committees to be created.

The Governance Subcommittee recommends that no local school committees be created.

Dennis Keschl asked when speaking of local school boards if it referred to advisory committees.

Jim Morse noted that that was not the case. The law says that they can actually be governing bodies. The RSU school board has the authority to transfer its governmental rights to local school committees if it chooses.

David Trask asked for clarification as to how much power the local school committee would have.

Jim Morse noted that it could have as much authority as the RSU board is willing to give it. For example, it could actually govern MSAD 47 schools differently than China schools, if the RSU Board is willing to give it that authority.

Jack Sutton asked why the Governance Subcommittee voted against this.

Jim Morse stated that he thinks it would be difficult to govern the regional unit if there were a school board for each school unit.

Phil St. Onge noted that it has to be kept in mind that the RPC has to do what is best for the kids, not the superintendent. If the RPC thinks local control is important, it is important to look at how local boards exist in different educational policy. This law is supposed to be about money. He stated he thinks it is a big mistake to not allow the operation of our schools at local control.

Dr. Morse noted that the RPC needs to take a vote at this time regarding the Governance Subcommittee recommendation that no local school committees be created.

Jack Sutton speaking on behalf of representatives of MSAD 47 stated that they support the recommendation of the Governance Subcommittee.

Lee Cabana speaking on behalf of representatives of the Waterville Public Schools stated that they are in agreement with the recommendation of the Governance Subcommittee.

Gerald Saint Amand speaking on behalf of representatives of China, Vassalboro and Winslow stated that they are in agreement with the recommendation of the Governance Subcommittee.

Gary Smith provided an update of the work of the Finance Subcommittee. The Subcommittee has met and is continuing to line up the financial chart of accounts. The Finance Subcommittee is recommending that all the grants, upon formation of the RSU, become part of the RSU.

Judy Coombs said that she needed clarification regarding this recommendation. There are, for example, grants that are specific to certain schools, such as the George J. Mitchell School. There needs to be assurance that that money will stay with the school.

Gary Smith noted that the grants that are being discussed are federal funds such as Title IV, V, and VI.

Connie Packard noted that there could also be grants that are private in nature for a particular purpose, or federal funds for special education. In some cases that money has to be used for specific purposes. All grants are special revenue funds to transfer wherever they are and whatever conditions they have at that point in time. Some might not be there and there may be some new ones. Whatever there would be at the formation of the RSU would get transferred with the same conditions and the same amounts that are currently in place.

Nora Murray noted that she had discussions with staff at the Department of Education concerning federal funds. As she understands it, when we become an RSU they then will look at us as one school system and will come to us as one school system, not individually as we are now. Together we need to decide how we will use funds as an RSU.

Connie Packard noted that at that point in time there would be carryover funds.

Nora Murray noted that there are times when funds have not been spent by the end of the year.

Jack Sutton asked if this would result in reduced administrative time through less grant writing.

Elaine Miller noted that it would be less time. For example, in a school union right now a grant is written for each individual town, whereas an SAD it is one grant for the entire unit.

Gary Smith noted that today there would be five grants and one significantly great one for the new RSU.

Elaine Miller noted that time would be saved in writing the grants in a larger system like the SAD or new RSU; however, the RSU would still have to take into consideration each individual town. So there is still time, but there is not much duplication of the same grant.

Peter Thiboutot noted that when looking at the needs of particular towns, consideration has to be given to the equitable allocation of all federal money.

Elaine Miller noted that this would present a barrier in the new RSU because it will be distributed according to the new socioeconomic status. That is something that has to be considered.

Eric Haley noted that for example, if Waterville were a budding Cape Elizabeth, it would get those funds for those needy children. To some extent this issue is going on in this proposed RSU.

Nora Murray noted that those schools with the highest free and reduced lunch status students would receive more money. The state dictates that the school with the highest free and reduced percentage needs to receive the greatest percentage of money for students.

Gary Smith noted that to bring components of the RPC plan together it needs to be made clear that these grants and special targeted grants and existing covenants would transfer.

The RPC members gave their consensus to the Finance Subcommittee recommendation that all the grants, upon formation of the RSU, become part of the RSU.

Linda Laughlin provided a summary of the work of the Educational Programming Subcommittee. There have been two meetings of the Subcommittee since the RPC last met. Two new recommendations are included for this evening. Lennie Goff, Director of Transportation for Messalonskee, has been working with the state on routing software. He brought in a comprehensive report of what new transportation would look like in the new RSU. With combining five transportation systems, the savings would be in the bus routes, as some bus routes could be eliminated. One of the biggest needs would be a wash bay facility. The different contract groups would be the big challenge for bus drivers.

Nora Murray noted that the Subcommittee also met and talked about high school programming for a bell schedule. They ended up talking about a common school calendar and did take a vote for one school calendar. If students were taking advantage of different courses in the region, would it be at an advantage to have a common bell schedule? If there were to be some scheduled time between some of the periods then that would allow for transportation time.

Ms. Murray also noted that Waterville, Winslow, and Messalonskee did have many conversations about combining special education administration and how they could best maximize some of the services provided, as well as staff. They reviewed statistics from 2003-04. They met with special education directors to discuss what issues would need to be reviewed. There is no recommendation at this point. The Subcommittee, with special education directors, is now in the process of collecting more data.

Peter Thiboutot noted that the special education director has the personal contact with family and knows personal issues and often avoids litigation as situations arise. The same can be said for transportation, as the bus drivers know the children.

Linda Laughlin reviewed the recommendations of the Educational Programming Subcommittee.

1. We recommend that a common bell schedule be adopted to open opportunities for high school programming.
2. The transportation system will be designed to allow students to access programs across the RSU.

Eric Haley asked if it is the recommendation that the RSU take up the issue of common bells and common schedules.

Linda Laughlin noted that that is not a recommendation at this point.

Nora Murray noted that a common bell schedule would be appropriate for the sharing of courses.

Robin Colby stated that at times the schedules are similar but there is a difficulty in trying to share students. When there is a semester schedule versus an every other day schedule, the sharing of students will be an issue.

Eric Haley recommended that the new RSU Board deal with the scheduling issue.

Nora Murray noted that what was discussed was the opportunity to share courses at the three high schools.

Eric Haley noted that it doesn't make sense to him that an RSU is being created that would have different schedules.

Linda Laughlin noted that the issue is that there is a vision statement that could send the RSU in a different direction. What are the needs? If you have a vision statement that requires everybody on the same schedule, then so be it. The vision of trying to put everybody on the exact schedule probably would not be realistic.

Eric Haley noted that it would make sense that the RPC recommend the RSU optimize opportunities for students by looking at schedules and buildings, etc.

Doug Eugley asked why the schedules don't all line up.

Jim Morse noted that it does make sense in terms of lining up the beginning and end of the days. The internal schedules of these three high schools require conversations that belong with the RSU Board and not here. What needs to happen to align these high schools? There is a tremendous amount of data that supports the actual scheduling of students and the way it is currently being done. He noted that Eric Haley is right in stating that this issue belongs with the RSU.

Jim Morse noted that there are 118 students who were able to take college courses. There is only one week that overlaps in semesters. If the RSU is on an AB schedule, then that course has to parallel with AB schedule. It is more difficult as opposed to a semester schedule.

Doug Eugley asked if a student wants to take college courses then the student would want to attend Messalonskee, as that schedule aligns with the college schedule.

Jim Morse noted that Messalonskee would have the most students taking college courses because Messalonskee's semester schedule lines up with the college schedule.

Elaine Miller noted that it is more difficult in Winslow because of the AB block. You are seeing more and more push and more and more money from the state to pay for those courses. Kids have credit for college courses without paying. It is not an easy answer. For most of us who tackled the schedules in high schools, it has taken years to do that.

Nora Murray noted that they felt the greatest balance for sharing those opportunities would be the school calendar and the building schedule.

Elaine Miller noted that with the current bell schedule some of the students are arriving late for classes.

Eric Haley noted that right now Messalonskee and Waterville can share Robin Colby, a Latin teacher, because she is at Messalonskee in the morning and in Waterville in the afternoon. With the morning and afternoon schedules, it is possible to share a teacher but not to share students.

At this time Elaine Miller asked if there were questions from the audience.

James Jurdak, resident of Oakland, stated that at the last meeting he asked for financial data. Specifically, he requested copies of each SAUs detailed worksheet of the over/under EPS for both FY 2007 and FY 2008. Also requested were copies of each SAU's student enrollments for the past five years, by school and by grade. He also asked for any information that is available on how consolidating the five SAUs will impact the over/under EPS, reduce other costs, improve educational opportunities and performance for students, and improve operational efficiencies. He indicated that he has received the requested information from MSAD 47, but not yet from China, Vassalboro, Waterville, and Winslow. He said he knows it is a lot of work, but he would like to see some data.

Regarding contracts, he stated that there is no way he would ratify that contract as presented. He stated he thinks the RPC has a lot more homework to do.

In response to Mr. Jurdak, relevant to pay and contract issues, Dennis Keschl stated that what is legal and not legal will get decided by the courts. The Legislature by mandate dictates the entry-level teachers' salary at $30,000, while at the same time there may have been teachers with more experience at $30,000.

Phil St. Onge noted that the union didn't negotiate that.

Mike Thurston noted that nothing like this has ever been to arbitration. So we have no idea how this would play out.

Lauchlin Titus asked how many RPC members have laid awake thinking about this consolidation. He did last Saturday night. At 1:00 a.m. he got up and started typing a letter and sent it to Libby Mitchell and Lori Fowle. Most of the things that were articulated in frustration were discussed tonight. Libby Mitchell will address this in the Legislature. He wants the RPC to discuss child indebtedness. We have been doing this in a real feel good situation. We have to know what one office looks like with one superintendent. As a private citizen it is my responsibility to see this.

Jim Morse thanked Mr. Titus for sharing his letter and noted that there are a number of other issues that need to be addressed tonight. This was the last official meeting of the RPC because there had to be a plan out by December 1. The work of the RPC is far from done. We need to be thinking about future meeting dates. We are coming into December. We have accomplished all of the components of the plan that the Governance Subcommittee was designed to work out and approve, other than what happens if a member votes the RSU down. There are two items to discuss.

1. Do we want to form an information committee to discuss how we can distribute information to citizens other than the web site?
2. Future meeting dates –to continue to address issues.

Dennis Keschl said he thinks an information committee makes sense. He and his Selectboard in Belgrade have been considering ways for public awareness. They are considering a town get together at Belgrade Central School, with the Selectboard, School Board members, and the Superintendent, to answer questions and give a status report regarding the consolidation issue. They are discussing these and other approaches to educating the public about consolidation. He noted that they distributed 300-500 copies of the informational sheet at the election on November 6. He believes the information committee make sense.

Nora Murray suggested an information piece in principals' newsletters.

Jack Sutton noted that he thinks the information meetings are fine, but until the information is available to present at those meetings gets to the heart of Lauchlin's letter, it is a waste of time.

Lori Fowle noted she feels the same. She feels she doesn't have enough information for a public forum in her town. We can get out there as much as we want, but right now we don't have information.

Something else we have done in Vassalboro is Lauchlin Titus has gone home from every meeting and has typed an informational newsletter. It's been very informative. People are informed and all get the same information.

Phil St. Onge asked if people are engaged yet. When it gets to Election Day people will have a lot of questions.

In response to this, Dennis Keschl said, "Are people engaged? I think people are interested. The problem is that they don't have access to information." A lot of the questions that he receives are about savings. These are very valid questions. "The answer I have come up with is when you start looking at those numbers as they relate to savings in consolidation and the formation of the RSU, it does not look good. You will not see a lot of savings. If you want people to support something like this concept of consolidating schools, you should not focus just on savings. All of the information I have read and am reading about regionalization is that you first look at what quality of services you can provide at the same cost, and then in the long-term look at potential savings as you move forward. I think that savings was the focus of this effort and not service quality improvements. People believe what the Governor has said; $36 million will be saved . . . and from what I can tell, no one believes that the savings will be there in the short term (three to five years) or perhaps even in the longer term. I have heard it time and time again we will not see any savings. Consequently, because the savings have been "booked" in the budget, the educational quality may actually be impacted negatively."

Lauchlin Titus noted that the checklist shows that we have done a lot. We need to do a piece for the Sentinel. We have done a lot of work and identified barriers. He will draft a letter for submission to the Sentinel.

The next meeting of the RPC is scheduled for Thursday, December 6, 2007 at Vassalboro Community School in Vassalboro.

The meeting adjourned at 7:16 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
December 6, 2007

Jim Morse, Superintendent of Schools for MSAD 47, called the meeting of the Regional Planning Committee to order at 5:00 p.m. in the cafeteria at the Vassalboro Community School in Vassalboro. He officially welcomed Hugh Riordan, newly appointed Superintendent of Schools for School Union 52. Dr. Morse noted that he and Eric Haley will co-host the meeting this evening to assist Mr. Riordan during the transition period.

Those in Attendance: Maryanne Bernier, Lee Cabana, Charley Clark, Robin Colby, Judy Coombs, Don Dufour, Elwood Ellis, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Eric Haley, Melanie Jewell, James Jurdak, Linda Laughlin, Mike McQuarrie, James C. Morse, Sr., Nora Murray, Wendy Nivison, Constance Packard, Shelley Phillips, Paula Pooler, Don Poulin, Hugh Riordan, Debrajean Scheibel, Joel Selwood, Gary Smith, Phil St. Onge, Jack Sutton, Peter Thiboutot, Michael Thurston, Lauchlin Titus, Michael Tracy, David Trask, and Pam Trinward

Dr. Morse noted that not many subcommittee meetings occurred since the last Regional Planning Committee (RPC) meeting held on November 15, 2007. In terms of an Information/ Communications Committee, that issue will be addressed in January. Dr. Morse reviewed conversations with Senator Mitchell regarding the expectation that the Department of the Executive Branch will amend the financing aspect of the consolidation law as quickly as possible. They are committed to that endeavor. If they stick to one size fits all then many of the consolidation efforts may shut down. In fact, many consolidation efforts have not yet got off the ground. The RPC recognizes that shifting debt to communities is a problem, but the way the law is written now there is no flexibility. What the Legislature wants to do is address the financial component of the law immediately. The Department will submit a bill to update the consolidation law in the upcoming Legislature. Once that law changes, when the RPC reconvenes, it will reopen decisions made in the fall and early part of November in terms of where the RPC thought it could be.

The other piece that is an issue is the repeal effort. If enough signatures are collected, they will be presented to the Attorney General's office by the second week of January. Then the repeal effort is on. Once that happens, the Legislature has several courses of action. One would be to accept language as presented and pass it. A second option would be to create a competing measure and have a choice for the voters with repeal effort with signatures as written and alternatives for the voters to consider. If enough signatures are collected, then there will be a push for the vote for the repeal effort in June so that school districts will then know as early as possible whether the law will be sustained or repealed. These are two major issues that will impact all of the discussions.

The RPC will now review subcommittee reports, with the understanding that there will not be many reports. Then it will break down into subcommittees to create a to do work list. Dr. Morse suggested that the Governance Subcommittee spearhead work regarding the Information/ Communications Committee.

Laughlin Titus shared the reality in trying to communicate with the *Central Maine Morning Sentinel*. When the RPC last met, all agreed that Mr. Titus would draft a statement regarding the work of the RPC to date, send it to Eric Haley and Jim Morse for review, and then submit it to the *Sentinel*. This would be some conceptual piece to present to the paper. In his piece Mr. Titus addressed the required elements of the reorganization plan, including those pieces that are complete, in progress, and yet to be addressed. He also included what the RPC had listed as barriers. He then sent it to the paper for review. After multiple phone calls, someone from the *Sentinel* finally returned his call to let him know that the piece was too long. He presented an option of breaking the piece down into segments. The last response he received was that the *Sentinel* is not necessarily interested in doing this piece. He suggested that after tonight some members of the RPC may want to sit down with the *Sentinel* editorial board to let them know what is going on regarding consolidation efforts.

Eric Haley noted that he did not think that that was all bad. Much work has been done. The *Sentinel* is not covering this at all. Perhaps the RPC can get them to agree that every Friday there would be a guest editorial, for example, talk about governance in one piece and merging contracts in another, etc. The RPC may be able to do something, but it may take time to help with this.

Mr. Haley noted that at the last meeting he distributed a survey entitled, "Survey of RPC Members," from Walt Harris, Director of the Center for Research and Evaluation, at UMO. He asked if there was anyone on the Committee who did not receive that survey. The survey must be submitted by December 7. Basically, the survey queries RPC members about the consolidation process.

Jeff Frost noted that there was an interesting meeting with all technology people from all school systems. One of the conclusions was to share resources. That was a theme. The technology staffs were interested in what others had. They could share resources, for example, a moodle server. School systems are using moodle servers to develop courses. School systems could also share the training required. Another item discussed was that even if school systems don't consolidate, the tech staff would like to get together to review what others have. Also discussed was what the needs would be if districts did consolidate. Districts could consolidate staff in the technology area and, hopefully, growth would be minimized by collaboration and consolidation. The recommendation was that the RSU IT Departments come together to provide services. This would help find areas that could be shared.

Joel Selwood noted that the sharing of hardware and resources was a common theme. That was interesting given the number of IT people at the meeting. Discussed were opportunities that might arise from consolidated services, such as interconnection between the schools and what it might allow, as far as sharing classrooms and teachers. Where can we go with all opportunities that are now being used? It would provide for additional educational opportunities. At outlying schools there is no opportunity to take a class within walking distance. But students might be able to take a class via technology. Shared professional development and training will be an on-going effort.

Jeff Frost noted that money also could be saved in software licensing agreements. Even if our districts don't consolidate, some technology efforts could be regionalized.

Joel Selwood noted that there would be some up front costs in centralizing some of the services to have better collaboration and efficiencies. Up front savings are questionable. But the growth of IT is going forth.

Jim Morse noted that both MSAD 47 IT assistants came to see him since that meeting. They told him that he should have come to that meeting. "It was so cool." David Trask took out his computer. Size matters in technology. The smaller, the better. Will from Waterville and Rick from Messalonskee said, "Oh, man, this is so cool." It was like watching kids in a candy store. They fed off each other. This goes to show the energy of technology in our districts.

The meeting turned to Subcommittee reports.

Gary Smith noted that a couple of issues have arisen, and the state, through a revolving renovation fund program, has opened up priority funds. China has authorized the submission of an application for an air quality project in the middle school. Vassalboro has authorized the submission of an application for replacement windows. Applications are due next Friday. They won't know until March if funding is received. As these projects move forward, it is recommended that the RPC add these items to the debt that is already on the books.

The second request is for an RFP for energy programs. China and Vassalboro would use Siemens, and Winslow would be through Honeywell. Since the September meeting they have come forth and we now have proposals for them. These projects are attractive in that they pay for themselves in energy savings. The message from the town of Winslow is if this is a debt that would not be assumed by the RSU, then the town council would not approve it. Winslow's cost is $700,000. Programs are attractive because Honeywell and Siemens guarantee that the programs will basically pay for themselves. The request from the communities of China, Vassalboro and Winslow is that these projects be included as part of the debt that was approved by the RPC back in September.

Doug Eugley noted that the RPC is looking for two things: Revolving Renovation Fund for $1 million and just over $1 million for a 12-year debt, which would be paid for through savings.

Eric Haley said he thinks there was some concern about the RPC not having a date of when it would accept local debt. He said he doesn't think our school systems are saying the RSU would assume local debt for these projects. He would hate to see a possible project get held up and not succeed because the RPC really doesn't have that authority. He said he would be very comfortable in saying the RPC would accept the local debt.

Jim Morse noted that these types of bondings are very common. Honeywell would honor its commitment that it's a guaranteed payback. He said he would concur with Eric Haley. What the RPC decided was that this Committee would have veto over what each independent school system would do, but would be informed of what they are doing during discussions. In SAD 47

we have chosen not to pursue this particular RRF at this time because the amount of money would be miniscule in terms of funding.

Eric Haley noted that there is another source of funding through QZAB (Qualified Zone Academy Bonds). Districts qualify for large projects through free and reduced lunch counts. Funding is available for 1.5%. We were notified just last week that there is $769,000 available in funds from the state of Maine. It is an opportunity that we need to take and submit an application. He said he doesn't think we want to operate worrying we have to get approval from a committee. It would be the decision of each individual board.

Dr. Morse asked if he perceives this as an item the RPC would vote on or is the RPC accepting the report.

Pam Trinward noted she appreciates it, but she doesn't think the RPC needs to vote on this.

Gary Smith said there is much discussion about the assumption of local debt. He noted that if the proposed RSU were not in favor of this, it probably would not be approved in Winslow.

Pam Trinward noted that if the RPC were taking a school, then it would assume the liability of the improvement costs.

Gary Smith said he brought this to the group, and they understand it.

Jim Morse asked if there is anybody who takes a strong stance in what Pam Trinward, Eric Haley and he have articulated.

Eric Haley noted that there is a movement to repeal the consolidation law. At first most people did not give it much thought, that it wouldn't receive the 55,287 signatures that it needs. He said he thinks it will get the signatures it needs, and said that once signatures are in, no legislative bills can be brought until after the referendum. Mr. Haley said the RPC should wait to see if the law does get repealed. He asked, "How many of us would still want to be sitting here in our heart of hearts if we weren't mandated to do it by the state? How many believe in consolidation as the way to go, as opposed to looking at the concept of a service center, such as technology, bussing, central office, where business of the schools is done like Mid-Maine Technical Center as a collaborative?"

Jim Morse said the RPC has established incredible work. We don't want that work to go by the wayside.

Eric Haley said he is very leery of the cost shifting issue that is going on at the state, and noted he met with Libby Mitchell regarding that issue. There are many good things that can be done academically. We all want to see the same things for our kids. We need to know where the savings are, for example, having one bus garage, one technology center, and one accounts payable office – all those pieces that are redundant. Mr. Haley said he has heard from people in different communities trying to get a feel for where this group is. If repeal is successful, the RPC may want to discuss a service center concept.

Jim Morse asked what would happen over the next five years if our original vision were not to consolidate but to regionalize. If the required signatures are gathered he thinks there is a high likelihood that the law will be repealed. Senator Mitchell and Representative Trinward serve on our Committee. They can see where the savings are. He said he agrees with Eric Haley that the RPC should move toward a service center. The education service center is a winning idea. It was a competing conversation in the last session. Unfortunately it wasn't given the time it deserved. As we get into January and see signatures are gathered, he said he would be in support that the RPC continues its discussion but change the focus from merged governance to merged services.

Jack Sutton said he would like to support that concept. He said he has been receiving calls from people in Belgrade asking what he thinks about the consolidation process. From what he has seen and heard he said he could tell them that he sees a potential for added costs of $900,000 in salaries and $650,000 in health insurance. He said he hasn't yet seen this Committee address the question of administrative segment – who stays and where the savings are. He said that right now he has to tell people that he is against it. He said that if there is a way to get real savings candidly without the school consolidation process, let's go for it.

Phil St. Onge said that this is the piece that is missing. The voters could get enough signatures to repeal the law. He said that this law could be repealed in this room by our boards, by our voters. He said that the chances of passing through each school board are almost nil.

Pam Trinward noted that if the voters turn it down, every one of our school systems would receive a substantial penalty. The Governor is looking for that.

Phil St. Onge said that our Districts would save money for something like a service center that Eric Haley talked about.

Eric Haley said that if the law does not get repealed, if asked, he would tell people that it would cost more. We will cut through administration. That will be a hard one to save. But he said he thinks there is a way if the law does not get repealed. School Union 52 will be disbanded but could become an RSU with 3,000 students. Messalonskee High school has 2,500 students. He said that both Union 52 and Messalonskee could go alone. Then we could come together as a service center.

Melanie Jewell noted that these school systems have already been looking at consolidating many of their services. She said that members of the RPC might not all think that school regionalization is the way to go, but consolidation of services and cost savings, bringing everyone up to the same levels makes sense.

Eric Haley asked if all would be interested in looking at a service center concept to save money.

Hugh Riordan asked if there is an estimate ballpark figure.

Judy Coombs asked if the service center would have one superintendent.

Jim Morse said that governance would not be merged. The service center idea would maintain the integrity of the school districts as they are now. The districts could voluntarily merge transportation, special education, nutrition, etc.

Eric Haley said there is actually no savings in superintendents' salaries. There is a lot of belief that if the positions of superintendents are eliminated, the state will save $36 million. The law says that school boards have to honor superintendents' contracts.

Phil St. Onge asked if superintendents could be reassigned.

Eric Haley noted that superintendents could be reassigned. He said that the public is being misled when it is said that school districts will save on the superintendents' salaries. He said he thinks there will be much anger. He thinks they are setting us up for a big downfall. He doesn't see savings happening immediately, but perhaps over the next ten years.

Judy Coombs asked if it would be a priority to try to equalize teachers' salaries.

Jim Morse said that teacher contracts would not be merged to a service center. School districts would be in the same situation in which they are now.

Judy Coombs said that she is looking at over five to ten years as some money becomes available; it seems to her to be ironic that there are teachers in the whole region who are all doing the same job and, in some cases, with a $5,000 difference in contracts.

Eric Haley said they know that. The market will change. Our Board thinks a lot of our teachers, and we don't want to lose them.

Judy Coombs said it would be nice if the Kennebec region were more equalized.

Don Dufour said he knows the city council can't give 1.5 mil. They will not be able to keep that pace. He said there needs to be better ways of being more effective or, schools will not be able to offer programming that the children need.

Jim Morse noted that the unspoken piece is the funding formula for the state, which actually gets capped in 2009-10. Every one of our school systems will be struggling to survive because we are chasing a financial cliff, as we have not before. The loss of state funding cannot be transferred to the local communities. That can't make up for state dollars. He said that the feeling he has in his heart is if this effort collapses and we reach 2009-10 with no plan, we will all be laying off loads of people. The smart move if the consolidation law is repealed, would be to move from governance consolidation to regionalized service centers because that is what will help us survive 2009-10 and beyond.

Jack Sutton asked about the work that has been done and how much it would take to make a first approximate estimate of what is financially sound and what the savings would be without going through months and months of work to come up with a first approximation estimate of the budget.

Judy Coombs noted that some of those have already happened. Food service has already consolidated.

Eric Haley said he spoke with Connie Brown, Superintendent of Schools for the Augusta Public Schools, and Dean Baker, Superintendent of Schools for MSAD 49, to see if they would be interested in sharing a service center. Why don't we do it by county? Do you really want to collapse school systems and save money to have a system in place now called county government?

Doug Eugley said that he knows his county services are going up.

Eric Haley asked if a service center were built, with a bus garage, a technology center with all the specialties, how long it would take to put together a proposal. Is Waterville willing to participate? Is Augusta willing to participate? He noted that there are some service centers in Pennsylvania, which he would like to visit.

Jim Morse stated that New York does it, and Pennsylvania does it.

Ralph Farnham, Jr. said that there would still have to be money – the end capital. When you talk about service center, you regionalize.

Eric Haley said that we would not regionalize and say it will cost anything more. He said Jim Morse is right in saying that he doesn't think any of our communities will give us any more. He said he thinks the savings will be in lower escalating costs, not necessarily money back in our pockets. Maybe we are only going up 2% a year. It might not be that we get a tax reduction. When consolidation is done 1.8 mil will immediately drop to 1.4, and that is not the reality from what he has seen.

Nora Murray stated that one of the issues we would have without the consolidation law is efficiency in dealing with staff and contracts. We would not have that with a service center as far as handling payroll benefits. You would have to have the amount of staff within the service center to deal with that issue. A service center would not be efficient in bringing contracts together.

Pam Trinward said that if there are really good people, it is all computerized. She noted that their payroll people don't read the contract; they just set it up.

Eric Haley said he would agree with Pam. How many people would you have full-time in payroll? In a service center, how many people would we need to handle five contracts? You would not have as many computers. Would you have more than a typical Central Office?

Jim Morse noted that the original Plan A was what Eric Haley articulated. What he thinks is happening tonight is there needs to be a plan B because we may still be facing a financial crisis in 18 months. The work that the RPC has done to date isn't for not if we decide to push this forward should the consolidation bill be repealed by the voters. We have to be working diligently on Plan A and still be working on Plan B regionalizing should Plan A be pulled from us by the voters. We will know in the first month of the New Year where repeal is, and we can continue forward, with Pam and Libby's support to have a bill and a legislative solution.

Phil St. Onge said he thinks there is a new plan just listening to what people have said. He thinks that everybody in this room is saying this is a good idea. We have something we agree on. What will the state do if the RPC has done due diligence for savings? They will say great.

Eric Haley said they could not stop School Union 52 from going on their own because they have 3,000 students. He said they couldn't stop Messalonskee because they have 2,500 students.

Phil St. Onge asked why the RPC was waiting. He asked what the hold up was.

Lori Fowle said that for Waterville to be a donut hole, the other districts have to state that they don't want to partner with Waterville. That is her understanding of a donut hole. If they break away, then it will be seen as a donut hole.

Eric Haley said it is going to take the right kind of wording.

Laughlin Titus said that for Vassalboro each of those options is inadequate. It would cost Vassalboro money if it gets into shared debt. When all aspects suggest financially that one of those lousy options is best, with the option of choice if Vassalboro were with the big group there would be more choice. As a Vassalboro public representative he said he is advocating for the big picture. He said the RPC needs to continue with what they are doing now until June. If the signatures come in then the RPC needs to look at contingencies of a service center as a viable option for the citizens. We need this option, and he said he advocates for the third option—one office, when we have done due diligence.

Doug Eugley said that based on Vassalboro's financial picture, he heard say that if the RSU came up with a funding model that could be presented to the DOE, it might be the same funding as is now. What kind of savings could we have with central service area, and what would central services be? He said he thinks it behooves the RPC to try to figure out what that would be as soon as possible. At this point he said he is having a hard time not believing that this is the right way to go.

Judy Coombs said that as she recalls there is a section of the law that says that prior agreements might still exist after the consolidation. What is to stop us from drawing up agreements before the actual vote, and then those would be in place? Are we locked into waiting to see if the law is repealed, or can there be a way to look at a way of extending what we already have?

Eric Haley said the RPC doesn't have to wait. It could say right now it doesn't believe in the savings. We think the state would accept that.

Judy Coombs said there is a section in the law that says that will be honored.

Jim Morse said that the RPC could form agreements like towns do and have contractual agreements. The RPC can say it wants to create a transportation center. It is possible.

Eric Haley said the issue is whether that is what goes on now. For example, Waterville has a contract with Messalonskee to service Waterville buses. Without having a service center, districts have to include those costs in their budgets and invoice other school systems. He said he thinks the best way is for it to become its own entity. Districts could pick and choose what services for participation in the service center.

Judy Coombs said that if there are 18 months before the vote, then those agreements could be formed before hand. That section of the law looks like to be an area that could be played out.

Joel Selwood said that with EPS funding for 2009-10, how it is being presented in the public by many people is as the be all end all of what education is supposed to be. The state has determined that. Maybe it is a financial model but that is not how it is being presented to the public. The state keeps changing the denominator to the equation. Whether this goes forward or not, he said he thinks the districts involved in this RPC have learned a lot about each other, and we will definitely continue to go forth. Costs have increased in fuel, etc. There will be financial challenges. We have made a lot of inroads in collaboration. Under due diligence this RPC obviously has to keep going. He said he doesn't see this RPC giving up this early in the process. He asked what would happen if any individual town votes down consolidation. What will we do? There was discussion of Union 52 becoming an RSU.

Eric Haley said that if China and/or Vassalboro or one partners with Waterville there would be 2,500 students, enough for one district. If one of those towns partners with Winslow there would be 2,500 students, enough for another district. Messalonskee is already above 2,500 students.

Charley Clark said that China and Vassalboro have some major marriage counseling that needs to be done. During this whole consolidation process there has been a lot of negativity that has come out of the school union. Whether the marriage counseling would work to put it back together, he doesn't know. He said that China may not necessarily partner with School Union 52 knowing what they know, but the school district would have to take all of China's students. He said the statement he would like to make is that the RPC is a bit premature in trying to can this to begin with. Plan B is always there. That is where Waterville as a board needs to work. Messalonskee as a board needs to work. China, Vassalboro and Winslow as individual boards need to work. The RPC must stay focused until it knows what will be.

Elwood Ellis said he is happy to find something to be positive about going into the Christmas season. He said he thinks this will work very well because this service center will be part of the money saving. It is part of the system, and it should be.

Eric Haley said the work the RPC is doing would play into that work. If you fully consolidate then you are your own service center.

Elwood Ellis said we can figure out what it will save us, and then we can answer Jack Sutton's question. The biggest thing, he said, is that he is still on a high from the future search meetings. He was encouraged by the attitude of this group that no matter what happens in Augusta there are still some things that can be done for our kids.

Eric Haley said that when comparing Maine education to the region, we do put a lot of our money into education of our children.

Joel Selwood said that on the EPS there is only so much state money, even though the law says 55%, the state would keep changing the denominators. Boards have made decisions on what is essential for their towns. Some towns have not had to support a high school but only through tuition. He said he thinks the RPC needs to be very careful in moving forward in how we are thinking now and what happens in January in terms of cost sharing. It will need to be decided as a whole what our EPS is for our districts. We are not all coming from the same belief and offering the same services. We don't have the same services and costs reflected. It is not in our hands right now but may be in January. Debt service is just a small piece of it.

Lori Fowle said that one concern regarding the regional service center right now is that we are thinking the number of administrators will be reduced. In moving forward with possibility of having a regional service center, we are now looking at three administrative units and maybe an additional one. It may be hard to move forward. How do we move from the three that we are into another one? If you will consolidate, why won't you have a service center in this consolidation?

Eric Haley said that consolidation is a service center because it will be brought into one office. He said that as he looks at this, he is seeing the emotional issue of local control school boards.

Lori Fowle said that in Vassalboro it would come down to costs. If there are savings in cost centers, why are we not looking at that?

Eric Haley said that having a service center does not mean that teachers or insurance have to be equalized. He said that that is where he thinks there will actually be savings. He said his heart is looking at a service center where we can show some savings, and he thinks can happen. He said he believes this group has done some good work. We appreciate what is going on in each other's systems. We have done it in a professional and respective manner. He said he believes a service center is where we can actually make some savings. He apologized for having side tracked the agenda.

Lori Fowle said she agrees with this and she thinks it can be blended.

Pam Trinward said 80% of everyone's school budgets is in contracts. To equalize contracts it will cost $1 million plus. The cost of consolidation is in contracts. So, if there were a regional service center there would not be those costs.

Melanie Jewell said she thinks the reason why we have not done that early on is when we went through the letter of the law and what had to be done and what our charge was, consolidation of regional services was not part of the charge. We can talk about it, but up until this point the focus has not been about this because we had to deal with personnel, transition, finance, governance. That is why we have not gone into that direction. It certainly is a step off chart from here because this foundation has been laid nicely from all these subcommittees. We had to put all these other pieces together first.

Jack Sutton said he thinks we are missing a piece of the dollar amount of administrative savings there are in consolidation. If there are not savings administratively let us put it on paper and balance it out and show the public and everyone else what the bottom line effects will be.

Jim Morse said that there is a solid foundation for January if we are forced to consolidate. But if law is repealed we can go to a service center. He said he thinks that is exactly how we should move this agenda forward. If we have flexibility of law, then we move forward.

Doug Eugley said that certainly it seems this is something the RPC should be working on now. The RPC must find cost savings.

Jim Morse noted that he doesn't think that Mr. Haley should have apologized for bringing up this discussion.

Laughlin Titus said that there has been no discussion regarding privatization, noting that someone out there in the private sector, for example, might want to do payroll.

Doug Eugley made a motion, and Phil St. Onge seconded the motion, to approve the minutes of the November 15, 2007 meeting as printed. Motion carried.

At this time Jim Morse asked if there were any questions from the audience.

James Jurdak noted that he has been participating and watching. He said he does work in the Augusta Public schools. He said he concurs with some of the opinions that were stated tonight. He said he thinks a service center is a good idea. He said he has asked for financial information three times. Specifically, he requested copies of each SAUs detailed worksheet of the over/under EPS for both FY 2007 and FY 2008. Also requested were copies of each SAU's student enrollments for the past five years, by school and by grade. He also asked for any information that is available on how consolidating the five SAUs will impact the over/under EPS, reduce other costs, improve educational opportunities and performance for students, and improve operational efficiencies. He indicated that he has received the requested information from MSAD 47, but not yet from China, Vassalboro, Waterville, and Winslow. He said he knows it is a lot of work, but he would like to see some data. Mr. Jurdak said he would like to see where

local money is being spent. He said that EPS formula for administration effective 7/1/08 is going down 40%. He said he hasn't seen anything in the minutes or anything from the RPC and that it needs to be done. He said the public really needs some data. There can't be three systems. There have to be savings.

Eric Haley said the only place that reductions can be seen is in the business of schools. There are two places where money can be saved, one is in Central Office, and the other is in high school programming. None of us will agree that we want higher class ratios. However, he said that money to be saved is in central office and high school.

James Jurdak said that as a taxpayer in Oakland, he thanks the RPC. The Committee has done a tremendous amount of work. "This taxpayer appreciates it."

The next meeting of the RPC is scheduled for Thursday, January 24, 2008 at Belgrade Central School in Belgrade.

The meeting adjourned at 6:57 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
February 14, 2008

The meeting was called to order by Dr. James C. Morse, Sr. at 5:00 pm. There was a short welcome followed by an overview of the budget crisis and how it impacts consolidation.

Those in Attendance: Maryanne Bernier, Larry Brown, Doug Carville, Charles Clark, Robin Colby, Judy Coombs, Elwood Ellis, Doug Eugley, Lori Fowle, Jeff Frost, Eric Haley, Melanie Jewell, Dennis Keschl, Linda Laughlin, David Leigh, Michael McQuarrie, Elizabeth Mitchell, Nora Murray, Wendy Nivison, Connie Packard, Hugh Riordan, Gerald Saint Amand, Debrajean Scheibel, Becky Seel, Joel Selwood, Gary Smith, Jamie Soule, Phil St. Onge, Jack Sutton, Peter Thiboutot, Michael Thurston, and Michael Tracy

Approval of Minutes of the December 6, 2007 Meeting – A motion was made by Dennis Keschl and seconded by Michael Thurston to approve the minutes as printed. There was a question concerning page 10, third paragraph, in the minutes where Eric Haley compared New England education to the region. Mr. Haley intended to compare Maine education to the nation. Minutes will be adjusted accordingly and approved as corrected.

Current Budget Climate – Increasing budget adjustments by the State of Maine and loss of revenue from Medicaid means less dollars for education, and that translates to a budget crisis. There is no way to anticipate dollar revenues from the State to finalize school budgets. The MSAD #47 deadline is in June, giving the Messalonskee School District more time. However, the delay is causing problems with the towns involved with school budgets. If major dollars are taken off the table, the questions is how school districts and towns can work together to offset the loss of funds from the State.

Comments from China – Raising taxes would not be received well by taxpayers. Eric Haley anticipates that next year's budget will be for less funds than he is requesting for this next budget year. Belgrade Town Manager Dennis Keschl – It is possible that severe cuts in funding for towns will put towns in the same budget crisis being faced by school systems.

RSU Budget Discussion – Review of Comparison Data to Date – Dr. Morse explained the RSU Financial Scenario Analysis and the fact that the mill rate may fall well below the 7.44 mill rate.

Review of "Worst Case" Scenario – Eric Haley has studied contracts from all school districts and found that it would cost $1.459 million to move everyone to the best degree status at each step (teachers only). Waterville's cost would be the highest, with Messalonskee the second highest.

Question by Jack Sutton, Belgrade Citizen Representative – Why should we plan for the worst-case scenario? Why not look at a unified contract that starts at the lowest wage range? Eric Haley responded that this is assuming that people are asked to take pay cuts? Comment from Winslow Representatives – We have to be prepared for the worst-case scenario to be able to bring information to the voters. Dennis Keschl stated he believes that under the current situation, i.e., an approach to consolidation promoted by the Governor and approved by the Legislature with savings of $36.5 million booked, in advance, and an increasingly negative budget forecast, the quality of education will only decrease, or the costs of education will be borne at the local level with increased property taxes. This is just the contrary to that the public has been told

would be the impact of consolidation. Dr. Morse interjected – We either face the crisis on our own, or we face it together...what works for all five towns and all five school districts. There will be substantial changes to LD 1932, and it is no where near a place where it will provide helpful guidance to school systems. Judy Coombs stated that perhaps a five-year plan to move toward a level salary plan would be palatable to teachers. The salary differentials/disparity is the greatest stumbling block in working towards consolidation by other school systems.

At this point, Dr. Morse recognized Senator Libby Mitchell who presented an update regarding the progress of LD1932, An Act to Amend the Laws Regarding School Funding. LD1932 is the one (amendment) that tried to address the barriers of school consolidation. The amendment is alive and well and sitting on the Senate table. If the amendment succeeds, the units will have more flexibility. The bill still has to go to the House, Senate, and then the Governor.

Discussion Regarding Currently Proposed RSU
Is current configuration too large? Should we consider reconfiguring the size of the proposed RSU? Should we consider breaking this group into smaller units? Open for Discussion: Libby Mitchell stated, "I'm not ready to quit yet."

Eric Haley stated that the Waterville Public Schools will withdraw from consolidation efforts and cited the cost to Waterville as the major reason. He plans to submit an alternative plan with the idea of a cost center in which he would like all districts to participate (transportation, payroll/accounts payable, nutrition, special education). Jim Morse asked how a service center could be created if school districts don't have a legal basis/authority. By concept there has to be one governing body. Libby Mitchell urged those present to stay together to work things out. Phil St. Onge stated that we are doing ourselves a great disservice if we change our plan now. The school districts/unions should focus on changing together in the next 10 years and look ahead. Taxpayers will accept or reject based on how things are presented to them. Mr. Keschl said he feels that with federal and state cuts coming down, there will be degradation in education.

Dr. Morse suggested that groups break out by towns, have a discussion, and return with a response to question 5 on the agenda regarding the currently proposed RSU and possible re-configuration.

Report by Towns Regarding Discussion Results

Charlie Clark spoke on behalf of the Town of China – China would like to align with MSAD 47 to form an RSU from School Union 52 and have one superintendent, one office and one board.

Lori Fowle spoke on behalf of the Town of Vassalboro – Vassalboro wants to move forward as China is, moving ahead without Waterville, and look at debt service to see if it would work.

Jerry St. Amand spoke on behalf of the Town of Winslow – Winslow would remain as before without Waterville, holding on to China and Vassalboro, and the State would most likely need Winslow to align with Messalonskee also to enable cost savings.

Dr. Morse spoke on behalf of MSAD #47 – The District is willing to talk to any entity regarding consolidation and wants to continue to pursue a service center. He would like to continue discussions with China, Vassalboro, and Winslow and move forward with the remaining communities.

Waterville will continue to discuss joining an RSU, but only if there is something they can sell to their community.

Conversations will move next to local School Boards. It was suggested that there should be another meeting of the RPC in one month to continue RSU talks. Libby Mitchell thinks that LD1932 will be approved by then. Phil St. Onge suggested that all School Boards file new letters of intent.

The meeting adjourned at 7:15 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
March 27, 2008

Hugh Riordan, Superintendent of Schools for School Union 52 and a facilitator for the Regional Planning Committee (RPC), called the meeting of the RPC to order at 5:05 p.m. in the cafeteria at Winslow High School in Winslow.

Those in Attendance: Kelly Archer, Larry Brown, Doug Carville, Charley Clark, Robin Colby, Steve Dyer, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Brad Grant, Michael Heavener, Dennis Keschl, Linda Laughlin, Mike McQuarrie, James C. Morse, Sr., Bob Moreau, Nora Murray, Wendy Nivison, Constance Packard, Shelley Phillips, Hugh Riordan, Debrajean Scheibel, Joel Selwood, Gary Smith, Jamie Soule, Gerald St. Amand, Phil St. Onge, Jack Sutton, Alison Thompson, Michael Thurston, Lauchlin Titus, and Michael Tracy

Mr. Riordan noted that there has been a request and support from the Vassalboro School Committee for Vassalboro to support the intention of conducting a study of what has been happening for several months. Winslow last week agreed to the plan. China meets next week to consider a similar request. Mr. Riordan stated he wanted everybody to be clear that the job is to study.

Dennis Keschl asked if the Waterville Public Schools has received any feedback from the State regarding the decision to withdraw from the consolidation discussions. Dr. Morse noted that as of this date, documents have not yet been submitted to the Commissioner regarding Waterville's intent.

Gerry St. Amand made a motion, and Dennis Keschl seconded the motion, to approve the minutes of the February 14, 2008 meeting as printed. Motion carried.

Hugh Riordan noted that there has been some concern expressed in the role of superintendents in the formulating of the agenda for the RPC meetings.

Phil St. Onge asked if the superintendents were chairmen or facilitators, noting that the facilitator role would be appropriate.

It was determined that the superintendents would serve as facilitators.

Mr. Riordan noted that the plan for the evening is to reaffirm decisions that have been made by the RPC up to this point.

Dr. Morse noted that in terms of Waterville not being at the table, it changes the governance structure. With a unified school system the minimum number of people on a board would be 15. Without Waterville, it would mean that Winslow and Oakland would have three members each and Belgrade, China, Vassalboro, and Sidney would each have two members, and Rome would have one, for a total of 15 Board members. Weights are permitted for equality. State law dictates this variance. Without Waterville, the Board for the new consolidated school system would be balanced, and a nice representation for all the towns.

Phil St. Onge asked if there is the opportunity of moving towns together.

Jim Morse said there is, but that the Committee's original decision was to have every town represented. This particular proposal is consistent with the decision this Committee made.

Phil St. Onge asked if this piece should be referred back to the Governance Subcommittee.

Gerry St. Amand asked who would gain what.

Jim Morse said that every single town except for Rome would pick up a member in this process. All other towns are relatively equal in structure, and Rome would have one representative.

Gerry St. Amand noted that from earlier meetings there was concern about Winslow.

Phil St. Onge said that at some point, the Committee discussed towns sharing members. He asked for a caucus.

Gerry St. Amand asked if there was a sense that everyone else is uncomfortable with the proposed structure.

Jim Morse noted that the way the agenda was structured was that the Committee would either reaffirm or table decisions that had previously been made by the RPC.

Phil St. Onge asked if Committee members could vote to deny.

Jim Morse noted that any RPC member may make a motion, get a second, and call for a vote.

Lori Fowle/Phil St. Onge The issue of the proposed governance structure for the proposed RSU be tabled.
Motion failed 7-8.
For: Fowle, Frost, Heavener, Nivison, St. Onge, Thurston, Titus
Opposed: Brown, Dyer, Eugley, Farnham, Keschl, Smith, Sutton, Tracy

Gerry St. Amand/Mike Tracy The allocation of the proposed governance structure for the proposed RSU be approved as presented.
Motion carried 11-2.
For: Brown, Dyer, Eugley, Farnham, Frost, Keschl, Moreau, Smith, St. Amand, Sutton, Tracy
Opposed: Nivison, St. Onge

Jim Morse reviewed the November 1, 2007 motion related to school choice. The motion read as follows.

> "This is an issue that is not required to be addressed by the state. The Governance Subcommittee recommends that this issue be left to the RSU Board yet to be formed."

Gary Smith noted that assuming L.D. 1932, "An Act to Amend the Laws Regarding School Funding," passes and allows adjustments in cost sharing, the RPC might want to hold on this recommendation until L.D. 1932 is finalized.

Gary Smith/Lori Fowle The Governance Subcommittee recommendation that this issue be left to the RSU Board yet to be formed be tabled.

A discussion ensued.

Jim Morse noted that L.D. 1932 had a successful vote in the Senate and House. It takes three votes of the Senate and three votes of the House. The Governor has stated he would veto the bill. Part of the reason for the delay is the uncertainty regarding passage of L.D. 1932.

Lori Fowle asked if the original components of L.D. 1932 are in the Governor's supplemental budget bill. If the Governor is successful in vetoing L.D. 1932, then it is possible that what we were waiting for in January will still become law.

Mike McQuarrie noted that this item referred to the choice within the RSU for public schools. This was whether to allow choice internally.

Phil St. Onge asked if Waterville returns to consolidation discussions if the Committee would start over again line by line.

Jim Morse noted that if Waterville asks to return to consolidation discussions, and the RPC gets down this path too far, the issue would be whether the respective school boards of the RPC would be collectively willing to invite Waterville back into the discussions.

Dennis Keschl noted that whether Waterville could actually leave is the real question. That is why he asked earlier what the status of Waterville is.

The motion was to allow the new consolidated school board to consider this issue with no recommendation from this body.

Dennis Keschl/Mike Thurston The November 1, 2007 recommendation of the Governance Subcommittee related to school choice be reaffirmed.
"This is an issue that is not required to be addressed by the state. The Governance Subcommittee recommends that this issue be left to the RSU Board yet to be formed.

Motion carried unanimously.

Dennis Keschl/Jeff Frost The November 1, 2007 recommendation of the Governance Subcommittee related to vocational technical education be reaffirmed.
"The Governance Subcommittee recommends that students from China and Vassalboro who are enrolled at Erskine and choose to participate in vocational technical education do so at Capital Area Technical Center. China and Vassalboro students who attend RSU high schools will attend Mid-Maine Technical Center."

Motion carried unanimously.

Charley Clark asked if this is an issue the Committee wants to defer related to cost sharing that Gary Smith mentioned earlier.

Dr. Morse noted that the tuition rates for the two schools were checked, and there was a nominal difference.

Lori Fowle/Gerry St. Amand The November 1, 2007 recommendations of the Governance Subcommittee related to transportation and special education costs be tabled until the Committee receives word from the Legislature related to L.D. 1932.

"The Governance Subcommittee discussed transportation of students enrolled at Erskine. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for transportation of any student who has chosen to attend any school other than those public schools within the RSU."

"The Governance Subcommittee discussed the additional costs being charged by Erskine for educating special needs students. Currently those costs are embedded in the school budgets of China and Vassalboro. As per the consolidation law, it is understood that the RSU is responsible for the average high school tuition cost for each student attending a school of choice. The RSU would not be responsible for additional costs of any student who has chosen to attend any school other than those public schools within the RSU, unless, through a P.E.T. process run by the RSU Special Education Director or his/her designee, it is determined that the student's educational needs are best met at a location other than the RSU schools."

Motion carried unanimously.

Phil St. Onge asked if the role of school boards may be discussed under L.D. 1932.

Jim Morse noted he doesn't have that version that passed through the House and Senate. The recommendation would be to table this discussion.

Lauchlin Titus/Lori Fowle The November 15, 2007 recommendation of the Governance Subcommittee related to the composition, powers and duties of any local school committees to be created be tabled until the Committee receives word from the Legislature related to L.D. 1932.

Motion carried unanimously.

Lauchlin Titus/Lori Fowle The November 15, 2007 recommendation of the Governance Subcommittee that no local school committees be created be reaffirmed.

Motion carried unanimously.

Lauchlin Titus/Jeff Frost The November 1, 2007 recommendations of the Educational Programming Subcommittee related to a common school calendar and the assignment of a subcommittee to review and align all school programming policies be reaffirmed.

"That the RSU adopt a common school calendar to allow high schools to better share courses and to better share professional development resources. This common school calendar should include common workshop days, as well as common student days."

"That the RSU assign a subcommittee immediately upon reorganization that will align all school programming policies across the region."

Motion carried unanimously.

Lauchlin Titus asked if the first recommendation aligns the calendar as a whole and the second recommendation establishes a committee to review aligning programming policies.

Linda Laughlin indicated that was, indeed, the case. Programming policies speak to policy issues surrounding graduation requirements.

Linda Laughlin noted that there were a couple recommendations regarding transportation that never arose for vote. At the next meeting she will be discussing those, as well as the vision statement that was shared with everyone in December. Ms. Laughlin also noted that discussion about the daily schedule arose when the bell schedule was discussed. The bell schedule was not a discussion about the schedule; it was bell, the start and end of the school day so that the schools may share students.

Phil St. Onge stated that it might make sense to stagger.

Linda Laughlin noted that the Transportation Department indicated they are able to transport the students and that staggering was not necessary.

Regarding the Finance Subcommittee recommendations, there was discussion as whether to reaffirm or table the motions made at previous meetings, as it is uncertain what will happen with L.D. 1932.

Wendy Nivison/Gerry St. Amand The Finance Subcommittee recommendations be tabled until L.D. 1932 is finalized.

September 20, 2007 – "That the RSU should include the assumption of local only debt and lease purchase obligations as part of consolidation planning. This would include the debt on record as of June 30, 2008, as some projects are currently underway but financing is not yet completed. If any future local only debt efforts were underway, that debt would need to be brought forth to the RPC as well."

October 4, 2007 – "That all existing trust funds at the date of RSU consolidation be transferred to the RSU with existing trust fund conditions/restrictions remaining in place, to be administered by the RSU."

October 18, 2007 – "That the Regional Planning Committee table action regarding the recommendation of the Finance Subcommittee that the RSU assume transfer and title of the collective school facilities/sites provided in the summary lists prepared for this meeting, until

such time as representatives of the Subcommittee have had an opportunity to discuss with town leaders the definition of school property and provide them the opportunity for discussion prior to a vote by the RPC."

November 15, 2007 – "That all the grants, upon formation of the RSU, become part of the RSU."

Motion carried unanimously.

Dr. Morse noted that this is where the Committee is in terms of review of actions to date.

Mr. Riordan asked if there were any other discussion items or issues that needed to be brought to the floor.

Gary Smith noted that there is a progress report that is due to the Department of Education tomorrow. How will the RPC be dealing with that?

Jim Morse noted that with the Committee's permission a progress report may be submitted. He said that there are ten districts waiting to go to vote in June. They are waiting for LD 1932 to be finalized.

The next meeting of the Regional Planning Committee is scheduled for Thursday, May 1, 2008 at 5:00 p.m. at Messalonskee High School.

Dr. Morse asked for agenda items for the next meeting.

Jack Sutton noted that with all the progress and discussions, he still sees the need from this group for some future vision as to where the real potential benefits are, particularly on the financial side. He assumes on the education side it well taken care of. On the financial side he would like to see a matrix of the functions the unit would undertake compared to now. He asked if this matrix could be put together so that the RPC can see there is some light at the end of the tunnel, for the purpose to save real money. Where is the real money? Each one of the major areas of expense needs to be reviewed individually and as a group and whether it is worth the effort to complete it.

Jim Morse asked if he would like to see a proposal of what a combined Central Office, combined transportation department, and combined special education office would look like.

Jack Sutton indicated yes, to highlight where the potential savings are.

Gerry St. Amand asked if a ten-year projection could be provided, something that could be taken to the public to see where the proposed RSU will be for example, three, five, six years down the road.

Jack Sutton stated he would be looking at where the real potential lies. Where will the attention be focused?

Dennis Keschl noted that this process started because of the sense that administrative costs in Maine were higher than they should be. So, if districts are moving from the current structures to the new proposed structure, what is the administrative structure and what is the approximation of the cost? There are areas that the RPC may be able to estimate. What would it look like, for example, with four secretaries, one superintendent, one assistant superintendent? What are the elements of the administrative structure?

Jim Morse said that it is an important piece of work that needs to get done. How do we make assumptions as to what units are better and more efficient?

Jack Sutton asked if it were possible to do this work within the group or if an outside entity needs to review it. That is a challenge for the group.

Phil St. Onge noted that a lot of the savings may be made whether Districts are in the RSU or not. There is no reason Districts can't work together. He said that every analysis so far indicates there are no savings; there are costs. Every single RSU has said there are no savings. They are not there. We need people who have the ability and talents to complete that analysis.

Dennis Keschl noted that the Department of Education and Governor came up with one number for potential savings. It comes to about $30 per person. It should be about $900,000 in savings. The DOE came up with a number. Let's test it.

Jim Morse noted that an analysis of these two systems has not been completed and referred to employee contracts.

Mike Thurston noted that those contracts have to be bargained. Those contracts are being bargained now. He indicated that the voters should be told that this bill was put in place to save money on administrative costs, not teachers.

Phil St. Onge noted that all the other RSUs are factoring in a rise in teachers' salaries in their calculations.

Lauchlin Titus said he agrees with Jack Sutton's recommendation. He understands that there are a certain group of things that you can get to within 5 to 10%. Then there are other things that you cannot get to within 30%. For example, provide a margin of transportation of savings of $100,000 to $200,000; that is good. Provide known savings.

Lori Fowle said she thinks for this group to move forward, it needs to make a decision. If the two systems merged into one, with one superintendent's office, what would that look like? What types of bodies do you have and where are the savings? If the two systems are combined, what are the numbers?

Charley Clark said that the original intent was to merge the Central Office through attrition and asked if this is still realistic. He suggested that the Governance Subcommittee determine what it would actually take to run an RSU of this size and bring return findings to this group. Find out what you need to make it work.

Jim Morse noted that the Governance Subcommittee could do the formatting, and the Finance Subcommittee could to the finances.

Jeff Frost noted that an organization chart needs to be prepared for each department. It needs to be determined, for example, how many people are in transportation and technology. Then provide a vision for the future. If an RSU is formed, more people may have to be brought in initially and then pared down.

Dennis Keschl noted that the analysis would give the RPC a sense of what it needs. Now the RPC is waiting for those numbers to come from the Legislature.

Gerry St. Amand noted that Commissioner Gendron made a statement that if any developing RSU needed outside help, the state would be happy to provide it.

Jim Morse indicated that every school unit has a $2,500 legal fund waiting to be tapped. Facilitation services available, as that is something this RPC wound need. We would need the services of Dick Spencer of Drummond Woodsum, who is a finance attorney. Mr. Spencer worked out the arrangements in SAD 51. He understands the entire intimacy of school finance. When the RPC gets to that type of discussion, it will need that type of firepower. This group would still have to affirm details.

Lori Fowle said that she would think the Governance Subcommittee would get together to try to figure out what this body looks like as a superintendent's office.

Dr. Morse noted that in terms of where the RPC is right now, he is comfortable with what Jack Sutton is saying. We move this agenda forward. He certainly will want to make sure there is no question that we are talking about a reduction in the size of administration. It is not just Central Office; it is administration of transportation, special education, and maintenance. It is all those issues that service students but are not educational components. The savings will be in all the support services, not just Central Office.

Nora Murray indicated that the Educational Programming Subcommittee did meet, and they have invited Mark Powers, Director of Mid-Maine Technical Center, to join that Subcommittee.

Joel Selwood noted that the RPC seems to have gotten hung up in the possible savings and the number of other positions. It has to be about where it needs to be. There must be some places where positions will be displaced. That is a separate piece as to what the organization chart will look like. For those people who will be displaced, there should be a timeline for their contracts.

Jim Morse said that what he sees as the group's charge is to begin development of what it sees the structure looking like. When the Committee meets on May 1, the subcommittee work to date will be presented. The results of L.D. 1932 will be known by then. There will be some recommendations as to the consolidated functions in the new district.

Lori Fowle said it is her understanding of the law that the only person who is protected under contract is the superintendent. The only people under contract in the office are superintendents.

Jim Morse noted that that is correct.

Gerry St. Amand made a motion, and Jeff Frost seconded, to adjourn the meeting. Time: 6:29 p.m.

REGIONAL PLANNING COMMITTEE
MINUTES
May 1, 2008

James C. Morse, Sr., Superintendent of Schools for the Messalonskee School District and a facilitator for the Regional Planning Committee (RPC), called the meeting of the RPC to order at 5:05 p.m. in the cafeteria at Messalonskee High School in Oakland.

Those in Attendance: Larry Brown, Doug Carville, Charles Clark, Robin Colby, Donna Doucette, Steve Dyer, Joel Elliott, Elwood Ellis, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Michael Heavener, Melanie Jewell, Dennis Keschl, Linda Laughlin, Michael McQuarrie, Elizabeth Mitchell, James C. Morse, Sr., Nora Murray, Wendy Nivison, Constance Packard, Donald Poulin, Hugh Riordan, Kelly Roderick, Rebecca Seel, Joel Selwood, Gary Smith, Jamie Soule, Phil St. Onge, Jack Sutton, Michael Thurston, Lauchlin Titus, and Michael Tracy

Dr. Morse noted that members of the RPC have been asked to participate in a research project regarding school district reorganization. The study is being conducted by the Center for Research and Evaluation at the University of Maine. The purpose of the project is to document the views of RPC members about school district reorganization and determine the extent to which these views change over time. Dr. Morse asked RPC members to complete the survey while working this evening and to turn them in at the end of the meeting so that the surveys may be mailed to the University in the morning.

In terms of the agenda for the evening, Dr. Morse noted that RPC members had asked he and Mr. Riordan to put together a model administrative structure for the Committee to consider. Models have been completed for Superintendent and Superintendent support, Business Department, Special Education, and Transportation and are ready for review and conversation.

During the first part of the meeting it was determined that the Subcommittees would conduct work sessions. The Finance and Governance Subcommittees will work in a joint session to discuss Central Office RSU configurations. The Educational Programming Subcommittee and Personnel and Transition Subcommittee will work on issues with which they have been dealing.

Hugh Riordan asked Dr. Morse to remind Committee members that once the RPC has finished its meeting, representatives of School Union 52 will meet to discuss consolidation issues.

Subcommittee Meetings: 5:10 p.m. to 6:00 p.m.

Linda Laughlin provided a report of the work of the Educational Programming Subcommittee. Susan Gendron, Commissioner of the Department of Education, has asked the facilitators of respective RPCs who have been working across the state to convene focus groups of parents, teachers, students, administrators, and Central Office staff to discuss educational programming in consolidation. Specifically, how have they worked through consolidation planning and what will the critical needs be next year if the districts move into a new RSU? How will this work impact educational programming? What are the essential discussions that need to be completed as districts move into a new unit?

Ms. Laughlin noted that the Educational Programming Subcommittee had made recommendations regarding a common calendar, bell schedules, and sharing of programs.

There is a very positive feeling about the work that has been done as an Educational Programming Subcommittee and the recommendations recognized by the RPC.

Nora Murray provided a report regarding the RSU vision statement. As part of the future search process, China, Messalonskee, Vassalboro, Waterville and Winslow developed a district school vision statement. She asked members of the RPC to review the statement and that it be an item on the next RPC meeting agenda for possible endorsement by the group. She noted that the vision statement also includes Waterville as part of the group because at the time the statement was drafted, Waterville was involved in consolidation discussions. She noted that we are what education should be for youth in the Central Maine area.

Jack Sutton – In considering the educational quality aspects of the RSU, is there a set of generally recognized rates by which individual components are related now and the combined RSU, such as graduation rates, SAT scores, college placement rates, to look at goals?

Nora Murray noted that this is a vision statement so it sets a direction of where the RSU would like to be in the future for education. Could those pieces be done? Absolutely. Does this address exactly which data do you look at? No, but that could be another document. The next step would be to complete a strategic plan.

Jack Sutton noted that there are two sides – financial and education. Can it be measured as to what is going on now and then three years down the road?

Linda Laughlin noted that there are no performance indicators that would help the RPC measure what our schools are doing now in terms of educational success and what might happen if we bring the group together. What are the educational advantages in terms of educational programming? If the two districts come together they might be able to offer these things once instead of twice. In terms of general performance rates, they are similar in terms of graduation, drop out, etc.

Jack Sutton noted that there need to be facts and figures on that side, as well as on the financial side.

Nora Murray said the people involved in the future search process have had extensive feedback, and the vision statement has been reviewed and revised several times.

Dennis Keschl said that our educational system is to focus in measuring and strengthening. That does not come across in this vision statement.

Linda Laughlin asked if it would be appropriate to ask this group to talk about a follow-up process to this vision statement. What would be the process to follow to take it to the next step?

Dennis Keschl said that he could not support this vision statement as written because he doesn't think it provides the statement that is needed.

Lauchlin Titus said he thinks this process is business planning. There are three steps: (1) mission statement, (2) vision statement, and (3) goals and objectives, with goals built on the vision. He suggested the RPC read the vision statement, endorse it, and then work on goals and objectives as a next step to see what will come from this vision.

Nora Murray noted that there is great ownership from the people who were involved in drafting the vision statement and said the Educational Programming Committee sends it out enthusiastically to everybody. She asked Committee members to review it and bring back to the group thoughts for consideration.

Dennis Keschl said that educating our current citizens should be the focus of the vision statement, and as he reads it, that is not there.

Nora Murray suggested that members of the RPC provide specific feedback, send it to the Educational Programming Committee, and they will provide recommendations to the Board.

Lori Fowle provided a report of the work of the Personnel and Transition Subcommittee. She noted they lost their leader in Eric Haley. Committee members felt that what needed to be reported out was done by Mike Thurston when he provided data regarding salaries. Regarding salaries, most everything has to go through negotiations.

Mike Thurston noted that it is actually difficult to come up with a plan with a dollar figure, as those contracts have to be negotiated. Discussions have occurred as to how contracts might be merged.

Robin Colby noted that because Waterville is not part of this formula any more, the contracts are much more similar, so the impact would be less.

Dr. Morse reviewed the handout in relation to system administration and special education. The left column lists School Union 52 and MSAD 47 and how many people occupy those positions. The far right column is the recommended level of potential salaries and adjustments of 25% for fringe. (See attached outline.) This is a three-year process to get to the recommended number of people in the new RSU. The first year would be next year, and it would begin the process of two more years of transition. Our Committee tonight asked us to continue the model work in other areas of administration, including maintenance and transportation. The Governance and Finance Subcommittees did commit to continue to try to find additional savings.

The other issue the Committee asked about was discussions regarding the cost sharing arrangement. Decisions that were made in October and November must be reviewed, as Waterville was part of the process at that time.

For the next agenda the RPC will probably continue its work on endorsement of the vision statement and look at financial agreements and potential cost sharing models.

Dr. Morse asked if anyone wanted to address the RPC.

The report by Libby Mitchell regarding L.D. 1932 and other consolidation bills and/or regulations was postponed until the next meeting.

Doug Eugley made a motion, and Jeff Frost seconded the motion, to approve the minutes of the March 27, 2008 meeting as printed. Motion carried.

Dr. Morse noted that both School Union 52 and MSAD 47 are in the final stages of the 2008-09 budget process. He respectfully requested that the RPC not meet in mid-May so as to give time for the Districts to prepare for budget hearings and referendum.

The next meeting of the Regional Planning Committee is scheduled for Thursday, June 12, 2008 at 5:00 p.m. at Winslow Elementary School.

The meeting adjourned at 6:39 p.m.

SYSTEM ADMINISTRATION
(per Handbook IIR)

Student Counts	
MSAD 47	SU52
2,577	2,835

School Union 52/ MSAD 47

Current

			RSU
		(2.0) Superintendent	1.0
		(1.0) Assistant Superintendent, Business Operations	1.0
		(0.2) Assistant Superintendent, Education	0.5
		3.2	2.5
SU52	SAD 47	Business Department	
0.5	1.0	(1.5) Finance Manager/Analyst	1.0
1.5	1.0	(2.5) Payroll	1.0
0.0	0.0	(0.0) Human Resources	1.0
0.5	1.3	(1.8) Payables	1.5
0.5	0.2	(0.7) Purchasing/Inventory	0.5
0.5	0.2	(0.7) Bookkeeper	0.5
3.5	3.7	7.2	5.5
		Superintendent Support	
1.0	1.0	(2.0) Administrative Assistant	2.0
0.0	0.5	(0.5) Secretary	0.5
0.5	0.5	(1.0) Receptionist	1.0
1.5	2.0	3.5	3.5
5.0	**5.7**		
Totals		**13.9**	**11.5**

MSAD 47	School Union 52	Total	Proposed RSU
$389,448 Salaries	$363,060 Salaries	$752,508 Salaries	$658,498 Salaries
		188,127 Fringe	164,625 Fringe
		$940,635	$823,123

$940,635
-823,123
<$117,512>

1. MSAD 47 cut 1.5 positions in 2007-08
   .84 payroll
   .50 secretary
   1.34
2. Based upon current staffing, two to three Central Office staff members will retire within three to four years.
3. extrapolating model staffing levels from MDOE Website
4. SU 52 Curriculum Director is noted in instruction, as is 80% of SAD 47 Assistant Superintendent.

Word/Regionalization/Proposed RSU System Administration

SPECIAL EDUCATION
(per Handbook IIR)

School Union 52/ MSAD 47

Current

			RSU
SU52	SAD 47		
2.5	1.0	Director	1.0
0.0	0.5	Assistant Director	1.5
0.0	1.0	Administrative Assistant	1.0
2.8	0.8	Secretary	2.5
5.3	3.3		6.0
Totals		**8.6**	**6.0**

MSAD 47	School Union 52	Total	Proposed RSU
$167,751 Salaries	$209,800 Salaries	$377,551 Salaries	$275,929 Salaries
		94,388 Fringe	68,982 Fringe
		$471,939	$344,911

$471,939
-344,911
<$127,028>

Three-year Transition

TRANSPORTATION
(per Handbook IIR)

School Union 52/ MSAD 47

Current			RSU
SU52	SAD 47		
0.0	1.0	Director	1.0
1.0	0.5	Supervisor	1.0
0.0	0.0	Administrative Assistant	1.0
0.0	1.0	Secretary	0.0
1.0	2.5		3.0
Totals		**3.5**	**3.0**

Savings: SU 52 contracted service to servicing our own fleet.

REGIONAL PLANNING COMMITTEE
MINUTES
June 17, 2008

Hugh Riordan, Superintendent of Schools for School Union 52 and a facilitator for the Regional Planning Committee (RPC), called the meeting of the RPC to order at 5:02 p.m. in the cafeteria at Vassalboro Community School in Vassalboro. He indicated that there would be a change in the agenda, as Senator Libby Mitchell would not be in attendance. Therefore, Item IV, Report on L.D. 1932 and Other Consolidation Bills and/or Regulations, would not be discussed this evening.

Those in Attendance: Larry Brown, Doug Carville, Charles Clark, Robin Colby, Elwood Ellis, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Michael Heavener, Melanie Jewell, Dennis Keschl, Linda Laughlin, Michael McQuarrie, Robert Moreau, James C. Morse, Sr., Nora Murray, Wendy Nivison, Constance Packard, Donald Poulin, Hugh Riordan, Joel Selwood, Gary Smith, Jamie Soule, Gerald St. Amand, Jack Sutton, Lauchlin Titus, Laura Tracy, and Michael Tracy.

Elwood Ellis made a motion, and Lori Fowle seconded the motion, to approve the minutes of the May 1, 2008 meeting as printed. Motion carried.

Mr. Riordan noted that last week the China School Committee met and voted to continue discussions with the larger group (MSAD #47, Vassalboro and Winslow) in terms of consolidation. The Winslow School Committee has not yet met, nor has the Vassalboro School Committee.

Mr. Riordan noted that Gary Smith, Assistant Superintendent of Schools and Director of Business for School Union 52, has done some extensive work in terms of putting together a spreadsheet with various scenarios related to the variables and financial models for China, Vassalboro, Winslow and the Towns of MSAD #47 (Belgrade, Oakland, Rome and Sidney).

Gary Smith reviewed the MSAD #47 and School Union #52 financial planning models, noting the five major criteria that were considered when building the models. The criteria used were: (1) debt to Winslow High School, (2) teachers' salaries and benefits, (3) additional local fund cost sharing, (4) school choice assessment for China and Vassalboro, and (5) Erskine Academy bussing.

Ms. Smith shared with Committee members FY08 financial information, which included an RSU scenario where MSAD #47 and School Union #52 would assume local debt. The data was based on the current ED 281 from the Maine Department of Education. The data looks at what would happen to respective towns if the RSU assumes debt. Action at the recent Legislative session allowed school districts to come up with cost sharing options that allow them to look at certain things in plans and specifically come up with ways to share local funds.

Mr. Smith also reviewed the cost sharing options suggested by the Maine Department of Education, which include (1) town valuation, (2) student count, (3) population/census, (4) free/reduced lunch rate, (5) median income/market area data, (6) carry in agreed fixed percentage above EPS, (7) K-8 greater than EPS at Town and 9-12 greater than EPS at RSU, (8) combination(s) of options 1-7, and (9) combinations of above with/without local debt.

Mr. Smith reviewed various financial planning models for School Union #52 and MSAD #47. As an RPC, at a prior meeting, it was decided that the RSU would assume all purchasing agreements, as well as all revolving renovation fund loans. The only items in the debt scenario that were allocated differently were the $6 million for Winslow High School and the $82,000 Messalonskee Middle School debt service.

There have been many discussions regarding taking teacher salaries and benefits to the highest level among the districts. That piece will be decided through negotiations.

Reviewed were the options for the various financial planning models related to debt, salaries and benefits, additional local funds, school choice assessment, and Erskine Academy bussing.

Debt allocation options include:
1. attending high school enrollment;
2. percent of students in grades 9 through 12;
3. no debt sharing;
4. three-year phase, with 82% to Winslow in Year 1;
5. three-year phase, with 64% to Winslow in Year 2;
6. three-year phase, with 25% to Winslow in Year 3; and
7. debt share by Maine Department of Education (MDOE) cost share percent.

Options for allocation of costs for salaries and benefits include:
1. 100% each town cost,
2. 90% each town cost,
3. 80% each town cost,
4. 100% allocation by MDOE cost share percent,
5. 90% allocation by MDOE cost share percent, and
6. 80% allocation by MDOE cost share percent.

Options for allocation of school choice assessment include:
1. RSU rate vs. Erskine Academy rate ($175 differential),
2. RSU and Erskine Academy $100 differential tuition,
3. RSU and Erskine Academy $200 differential tuition,
4. RSU and Erskine Academy $300 differential tuition, and
5. Erskine Academy agrees to RSU rate.

Options for allocation of additional local funds (ALF) include:
1. SAD 51 model year 2 phase in (2/3 ALF, 1/3 student count),
2. SAD 51 model year 3 phase in (1/3 ALF, 2/3 student count),
3. allocation by three-year average ALF (2006-07, 2007-08, 2008-09),
4. year 1 phase in from three-year ALF average to 50/50 allocation student/valuation,
5. year 2 phase in from three-year ALF average to 50/50 allocation student/valuation,
6. year 3 phase in from three-year ALF average to 50/50 allocation student/valuation,
7. allocation by percent of population, and
8. allocation by percent town valuation.

Options for Erskine Academy bussing include:

1. assessment to service towns,
2. allocation by students in grades 9 through 12,
3. allocation by MDOE cost share, and
4. no RSU bussing.

Mr. Smith reviewed several scenarios for cost sharing. The first scenario is the "neutral case", where there is no debt sharing, salaries and benefits would be at the highest level, years 1 through 3 based upon three-year ALF average, Erskine Academy agreeing to RSU tuition rate, and costs based upon assessments to towns. This scenario would have a $0 impact on each of the towns of China, Vassalboro, Winslow, Belgrade, Oakland, Rome, and Sidney.

The next scenario was based on RSU Year 3 (three-year ALF average), with 25% of Winslow debt (75% remaining), 90% allocation of MDOE percent, years 1 through 3 based upon three-year ALF average, Erskine Academy agreeing to RSU tuition rate, and town cost based upon MDOE cost share. This scenario would have a financial impact on each of the towns as follows: $6,164 increase to China, $138,236 savings to Vassalboro, $248,758 savings to Winslow, $87,749 cost to Belgrade, $72,938 cost to Oakland, $50,659 cost to Rome, and $64, 317 cost to Sidney, for a total savings of $105,167 to the RSU.

The next scenario was based on RSU Years 6+ (50% student count/50% valuation), with 25% of Winslow debt (75% remaining), 90% allocation of MDOE percent, Erskine Academy agreeing to RSU tuition rate, and town cost based upon MDOE cost share. This scenario would have a financial impact on each of the towns as follows: $22,663 savings to China, $49,885 increase to Vassalboro, $454,337 savings to Winslow, $102,549 savings to Belgrade, $292,598 increase to Oakland, $115,554 savings to Rome, and $247,285 increase to Sidney, for a total savings of $105,335 to the RSU.

Dennis Keschl noted that these scenarios review cost allocation, however, there is no discussion regarding savings for the RSU. He asked if this is this year's 2008-09 budget and if those would be the savings based on that.

Gary Smith noted that there are no efficiency savings. In order to compare, everything was kept the same.

Mr. Keschl asked if costs would decrease if savings were realized.

Mr. Smith noted that they would. There is a lot of behind the scenes detail. For example, because SAD #47 is already a common group, there is a lot of commonality among the four towns that comprise that District. It is the hope that costs would be somewhere in the middle. Some are more conservative, and some are more liberal.

Constance Packard, Business Manager for MSAD #47, reviewed a spreadsheet with the 11 categories (cost centers) for funding for each of the SAUs. She noted that this is a piece that was started last year and updated to include the 2008-09 budget information. Data for the Waterville

Public Schools has been removed from the formulas. Data was collected from the ED 279 subsidy reports, using attending student numbers in most cases. In one case the resident numbers were used. For special education the numbers by towns were used. This includes most cost savings and is baseline information.

Dr. Morse noted that the information could be viewed in the focus of cost centers.
As a result of an outgrowth of the work completed, efficiencies can be articulated. What is being presented to RPC Committee is the range in costs associated with various categories that need to be presented to the voters. The spreadsheet provides a sense of cost per student in the various categories, which may be viewed as ranges or as efficiencies. For example, based on the ED 279 information, the per student cost for regular instruction for Winslow is $4,441, for China it is $5,581, for Vassalboro it is $5,235, and for MSAD #47 it is $4,254. The cost per student in special education and for a range of youngsters needing services is $12,856 for Winslow, $9,937 for China, $9,450 for Vassalboro, and $5,851 for MSAD #47.

Jack Sutton noted that this information represents a tremendous amount of work and is an excellent foundation. Taking this as a foundation, how can this be used for potential savings? Are cost levels being held equal?

Jim Morse noted that this Committee has done work that would lead an RSU Board to some compelling investigations in terms of where the new school unit would be financially. They are not issues the RPC could articulate to the RSU Board. For example, look at cost per student for regular instruction. What is driving the cost? What is causing the efficiencies in Winslow as opposed to the two smaller communities? What is happening in relation to class size, programming, etc.? Once an RSU Board is elected, it can take this piece and start looking into it beyond the raw services of the comparison.

Dennis Keschl noted that this information provides the ability to identify potential efficiencies and where the RSU Board can find those efficiencies that, if applied across the RSU, might yield the greatest savings. It also provides information that will help the RSU Board identify what it wants for its students and schools, and how best to do what it wants at the lowest costs.

Jim Morse noted that some of the categories don't represent themselves to per student cost. For example, Mid-Maine Technical Center. What happens is the cost for that particular program is based on the number of students who register for that program. In MSAD #47 students are encouraged to enroll at Mid-Maine Technical Center. MSAD #47's enrollment at MMTC for next year is up 20%, even though costs for educating vocational students will increase.

Connie Packard noted that some of what was done was to open a variety of measures for necessary student count. For example, transportation could have used annual miles or number of busses. Education could have used FTEs. The reason all student counts are not listed below every individual piece of the budget is because the numbers were not necessarily meaningful. There is a whole range of factors that could have been used; however, the numbers did not apply to every single category.

Jack Sutton said he would think that there is a stage between where the RPC is tonight and to deferring some action to a future board. It is unknown where the savings will be until the RSU

Board makes decisions. But we as an RSU can say to the new RSU Board this is the range. These are the areas you should be looking to.

Jim Morse noted that it can be said as an RSU Committee, based on the data seen, certain areas should be reviewed to see if there are greater efficiencies. A range of costs should be reviewed. What is causing this range? There should be identifiable savings.

Jeff Frost asked what the start-up costs would be for the RSU.

Jim Morse noted that in the District's draft budget for last year $25,000 was included for start-up costs. Start-up costs involve a tremendous amount of legal advice in terms of contracted service employees, IRS issues, and contract language. It is no less complicated to merge programs in terms of curriculum, assessment and instruction issues. So, there is much work for teachers and administrators to do in terms of that piece. There will be an immense amount of work to marry four systems. That speaks to the issue of how much work there will be once the RSU is formed. There are expenses that will occur from 3 to 5 years into the work before there is a sense of a system that feels like it is merged.

Lori Fowle noted that when representatives of SU 52 worked through the financial information, they came to conclusion as to a place where they would like to be. Where would the RSU end up as a large group in terms of these worksheets?

Jim Morse asked the RPC if Gary Smith presented a model from which the group can work. Does this spreadsheet give us a vehicle to finally have a discussion regarding description of costs? As an interim step there should be another meeting with MSAD #47 and School Union #52 representatives. The RPC has been working on this issue for approximately one year. Gary Smith and Connie Packard have done a good job with the financial image. At this point the RPC would probably want to have a group of municipal and school leaders come together to work through a proposal to present to the entire RPC. It is known where all the issues are at this point.

Lori Fowle noted she would be in favor of putting together a subcommittee. The RPC needs to come up with a plan that may be presented to the respective School Committees to determine whether people are in agreement.

Jim Morse asked if the RPC were comfortable in forming a smaller group to work on a financial model that would work for both School Union #52 and MSAD #47.

Jack Sutton asked what the reasonable target for presenting this to the communities for approval is and what the timetable would be.

Jim Morse noted that the RPC may choose a time to present this to the voters sometime between now and January, with the final opportunity for voting in January. There may be three votes, if needed. He suggested a goal of November.

Charley Clark noted that the deadline for a November election would be 45 days prior to election.

Gary Smith provided the following deadlines.
August 25 – last day for plan to be submitted to the MDOE
September 8 – information to town clerks
October 2 – signing of election warrants

Lauchlin Titus made a motion, and Lori Fowle seconded the motion, that this RPC appoint a subcommittee that would consist of one member from each town (to be appointed by the people from the town), municipal officials, and school administrative officials. Motion carried.

The task of the subcommittee would be to review the various cost sharing financial models presented and determine a recommendation for the RPC.

A discussion ensued.

Joel Selwood made a motion, and Lauchlin Titus seconded the motion, that each Town through this process, come to conclusion as to what is acceptable to the Town, with the understanding that there has to be equity for all Towns. Motion carried.

School Union 52 representatives and MSAD #47 representatives will contact Hugh Riordan and Jim Morse by Friday, June 20, 2008, with names of representatives to serve on this subcommittee.

Linda Laughlin reviewed the vision statement for the RSU. The Educational Programming Subcommittee met and discussed feedback received from the RPC. This mission statement was developed by 45 people through the Future Search process. Most of the people represented these communities here. They are very versed in this statement, given the process they went through. Discussed were pros and cons as to how to use this vision statement in the future. The Educational Programming Subcommittee would like to recommend that the RPC suggest that the new RSU group consider this vision statement. If there are any comments that members of the RPC would like to make, those could be attached to the vision statement and then forwarded to the new RSU Board.

Linda Laughlin noted that the plan was to develop this vision statement and then proceed with strategic planning, developing goals and objectives to move this forward, with feedback from committee subgroups.

Nora Murray noted that at the last meeting of the RPC the Educational Programming Subcommittee asked members of the RPC to endorse the vision statement. That piece has been reviewed, and the Subcommittee is now suggesting that the Future Search Committee has the opportunity to present to the new RSU Board.

Linda Laughlin noted that the Subcommittee reviewed the vision statement and discussed advantages to educational programming as a result of consolidation, particularly student achievement and performance indicators.

Nora Murray reviewed the identified potential educational programming benefits developed by the RPC Educational Programming Subcommittee. These benefits (listed below) will allow for efficiency and strengthening of programming.

- No school closures that would cause a disruption to the delivery of an educational program at a different facility
- Retention of experienced RSU teachers (1) if/ when faced with student population shifts; (2) by combining high school courses with lower enrollment; and (3) by contracts that bring equity in teacher salary/ benefits
- 45 RSU school community members have participated in the "Future Search" process resulting in a vision statement for the RSU board to consider; potential to impact 5,200 students (It was noted that Waterville representatives were included in the 45 members participating in the Future Search process.)
- the adoption of a common school calendar and a bell schedule that will allow for a greater number and diversity of course offerings through sharing of courses/ teachers.
- Sharing of staff expertise to support and provide quality professional development for all RSU staff
- The adoption of a common school calendar which allows coordination of quality professional development opportunities
- Purchasing power of curriculum materials by a larger group
- Equitable educational programming across all schools/grade levels
- Elimination of duplicate time and efforts involved in pre-k diploma curriculum and assessment development as we align with the revised Maine Learning Results: Parameters for Essential Instruction
- Elimination of duplicate time and efforts involved in overseeing grant management and state reports
- Combined NCLB grant funds allow a greater dollar amount with increased possibilities for programming/ professional development.
- Coordination of a common student assessment system that provides the technological infrastructure that will facilitate data analysis
- Shared coordination of a "new staff" induction program
- Coordination of Title IA elementary summer school that will provide equity in extended year services
- Replace special education outside contracted services with services provided by staff that bring more immediate services and knowledge of students/families
- Reallocation of special education program administrators' responsibilities that have the potential for efficiency
- Elimination of duplicate time and efforts necessary for educational programming policy development
- Expansion of middle school and high school vocational/ technology related courses that will bring more relevance to the curriculum
- Sharing an increased number of print library resources available to teachers and students and consider library staffing efficiencies
- Technology efficiency that has the potential of cost savings and that allows for a reliable infrastructure, equitable services to students, staff expertise sharing, comprehensive offerings of services, on-line course offerings, professional development, Apple licensed repair person on staff, shared servers, etc.

- Collaboration and coordination of extended day programming by sharing teacher expertise and resources
- Using collective expertise of an increased work force to problem solve the unique educational needs of RSU students

Jeff Frost noted that technology and teaching innovation enhance those types of activities.

Joel Selwood noted that there was always much excitement from various groups as to what the possibilities were and what they could do together as a combined resource, experience and ideas. It is not just about the money.

Linda Laughlin noted that the best model in the area is the vocational center. Programs that have been traditionally at the tech center may be available via satellite programming at the high schools. For example the pre-engineering program at Messalonskee High School could be accessed at Winslow High School. Are there ways that students' interests may be combined to allow a good program to survive?

Jack Sutton suggested a bullet point on the vision statement that might read, "balance these goals for educational excellence with the ability of the communities to pay and their shares of educational costs."

Lauchlin Titus made a motion, and Jeff Frost seconded, that this Regional Planning Committee endorse the regional vision statement as presented, as a body of work from the Future Search Committee, and that any addendum comments are welcome to be included in this statement.

A discussion ensued.

Lauchlin Titus made a motion, and Jeff Frost seconded, that the original motion that this Regional Planning Committee endorse the regional vision statement as presented, as a body of work from the Future Search Committee, and that any addendum comments are welcome to be included in this statement, be amended to read as follows.

"That this Regional Planning Committee consider the regional vision statement as presented, as a body of work from the Future Search Committee, and that any addendum comments are welcome to be included in this statement. Motion carried unanimously.

The next meeting of the Regional Planning Committee has not yet been scheduled as of this date.

Lori Fowle made a motion, and Jack Sutton seconded, that the meeting be adjourned.
Motion carried unanimously.
Time: 6:39 p.m.

DRAFT: Note that this is a draft copy of the minutes, as they have not yet been adopted by the Regional Planning Committee.

REGIONAL PLANNING COMMITTEE
MINUTES
July 23, 2008

James C. Morse, Sr., Superintendent of Schools for the Messalonskee School District and a facilitator for the Regional Planning Committee (RPC), called the meeting of the RPC to order at 5:00 p.m. in the cafeteria at Messalonskee Middle School in Oakland.

Those in Attendance: Larry Brown, Doug Carville, Charles Clark, Elwood Ellis, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Melanie Jewell, Dennis Keschl, Linda Laughlin, Michael McQuarrie, Elizabeth Mitchell, Robert Moreau, James C. Morse, Sr., Nora Murray, Constance Packard, Hugh Riordan, Debrajean Scheibel, Joel Selwood, Gary Smith, Gerald St. Amand, Jack Sutton, Michael Thurston, Laura Tracy, and Michael Tracy

Dr. Morse noted that getting to tonight has been 13 months of meetings and thanked everyone for their work and dedication. The plan being presented this evening is the first draft of the reorganization plan put to the public for consumption. He indicated that what Hugh Riordan, Gary Smith, Connie Packard, Linda Laughlin, and Nora Murray were looking for was to insure that the document accurately represents the work the RPC has done. The ultimate goal for tonight is to approve the plan that may be passed on to local school committees. It is fine to make amendments to this document. In writing the document the template from Drummond Woodsum, the districts' legal counsel, was followed faithfully. It reflects the work of the Executive Committee, and, hopefully, will receive the consensus of the RPC this evening.

Dr. Morse explained that the plan would be reviewed in order. The MSAD 47 Board will meet on August 6. The School Union 52 School Committees will meet on August 4 (Winslow), August 5 (Vassalboro), and August 18 or 19 (China). The China School Committee is looking to move the meeting up to the 5th or 6th.

Dr. Morse began the review of the Reorganization Plan for School Union 52 and MSAD 47. The proposed RSU operational date is June 2009.

Section 1

1. **The Units of School Administration to Be Included in the Proposed Reorganized Regional School Unit**

   The proposed regional school unit includes the following school administrative units:
   A. Town of China, a municipal school unit
   B. Town of Vassalboro, a municipal school unit
   C. Town of Winslow, a municipal school unit
   D. Maine School Administrative District No. 47

There were no revisions made to Section 1.

Section 2

2. **The Size, Composition and Apportionment of the Governing Body**

Regional School Unit Composition (SU 52 & MSAD 47)

Town	Population	# of Votes	# of Members	Votes per Member	% per Member	Equal weight per Member	Equal % per Member	Excess over Equal
Belgrade	3209	103	2	51	5.15%	67	6.67%	-1.52%
China	4408	141	2	71	7.07%	67	6.67%	0.40%
Oakland	6202	199	3	66	6.63%	67	6.67%	-0.03%
Rome	1101	35	1	35	3.53%	67	6.67%	-3.13%
Sidney	3966	127	2	64	6.36%	67	6.67%	-0.30%
Vassalboro	4337	139	2	70	6.96%	67	6.67%	0.29%
Winslow	7944	255	3	85	8.50%	67	6.67%	1.83%
Totals	31167	1000	15					

The election of school board members will coincide with state and national elections in November of each year.

Newly elected board members will take their seats on January 2 following their election.

The 1st election of the RSU Board, assuming the consolidation is approved, will take place in December 08.

Dr. Morse noted that it had to be insured that no discrepancy between members would grow no more than 2%. This does allow for every town to have representation, and meets the letter of the law.

Dennis Keschl noted that the RPC had talked about census changes.

Jim Morse noted that the distribution of the weighted votes would be reviewed every five years, starting with 2001, given the 2010 census numbers would be collected, to insure representation is accurate.

Dennis Keschl asked if the following language could be added to Section 2. "The RSU will revisit census numbers every five years beginning in 2011."

This section was approved as revised, with the wording, "The RSU will revisit census numbers every five years beginning in 2011," added at the end of the section.

Section 3

3. The Method of Voting of the Governing Body (Revised 6/19/08)

Weighted Voting

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

The regional school unit board shall use weighted voting as follows:

Municipality	Population	# of Board members	Votes per member	Total Vote %
1. Belgrade	3208	2	103/2=51	10.3%
2. China	4408	2	141/2=71	14.1%
3. Oakland	6202	3	199/3=66	19.9%
4. Rome	1101	1	35	3.5%
5. Sidney	3968	2	127/2=64	12.7%
6. Vassalboro	4337	2	139/2=70	13.9%
7. Winslow	7944	3	255/3=85	25.5%
TOTALS	31167	15	1,000	100.0%

Each board member shall serve a 3-year term, except that the initial terms of the members of the first regional school unit board shall be staggered, as provided by 20-A M.R.S.A § 1472-B.

Mr. Riordan reviewed Section 3, The Method of Voting of the Governing Body.

There were no revisions made to Section 3.

Section 4

4. The Composition, Powers and Duties of Any Local School Committees to Be Create (Revised 6/19/08)

Not Applicable

Mr. Riordan noted that Section 4, is not applicable to this RSU.

Section 5

5. The Disposition of Real and Personal School Property

Note: This plan assumes all property is transferred unless listed as an exception.

A. Real Property and Fixtures. Except as listed below, 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 school administrative units and of any school unions of which they are members 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.

B. Personal Property. All other tangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories shall become property of the RSU as successor of the SAUs, except as listed below:

The regional school unit board may require such assignments, bills of sale or other instruments of transfer as in its judgment is necessary to establish the region's right, title and interest in such personal property.

C. 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 regional school unit 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.

School related activities would be the Regional School Unit's first priority when assigning building and grounds.

The current practices & policies in place with municipalities related to use by town recreational programs will transfer to the new Regional School Unit, subject to the authority of the Regional School Unit Board to make changes to the extent permitted by law.

Dr. Morse noted that this was a conversation the RPC had early on where the RPC had agreed real and personal property would be transferred. It will take action of municipal governments to make that happen.

Mr. Riordan discussed the use of athletic fields and buildings. Policy and procedures are the same, where school-related activities would continue to take priority in terms of use. Also discussed was town recreation programs being transferred to the new RSU. It was noted that everything would continue as is in terms of how fields and buildings are used in the RSU at this point.

Joel Selwood asked if the RSU board could change this policy

Hugh Riordan noted that that is how the plan reads.

Jim Morse noted that what is being committed to is exactly what is currently being done. In SAD 47 there is a very strong commitment by our Board in using buildings and grounds. Because the commitments have been made to towns for building and field use, the fields cannot be adequately maintained due to the amount of time they are being used. Our policies are similar to those in SU 52 in terms of school-related activities being first priority and then town use second.

Lori Fowle asked if property that is not school property but town property is treated in the same manner.

Gary Smith noted that in Winslow it is.

Jim Morse noted the ball fields at Pleasant Point in SAD 47 as an example. When constructing Messalonskee Middle School, the District asked the town to use that property. The relationship with the Towns is very strong and supported.

Gerry St. Amand noted that an example in Winslow is the cross-country trails which are used mostly by the town and not the school.

Mike Tracy noted the Lions' Club uses the Williams Elementary School property for its annual Fun Fare. This is a non-profit agency.

There were no revisions made to Section 5.

Section 6

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 (Reference Exhibit 6A.)

A. Bonds, Notes and Lease Purchase Agreements That the RSU Will Assume. The RSU shall assume liability to pay the following bonds, notes and lease purchase agreements:

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of July 1, 2008	Final Maturity Date

Additionally, other bonds, notes and lease purchase agreements issued by an SAU before the operative date of the RSU shall be assumed by the RSU, 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 not longer serviceable or to keep them in normal operating condition.

B. 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 following bonds, notes and lease purchase agreements, which shall continue to be paid by the original members of the SAU indicated, and they shall serve as fiscal agent for the SAU for that purpose:

Not applicable

C. 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.

D. 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 region.

Gary Smith noted that this issue is the one that is getting the most attention for the local only debt and the decision regarding that. All other debt notes, revolving renovation fund loans and lease purchase agreements will be assumed by the RSU.

Regarding defaulted debt and other debt not assumed, this is language that was created by Drummond Woodsum, legal counsel.

Dennis Keschl asked if numbers would be assigned to this section.

Jim Morse noted that there are exhibits that go with the Plan to support it.

Gary Smith noted that those exhibits would be ready for the school committee meetings.

Connie Packard noted that some information is audited and some information is unaudited. Those pieces will be clearly marked as to whether the information is from 2007 or 2008.

There were no revisions made to Section 6.

Section 7

7. The Assignment of School Personnel Contracts, School Collective Bargaining Agreements and Other School Contractual Obligations (See Exhibit 7A.)

A. 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. 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.

A list of all employees of the existing SAUs who do not have written individual employment contracts is attached as Exhibit 7-B. 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.

B. School Collective Bargaining Agreements. The following collective bargaining agreements to which the SAUs are a party shall be assumed by the regional school unit board as of the operational date:

SAU	Positions Included in Bargaining Unit	Next Termination Date	Represented by
SAD 47	Teachers	August 31, 2011	MEA
SAD 47	Custodians, Ed Techs, Food Service Personnel	June 30, 2008	MEA
SAU China	Teachers	August 31, 2008	MEA
SAU China	Ed Techs	August 31, 2008	MEA
SAU Vassalboro	Teachers	August 31, 2009	MEA
SAU Vassalboro	Ed Techs	August 31, 2009	MEA
SAU Winslow	Teachers	August 31 2010	MEA
SAU Winslow	Ed Techs, Secretaries, Food Service Personnel	August 31, 2009	MEA
SAU Winslow	Custodians	June 30, 2009	Teamsters

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

C. 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:

SAU	Contracting Party	Type of Contract	Expiration Date
SAD 47	Coca Cola (Food Service)	Drinks	7/28/2008
SAD 47	Pepsi @ MHS	Drinks	2016
SAD 47	Pepsi @MMS	Drinks	2012
SAD 47	MePower Options MMS	Electricity	12/01/08
SAD 47	MePower Options ALL Others	Electricity	12/01/08
SAD 47	City of Waterville	Bus Maintenance/Fuel	2013
SAD 47	Mid Me Communications	Telecommunications	7/2011
	Me State Billing	Medicaid Billing	
	Get Best Bid	Purchasing Portal	2011

SAU	Contracting Party	Type of Contract	Expiration Date
China	B & P Garage	Bus Maintenance	2011
	Integrys	Power	
	SPC/Ikon	Copiers	
	Me State Billing	Medicaid Billing	
	Siemans	Building Maintenance	
	Honeywell	Performance Contract	
	Fairpoint	Telephone Service	
Vassalboro	Bellows Garage	Bus Maintenance	
	Integrys	Power	
	SPC/Ikon	Copiers	
	Me State Billing	Medicaid Billing	
	Siemans	Building Maintenance	
	Siemans	Energy Performance	
	Fairpoint	Telephone Service	
Winslow	Bellows Garage	Bus Maintenance	
	Honeywell	Energy Performance	
	Integrys	Power	
	SPC/Ikon	Copiers	
	Me State Billing	*Medicaid* Billing	
	Siemans	Building Maintenance	

[Note: The termination dates of all contracts should be included. If any of them are terminable at will – at any time for any reason, that should be indicated.]

The list noted above represents, to the best of our knowledge, all multi-year contracts. Should any have been omitted through oversight, they, too, will be honored.

Jim Morse noted that regarding unions, there are no differences other than the representation of custodians. In MSAD 47 they are represented by the MEA, and in School Union 52 (Winslow) they are represented by the teamsters. Other than that, everybody is represented by the MEA.

Joel Selwood asked if bus drivers were represented by a union.

Jim Morse indicated that bus drivers are not unionized in any of the school units. Gary Smith will be completing the contract dates for School Union 52 towns. It was noted that these are multi-year contracts.

There were no revisions made to Section 7.

Section 8

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.

A. 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;

(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, for example, 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 regional school unit board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the RSU sufficient funds to satisfy its existing financial obligations, then, to the extent permitted by law, the regional school unit board may satisfy those obligations from balances that the 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 regional school unit board may take any action permitted by law so that all of the municipalities of the RSU are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the regional school unit 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 regional school unit board it must raise funds from all its members to satisfy existing financial obligations of an SAU, the regional school unit board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the region's approved budget) to those RSU 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 an SAU be borne by its members and not by the other members of the region.

B. 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 RSU 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 RSU allocable to all of the district's members for the operational year.

1. The undesignated general fund balance as of June 30, 2009 in MSAD 47 that represents summer payroll shall be applied to the unfunded payroll liability. The remaining undesignated fund balance, after funding the payroll liability, will be used to offset the assessment of the former SAD 47 towns for FY10 budget.

2. The undesignated general fund balances as of June 30, 2009 for China, Vassalboro and Winslow shall be applied to each town's unfunded school payroll liabilities. The remaining unfunded payroll liability shall be assessed to those towns over an eight-year period or until such time as the unfunded payroll liability is met.

3. Special revenues and other grant revenues fund balances shall stay with a given school or school system in which they were originally intended until expended (Reference Exhibit 8-B.3).

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.

C. 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.

D. 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.

E. 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.

Connie Packard noted that these are items that would normally be on a balance sheet, such as fee statement of liabilities and local divisions of available balances. This is part of the original template that came out in the statute. Remaining balances are fund balances in all of the accounts. It needs to be insured that there are sufficient balances to take care of all liabilities. The biggest liability is the summer accrual payroll. In MSAD 47 there is a fund balance to cover that. By June 2009 that will have been accrued out. School Union 52 towns do not have sufficient fund balances to cover payrolls. There would be an eight-year plan to fund the summer payroll. All trust funds will also be included, with the description of where monies are located and the amount of the funds. Everything will be identified with amounts. Some might be June 30, 2007 or June 30, 2008, depending on where districts are in the auditing process.

Gary Smith noted that because of the changes at the federal level with respect to Medicaid, and because Medicaid funding is expected to continue through this year, it is expected that fund balances will be higher. This will help jump start getting that summer pay liability fund and will also help with the eight-year transition plan.

Lori Fowle asked if this amount was being taken off the top.

Gary Smith noted that it is, with the funds being assessed directly to those towns.

There were no revisions made to Section 8.

Section 9

9. A Transition Plan That Addresses the Development of a Budget for the First School Year of the Reorganized Unit and Interim Personnel Policies (Revised 6/19/08.)

A. The initial RSU board shall be elected in December 2008 to take office January 2, 2009 in accordance with 20-A M.R.S.A. § 1472-A and shall have the transitional powers and duties provided by 20-A M.R.S.A. § 1461-A. Board members elected shall draw lots to determine the lengths of the initial terms, which shall be for the following periods in addition to the transitional period from December 2008 to November of 2009:

Belgrade: One one-year term; one two-year term.
China: One two-year term; one three-year term.
Oakland: One one-year term; one two-year term; one three-year term.
Rome: One three-year term.
Sidney: One one-year term; one two-year term.
Vassalboro: One one-year term; one three -year term.
Winslow: One one-year term; one two-year term; one three-year term.

All terms after the initial terms shall be for three years as provided by law. The following is an illustration of the initial terms and subsequent three-year terms:

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Belgrade	2						
China	2						
Oakland	3						
Rome	1						
Sidney	2						
Vassalboro	2						
Winslow	3						

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

C. All China, Vassalboro, Winslow, MSAD 47, and SU 52 policies will continue to apply to the schools, employees and students to which they applied prior to the operational date until such time that the regional school unit board adopts uniform policies for the entire RSU.

Jim Morse noted that the transition plan for developing a budget plan calls for election of RSU Board in December and taking office January 2, 2009. The terms of the Board are listed. Personnel policies will continue into the new RSU until the RSU develops policies as required by law. All policies would continue to apply to both employees and students until such time the RSU develops and accepts new policies.

Dennis Keschl noted that current practice is that Board members take office in March and asked if this section would basically nullify that practice.

Jim Morse indicated that this would make it a standard approach across the RSU. Everybody would be elected in November.

There were no revisions made to Section 9.

Section 10

10. Documentation of the Public Meeting or Public Meetings Held to Prepare or Review the Organization Plan.

Minutes of the following public meeting(s) held to prepare or review the reorganization plan are attached as Exhibit 10-A:

Date of Public Meeting	Time	Location
August 22, 2007	5:00 p.m.	MSAD #47 Central Office, Oakland
September 6, 2007	5:00 p.m.	Messalonskee Middle School, Oakland
September 20, 2007	5:00 p.m.	Messalonskee Middle School, Oakland
October 4, 2007	5:00 p.m.	Mid-Maine Technical Center, Waterville
October 18, 2007	5:00 p.m.	Winslow Elementary School, Winslow
November 1, 2007	5:00 p.m.	Messalonskee Middle School, Oakland
November 15, 2007	5:00 p.m.	George J. Mitchell School, Waterville
December 6, 2007	5:00 p.m.	Vassalboro Community School, Vassalboro
February 14, 2008	5:00 p.m.	Belgrade Central School, Belgrade
March 27, 2008	5:00 p.m.	Winslow High School, Winslow
May 1, 2008	5:00 p.m.	Messalonskee High School, Oakland
June 17, 2008	5:00 p.m.	Vassalboro community School, Vassalboro
July 23, 2008	5:00 p.m.	Messalonskee Middle School, Oakland

Copies of minutes of the above-listed meetings will be provided as Exhibit 10-A of the Plan.

There were no revisions made to Section 10.

Section 11

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 RSU fail to approve the plan, the SAUs that approve the plan shall proceed as follows:

A. **School Board Approval** - If one or more of the school boards of the proposed members of the RSU does not agree to submit this plan to the Commissioner for approval, the plan will be revised by the remaining RPC members and resubmitted to the participating SAU school boards for approval by August 29, 2008.

Should an SAU school board reject the plan and request that the remaining RPC members consider specific change(s) to the plan, and if the remaining RPC members are willing to accept the change(s), then the revised Plan will be resubmitted to the SAU school boards for approval by August 29, 2008.

B. **Referendum Results** - If any SAU rejects the plan at referendum, then the remaining SAUs will hold a joint meeting by December 4, 2008 of the school board and RPC members to decide how to proceed in a manner that conforms to the consolidation law. Should the group decide to revise the plan, it will be resubmitted to the voters at referendum on or before January 27, 2009.

Caution: Approval of a RSU when less than 100% of the SAUs approve the plan may affect board composition, cost sharing, available schools and facilities, levels of indebtedness, student population and other aspects of the regional school unit.

Conversely, failure to include such a provision will result in a failure of the plan if it is disapproved by the voters of any school administrative unit within the proposed regional school unit.

Jim Morse noted that the law asks RPCs to address the referendum results. We tried to articulate what would be recommended if one of the school boards decides not to support the plan or if one of the towns does not support the plan.

Regarding school board approval, essentially the plan already exists. If one school board/ committee decides not to approve the plan at the school board level, the remaining members will get language modified, change financial plan accordingly, and get a revised plan back to respective school committees.

Gerry St. Amand asked what would happen if one of the boards/ school committees wanted the opportunity to support the plan but only if a particular change were made.

Jim Morse noted that if it is one issue the school committee/board could have one more bite of the apple before divorcing itself from the process.

Dennis Keschl asked what would happen should school committees/boards have that second bite of the apple and the plan still is rejected.

Jim Morse noted that if it were SAD 47 we would want China, Vassalboro and Winslow to consider the concern. It would be up to those SAUs to indicate whether the concern makes sense and whether the issue may be resolved by bringing it back to the table.

Libby Mitchell noted that she finds it rather intriguing that a school board has veto power before the plan goes to the public. It is not a school board decision now.

Jim Morse noted that the Legislature says that the school board authorizes that the plan be sent to the commissioner.

Libby Mitchell asked if this came from legal counsel or the statute. It certainly seems to be against the spirit. The idea of this whole process was to have discussion. The selectmen here at the table might have some concerns. Maybe that stamp of approval is fine.

Jim Morse noted that whatever is done at the RPC level has to go before the school boards for their blessings.

Dennis Keschl asked if school boards have to approve the plan or just put it out to vote.

Jim Morse noted that school boards might choose not to submit the plan. The result is the board will have to come up with an alternative plan or face financial penalties related to not conforming to the statute.

Lori Fowle suggested that when the plan is being reviewed by school boards that RPC committee members and selectmen are at those meetings so that when questions are asked RPC members representing the towns may answer questions when the plan is voted on.

Jim Morse noted that that is a great idea because having those municipal officials and Committee members at that particular meeting would add credibility.

Lori Fowle noted that, for example, if she were the only one that was at meetings, then it really would be her own opinion. Get as much representation from this Committee at those meetings.

Gary Smith noted that this being an important Committee decision, he asked members of the RPC to look at Section 13-E of the plan. It is the law and what the vote needs to be. It is the governing body of the school administrative unit, as noted in Section 13-E on page 21 of the plan.

Libby Mitchell noted that what Lori Fowle described makes it work. That is why she asked if a school board has veto power. When the school boards are having their deliberations, people should be invited to come in so that they feel part of the process and can express their voices to the school boards.

Jim Morse noted that this group is also representing the school committees, but until this plan is put before the voters or school committees, that will be when the voters indicate whether or not we should go forward. That is where representation stops. The plan has two hurdles: RPC approval tonight and then school board approval.

Dennis Keschl noted that his concern is that people will be forced into making decisions as to whether to accept the plan or not, and there will be consequences.

Lori Fowle noted that if a town were to vote something down for a purpose, and if this condition can be met and it will be approved, then the issues should be settled. In some of these cases if one town were to vote it down, it has a huge impact. If Oakland decides to vote it down, then where is the impact? If Winslow votes it down, then where is the impact? We have to understand it completely before we put it out to voters. There is that chance that some school committees will take the penalties.

Consensus was reached in approving Section A, "School Board Approval".

Jim Morse reviewed Section B, "Referendum Results". School Board and RPC members meet jointly. Timelines become a major factor. The finances will change significantly. The plan is to get leaders from municipal governments to work together regarding the financial relationships. The cost sharing arrangements will look different if one unit does not join. There may need to be one big meeting to determine whether remaining SAUs will go forward without that unit or one new plan to be presented to the voters.

Jim Morse noted that there are 24 different factors related to the financial formula. There are 24 different financial plans that can be developed in these SAUs. Action strategies need to be developed for each one of the 24 factors. That is why the current language speaks as it does. He asked if there was consensus.

Under Section B, "Referendum Results," the word "remaining" was added to the sentence, "If any SAU rejects the plan at referendum, the remaining SAUs will hold a joint meeting by December 4, 2008 of the school board and 'remaining' RPC members to decide how to proceed in a manner that conforms to the consolidation law."

Section 12

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.

We estimate that the formation of the regional school unit will result in the following cost savings during the first three years of operation:

The current SAU budgets for FY09 have been reviewed by the RPC. Savings have been identified in Systems Administration and Special Education that will be achieved by the end of the third year of the RSU operation. These savings approach $244,740. In addition the RPC analyzed MDOE cost centers and have been able to provide a range of costs per SAU for the new RSU board to use as a starting point in creating operation efficiencies. (Reference Exhibit 12.)

Jack Sutton – In reference to Article 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," It's been my understanding at these meetings for the last 12 months that this process was formed by the State in order to find real cost savings in school operation. The RPC has spent a lot of time in how to make a school system work, not much time in cost savings identification. Identifying $244,740 in cost savings is totally inadequate. It is a travesty. Without harming the educational process, what has the RPC been doing for the last 13 months? $244,740 is less than 1% of the total combined budgets. He said he thought the RPC was going to expand upon this by going down the MDOE categories within ranges and costing it out so that the RPC could come up with a framework it could pass to an RSU Board of where real savings are.

Jim Morse noted that that work would be completed as an exhibit to the plan. The RPC has done tremendous work in getting to where it is today.

Jim Morse referred to the spreadsheet of categories and costs per students. The SAUs do try to get a handle on cost per student or cost per mile in other cases. There are significant places where one school unit's cost per student is less than another unit's cost per student. At any given point it could be China, Vassalboro, Winslow, or Messalonskee who has the lowest cost per student or highest cost per student. One of the approaches that will be taken is to direct the RSU Board to investigate why there would be dramatic changes in cost and to see if those efficiencies could be applied to the RSU as a whole.

Gary Smith noted that when looking at special education and per student cost, for example, between Winslow, China, Vassalboro, and Messalonskee, there is a range of about $6,000. What is going on? What happens is China and Vassalboro really pay tuition to an RSU school for about 100 students. There are costs in their budgets approaching $1 million. Winslow has a cost structure that supports 100 more students than it has resident students. $54,757,994 is the total RSU budget. Above and beyond that the bill talks about where operational efficiencies might come.

Jack Sutton noted that this is a big step in the right direction. He indicated that there need to be some numbers that can credibly support the idea that this is a cost savings proposition.

Mike McQuarrie asked if the real $1 million savings is based on students receiving special education services.

Gary Smith indicated that the savings is from regular education and special education students. It is the tuition cost and revenue received. If China and Vassalboro are part of the RSU, they do not have to pay tuition. It is 60 – 65% regular that is not and 35 – 40% special education that is not. The $1 million is looking at numbers from last year. It is not known how many students there will be or what the special education mix will be until the year starts.

Doug Eugley asked if that is money that goes away or if it shifts from revenue.

Gary Smith noted that that tuition would go away. That revenue source will still be there. That revenue that China and Vassalboro raise supports the additional staffing at Winslow for 100 students. So, that expense disappears.

Gerry St. Amand noted that the intent, purpose, drive, focus is to put SAUs on a path where savings can be achieved, mostly in administrative areas. There is a law passed that says SAUs need to do this. Currently, SU 52 and MSAD 47 are operating separately to achieve the same thing. Let's come together. More money will be saved into the future.

Jack Sutton said he thinks the RPC should come up with approximate numbers for each of these categories. How can we operate differently in the future? It's been said that there is a potential of 3%, 5%, 10%, savings in individual categories just through the process of consolidation. There need to be real numbers to take to the people. Mr. Sutton noted that the intent is to do it for the purpose for which the Legislature intended – primarily cost savings.

Doug Eugley noted that the Legislature never addressed the educational process. That $36 million was for the Governor to meet his budget. That was done over 28 calendar days. There are certainly some savings.

Elwood Ellis noted that there would be financial penalties if SAUs don't consolidate.

Dennis Keschl noted that the Legislature and Governor gave a number $36 million. How can we move forward with that lack of daringness to move forward – a 2.5% savings on a $50 million budget? It is not known what the school board will come up with. How can the RPC comfortably and faithfully fulfill the task here of savings at the comfortable level that the RPC is willing to accept?

Bob Moreau indicated that the Board members and committee members have done a fantastic job. Let the taxpayers vote.

Jim Morse that when the Town of Rome was paying tuition to SAD 47, it was actually paying more money than it is now on a per student basis. It changed the funding formula dramatically for the Town of Rome. That will drive costs down by itself in terms of tuition.

Jeff Frost asked if the existing school board would develop a budget for the RSU.

Jim Morse noted that the Board that is elected in December would stand in office from January to June 30th so that the RSU board will develop a budget with input from current school boards. The tenor of this conversation was the governor's agenda, which is cost savings - maintaining educational programming with cost savings. The survival of programs is dependent on our partnerships.

Dennis Keschl noted that there is a focus on savings. To the extent that the RPC can provide some relative value to that amount of savings, the better it will be in getting support from local citizens.

The following statement was added to the end of Section 12. "The overall financial goal of the new RSU using the cost centers in Exhibit 12 is to articulate 3% savings over a three-year period in constant dollars (FY 2009). Benchmarks will be established by the new RSU board. The consolidation of the RPC towns into a single RSU will result in significant tuition savings, currently being paid by China and Vassalboro to the member RPC SAUs. In FY 2009 this approaches $1million in tuition savings."

Section 13

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.

Should China, Vassalboro and Winslow vote to join the RSU the SU 52 Central Office building shall transfer to the RSU by dissolving the inter-local agreement (Exhibit 13 A.). If

any of the SU 52 towns do not join the RSU, the inter-local agreement must be dissolved, and the member towns will meet to determine the disposition of the building (reference the original agreement).

The RPC Educational Programming Subcommittee identified potential educational benefits (Reference Exhibit 13 B.) that the RPC would ask the RSU Board to review and take under advisement.

The RSU will maintain its current relationship with MMTC and make adjustments with the Governance board as needed.

Jim Morse noted that there are three issues in Section 13: (1) the original language, (2) educational programming, and (3) Mid-Maine Technical Center as an important part of the educational programming.

13-A. Plans to Reorganize Administration, Transportation, Building and Maintenance and Special Education.

The plan according to statute must address how the school administrative unit will reorganize administrative functions, duties and non-instructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2008-09 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program.

The RPC strongly recommends that the staffing transitions occur over the first three years of the newly formed RSU in order to assure smooth transitions from current practices, to assure the complex workload can be done accurately, to blend different institutional systems and to avoid unnecessary complications related to the merger of a three town school union and a Maine school administrative district. The RPC recommends that staff reductions occur through attrition, job reassignment, transfers, and voluntary resignations.

SYSTEM ADMINISTRATION (Handbook IIR)			
SU 52 Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
1.0	1.0	Superintendent	1.0
1.0		Asst Superintendent – Business Operations	1.0
	0.2	Asst Superintendent – Education	0.5
2.0	1.2	Totals	
3.2		Combined Totals	2.5
		Business Office	
SU 52 Staffing	MSAD 47 Staffing	Position	New RSU Staffing
0.5	1.0	Finance Manager/Analyst	1.0
1.5	1.0	Payroll	1.0
0.0	0.0	Human Resources	1.0
0.5	1.3	Accounts Payable	1.5
0.5	0.2	Purchasing/Inventory	0.5
0.5	0.2	Bookkeeper/Analyst	0.5
3.5	3.7	Totals	
7.2		Combined Totals	5.5
		Superintendent Support	
SU 52 Staffing	MSAD 47 Staffing	Position	New RSU Staffing
1.0	1.0	Admin Assistant	2.0
0.0	0.5	Secretary	0.5
0.5	0.5	Receptionist	1.0
1.5	2.0	Totals	
3.5		Combined Totals	3.5
SU 52 Staffing	MSAD 47 Staffing	Position	New RSU Staffing
7.0	6.9	Overall Administration Totals	
13.9		Combined Admin Totals	11.5
School Union 52	MSAD 47	Total	Proposed RSU
$363,060 Salaries	$389,448 Salaries	$752,508 Salaries $188,127 Fringe $940,635	$658,498 Salaries $164,625 Fringe $823,123

1. MSAD 47 cut 1.34 positions in 2007-08
   .84 payroll
   .50 secretary
   1.34

$940,635
-$823,123
<$117,512>

2. Based upon current staffing, the RSU Central office will meet this recommended staffing by year 3.

3. This model is based recommended staffing levels from MDOE

4. SU 52 Curriculum Director is noted in instruction, as is 80% of SAD 47 Assistant Superintendent.

The Regional Planning Committee recommends one central office administrative model noted above which denotes a savings of $117,512 from current practice of two separate central offices, one in Winslow and the other in Oakland. As staff retire and contracts expire, central office functions such as payroll, accounts payable, finance management, and federal grant oversight can be managed by one office. In addition, the office of the superintendent can be reduced to one from two. Overall district functions can be managed from one superintendent's office. The range in costs of the current arrangement is approximately $176 to $300 per student, with the RSU average being $254 per student. The RPC encourages the RSU to investigate what contributes to that range and to look for cost efficiencies that can be implemented without impacting the overall quality of services to the system and towns or educational programming. The RPC feels that the recommended administrative structure will not adversely affect the educational/instructional programming.

Transportation

The new Regional School Unit will use routing software provided by the Maine Department of Education or one adopted by the RSU to create more cost effective and efficient bus routes. One of the districts forming the RSU already uses routing software and can attest to the numerous benefits, both financial and non-financial.

Utilization of routing software in the towns of China, Vassalboro and Winslow should result in the reduction of miles driven by eliminating overlapping routes, the use of buses across town lines, and shorter ride times for students. The software also provides critical information to the drivers.

Moving from a school union configuration to a regionalized administrative model will create inherent time efficiencies. In addition to the potential financial savings the software addresses student safety. Bus drivers have accurate, up-to-date students lists that can be used in emergency situations such as collisions. They also have critical medical information such as allergy information.

Additional savings can be attributed to regional maintenance service already performed for the City of Waterville bus fleet and the bulk purchase of fuel, relative to retail pricing. The RPC encourages the RSU to investigate the creation of a fuel depot somewhere between China and Vassalboro to avoid paying retail pricing for fuel. The fuel depots in Winslow and Vassalboro will continue to provide service to RSU buses.

The current transportation costs range from $ 428 to $635, with an average cost of $550. The RPC encourages the RSU to investigate this range carefully to determine if there are any efficiencies that can be applied to the new RSU. The recommended transportation changes will not adversely affect the educational/instructional programming.

Special Education

Special Education (Handbook IIR)			
SU 52 Staffing	**MSAD 47 Staffing**	**Position**	**New RSU Staffing**
2.5	**1.0**	**Director**	**1.0**
0.0	**0.5**	**Assistant Director**	**1.5**
0.0	**1.0**	**Admin Assistant**	**1.0**
2.8	**0.8**	**Secretary**	**2.5**
5.3	**3.3**	**Totals**	**6.0**
8.6		**Combined Totals**	**6.0**
SU 52	**MSAD 47**		
$209,800	**$167,751**	**Salaries**	**$275,929**
$52,450	**$41938**	**Fringe Benefits (25% of salaries)**	**$68,982**
$262450	**$209689**	**Totals**	**$344,911**
$472,139		**Combined Totals**	**$344,911**
		Savings	**($127,228)**

The RPC recommends a three-year transition from the current administrative structure to the proposed structure to assure a smooth transition. Once the transition time has elapsed the projections show a reduction in administrative costs of $127,228. The RPC also recommends that the RSU Administration do a complete analysis of each SAU's current programming and staffing to determine the most cost efficient means to deliver services when such efficiencies do not compromise student programming. The current cost of providing service in the School administrative units range from an approximate low of $ 5,851 to a high of $ 12,856, with a RSU average $8,603. The Winslow Special Education cost may be artificially high, as it should be offset by the tuition revenue received by China and Vassalboro. It is expected that the above analysis will identify efficiencies. The RSU board should work to make sure that the recommended changes would not adversely affect the educational/instructional programming.

Maintenance

The SAUs involved in this consolidation effort are noted for the excellent condition of their buildings. An analysis of current practices and procedures should be conducted to determine potential cost savings. Viewing the buildings from a single RSU lens, rather than as separate school units, will lead the RSU toward consistency in administration, custodial and maintenance staffing, professional development, contracted services and the purchase of supplies. Costs associated with building and grounds maintenance need to be analyzed by the new RSU.

The current costs in the SAUs forming the new RSU range from $892 to $1,425, with an RSU average of $1,268. The RSU board should work to assure that the recommended changes will not adversely affect the educational/instructional programming.

Jim Morse noted that the four sections listed in Section 13-A: administration, transportation, building and maintenance, and special education are from the law. There is a federal obligation to provide special education programming. System administration cuts/ savings total $117,512. Dr. Morse noted that MSAD 47 already cut 1.5 positions for this current school year. The savings listed in this section will be accomplished by year 3. This is based on the MDOE model. Dr. Morse indicated that the total number of personnel is based on current structure and the recommended model. There are fewer staff members in the recommended state model total. Staffing needs are based on what the state says the SAU should have.

Regarding transportation SAD 47 uses routing software. As a result, each year the District has been able to reduce one bus route, a savings of $30,000 in terms of fuel, drivers, etc. If the software is uses across the RSU, the RSU can continue to reduce the number of miles driven by the bus fleet to achieve savings. The software also provides efficiency in the safety of students. The bus drivers have on the bus critical medical information regarding their students. Regarding bus maintenance, SAD 47 contracts with Waterville, and that brings in revenue.

Special Education administrative costs will achieve an initial savings of $127,228 with a reduction in staff. The goal is not to impact students. IEPs, PETs, contracted services - all of those are critical in special education. There needs to be a transition process that allows those systems to merge harmoniously so that students' programs are not jeopardized.

Regarding maintenance, there are very few administrative costs associated with maintenance costs in any of the systems. In order to achieve savings in maintenance, things need to be viewed from a system's perspective - lighting efficiency, purchase of supplies, etc. Those are the places where there will be savings in maintenance. Costs will need to be analyzed in order to create efficiency.

There were no revisions to Section 13-A.

13-B. Cost Sharing in Regional School Units (Revised 6/19/08)

The regional school unit may raise money, in addition to the required local contribution pursuant to Title 20-A, Section 15690, subsection 1 for educational purposes. The additional local costs of operating the regional school unit shall be shared among all the municipalities within the regional school unit. This local cost sharing formula applies only to the amount, if any, of additional local funds raised by the regional school unit. It does not apply to the required local contributions raised by each municipality pursuant to 20-A M.R.S.A. § 15688.

For the first three operational years of the RSU (FY 2010, FY 2011 and FY 2012) each member municipality shall be responsible for its FY 2009 percentage share of the combined

RSU towns additional local funds (hereinafter referred to as "Allocation Percentage") as follows:

Town	FY09 ALF $ Cost Sharing	%
China	$888,897	14.4%
Vassalboro	$698,344	11.3%
Winslow	$1,812,456	29.4%
Belgrade	$1,009,825	16.4%
Oakland	$702,065	11.4%
Rome	$472,561	7.7%
Sidney	$580,677	9.4%
Total	$6,164,825	100%

The intent of this Plan is to have the additional local funds shared fairly and equitably among the RSU's member municipalities.

The RSU member municipalities shall meet by July 2011 to determine the cost sharing formula for FY13 and beyond in accordance with the following procedure. The cost sharing formula may incorporate any factor or combination of factors permitted by law in addition to or in lieu of fiscal capacity and resident pupils.

Procedure for Determining Cost-Sharing Formula Effective FY 2013

A. The member municipalities must convene a meeting by July 2011 to develop a cost sharing formula for additional local funds. Each member municipality must be represented at the meeting or meetings by 2 representatives chosen at large by its municipal officers, and one member of the regional school unit board representing each member community.

B. Prior to the first meeting of municipal representatives the RSU shall engage the services of a facilitator selected from the list, if any, maintained by the commissioner. The facilitator shall:

(1) at the first meeting, review and present data and information pertaining to sharing of costs within the region. Pertinent information may include, but is not limited to, a description of the region'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 region.

(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. The cost-sharing method must be approved by a majority vote of the municipal representatives present and voting.

D. If a cost-sharing method is approved by a majority of the municipal representatives meeting pursuant to paragraph A, the method must be submitted to the voters at a referendum election. It becomes effective when approved by a majority vote of the RSU in a referendum called and held for this purpose in accordance with sections 1501-1504 of Title 20-A, except that, if the proposed cost-sharing plan is based in whole or part on factors other than fiscal capacity or pupil count, the change must be approved by a majority of voters voting in each municipality in the region.

E. If approved at referendum, assessments made by the regional school unit 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 determine its method of sharing costs. The state board shall issue an amended certificate of organization showing this new method of sharing costs.

In the event that no cost sharing formula has been approved by the voters by January 31, 2012 in accordance with the procedure described above then the following cost sharing agreement will become effective starting in Fiscal Year 2013: In FY 2013 additional local funds will be allocated as follows: 67% based upon the 2008-09 Allocation Percentage and 33% based upon 75% state valuation and 25% student count. In FY 2014, 33% based upon the 2008-09 Allocation Percentage and 67% based upon 75% state valuation and 25% student count. In FY 2015 it will be 75% state valuation and 25% student count. The formula for FY 2015shall remain in effect thereafter until amended as provided below.

The cost sharing formula shall be reviewed in FY 2017 and every five years thereafter to assure equity and fairness to all member communities. The method of amending the cost sharing formula is as follows:

A. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the regional school unit, or if approved by a majority of the full regional school unit board, the regional school unit board 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 2 representatives chosen at large by its municipal officers, and one member of the regional school unit board representing each member community.

Prior to the first meeting of municipal representatives the RSU shall engage the services of a facilitator selected from the list, if any, maintained by the commissioner. The facilitator shall:

(1) at the first meeting, review and present data and information pertaining to sharing of costs within the region. Pertinent information may include, but is not limited to, a description of the region'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 region.

(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.

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 referendum election. It becomes effective when approved by a majority vote of the RSU in a referendum called and held for this purpose in accordance with sections 1501-1504 of Title 20-A, except that, if the proposed change in cost-sharing plan is based in whole or part on factors other than fiscal capacity or pupil count, the change must be approved by a majority of voters voting in each municipality in the region.

E. If approved at referendum, assessments made by the regional school unit 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.

Non-State Funded Local Only Debt

In 2008-09 total local only debt outstanding is $931,339 for MSAD 47 and $5,805,000 for Winslow, with a combined $515,961 annual debt payment. In order to buffer the transition cost shifting the RPC recommends one of the following options. This local only debt is specific to the renovation cost of Winslow High School and the Messalonskee Middle School construction. (Reference Exhibit 13 B.1 for the debt schedule.)

CHOOSE ONE

1. Each SAU will assume its own local only debt for the life of the bonds.

2. The RSU will assume each SAU's local only debt. Winslow will assume 25% of $515,961, and all other members will assume an equal share of the remaining portion for the life of the bonds.

3. The RSU will assume each SAU's local only debt. Winslow will assume 50% of $515,961, and all other members will assume an equal share of the remaining portion for the life of the bonds.

Any local only debt incurred after July 1,2009 will be assumed utilizing the adopted additional local funds cost sharing formula.

Gary Smith noted that as a result of using the financial model and looking at factorial scenarios, the FY 2009 amount of additional local funds for which a cost sharing formula could be developed is $6.2 million. The $6.2 million was allocated by valuation, student count, median income, etc. The model that arose is a six-year transition plan with the notion of treating the first three years somewhat the same and then in years 4, 5, and 6 transition to the cost-sharing model. The current year's FY 2009 additional local funds were used by town as a percent for each town for the first three years of the RSU. This is critical because it holds communities where they were as of the start of this point and gets the RSU through the biggest change period in the RSU. See Table 4, page 16.

Doug Eugley asked if the three-year phase-in would tie in with three-year phase out.

Gary Smith noted that the first three years would hold constant. Then member municipalities will meet by July 2011 to determine the cost sharing formula for FY 2013 and beyond in accordance with this procedure.

In the event that no cost sharing formula has been approved by the voters by January 31, 2012, then we will begin a process of a three-year transition for the next three fiscal years, moving to a 75% valuation and 25% student count allocation of those additional local funds. This also includes periodic revenue. The cost sharing formula shall be reviewed in FY 2017 and every five years thereafter to assure equity and fairness to all member communities.

Jim Morse noted that this provides the option for the voters petitioning to have cost sharing formula review – a fair and equitable formula.

Gary Smith noted that these processes could be very complicated to manage. The plan requires that member municipalities engage a facilitator to help with that.

The outstanding portion of non-state funded local only debt for MSAD 47 is $931,339, and for Winslow it is $5,805,000, for a combined annual debt payment of $515,961 for this fiscal year.

There are three options in terms of local only debt and what to include in the plan: (1) no local debt sharing; (2) local debt shared among member communities, with 25% assessed to Winslow and all other members assuming an equal share of the remaining portion for the life of the bonds; and (3) local debt shared among member communities, with 50% assessed to Winslow and all other members assuming an equal share of the remaining portion for the life of the bonds.

Joel Selwood said that no debt sharing is not a viable option.

Jim Morse noted that the person who was representing Winslow indicated that that needed to be an option.

Dennis Keschl noted that there are no significant benefits to be seen for Belgrade. Belgrade built a high school, and Belgrade paid for it. Winslow built a high school, and Winslow is paying for it. He asked if additional local debt could be kept local.

Joel Selwood noted that Districts have enjoyed the benefits of what they have put into the buildings through reduced maintenance. Based upon the information we have gained in efficiencies and what we have done with performance contracting with buildings in China and Vassalboro, all of these kinds of improvements are built into those high school projects. The RSU will enjoy the benefits in its operating budget through maintenance of that building (Winslow High School). There is a percent of which there is some equity. All these things will realize significant savings – heating, power, etc. The RSU will recognize benefits and member municipalities will get a portion of it. What is the percent of what is equitable and what the RSU will gain from that? Given that there will be three years on additional local funds with, 29% in Winslow, the RSU will probably find some savings. Winslow will still be 29%.

Doug Eugley noted that any of those 29% savings would go to Winslow.

Lori Fowle noted that if there were $1 million in savings, Winslow would get 29% of those savings.

Break: 7:08 p.m. – 7:32 p.m.

It was decided that votes taken this evening would be taken by administrative unit, as originally established by the RPC.

Ralph Farnham, Jr., made a motion, and Dennis Keschl seconded, that the RPC accept Option 1 in terms of debt sharing, with each SAU assuming its own local only debt for the life of the bonds. Winslow voted no; Vassalboro voted no, China voted no, and MSAD 47 voted no. Motion failed unanimously.

Gerry St. Amand made a motion that the RPC accept Option 2 in terms of debt sharing, with the RSU assuming each SAU's local only debt. Winslow will assume 25% of $515,961, and all other members will assume an equal share of the remaining portion for the life of the bonds. Motion failed for lack of a second.

Larry Brown made a motion, and Jeff Frost seconded, that the RPC accept Option 3 in terms of debt sharing, with the RSU assuming each SAU's local only debt. Winslow will assume 50% of $515,961, and all other members will assume an equal share of the remaining portion for the life of the bonds. Winslow voted yes, Vassalboro voted yes, China voted yes, and MSAD 47 voted. Motion carried unanimously.

13-C. Tuition Contracts and School Choice. (Revised 6/19/08)

1. Tuition Contracts

Not applicable – there are no tuition contracts.

2. School Choice

Secondary students residing in China or Vassalboro with a parent or guardian with legal custody shall continue to have school choice as follows:

SAU	Description
China	All students 9-12 may choose to attend any secondary school approved for tuition purposes. The RSU will pay tuition up to the RSU's secondary tuition rate.
Vassalboro	All students 9-12 may choose to attend any secondary school approved for tuition purposes. The RSU will pay tuition up to the RSU's secondary tuition rate.

The RSU will act as the financial agent for China and Vassalboro for purposes of paying tuition to any approved public or private secondary school. Should the tuition rate for a school that is not operated by the RSU exceed the RSU secondary tuition rate, the excess amount shall be assessed to the municipality in which the student resides with his/her parent or guardian with legal custody.

In the event that the state does not continue reimbursement for insured value, China and Vassalboro will assume financial responsibility directly to any school(s) of choice that include an insured value factor in their tuition rate.

The RSU agrees to provide transportation for secondary students residing with their parents or guardians with legal custody in China or Vassalboro to Erskine Academy, with the cost shared utilizing the MDOE cost sharing formula.

Should circumstances change related to decreased student enrollment, state law, or other unforeseen circumstance the RSU Board may review and change school choice arrangements and/or the transportation policy if permitted by State law.

This busing agreement will be reviewed at the same time the RSU cost sharing formula is reviewed.

Mr. Riordan noted that choice would continue as is, with the potential for differences for tuition rates that may be charged.

Jim Morse noted that choice was an issue addressed earlier on. This keeps the status quo in place for China and Vassalboro.

Joe Selwood asked what is being built into the plan regarding bussing for secondary students. What if bussing goes away for a town? Does this protect China and Vassalboro?

Jim Morse indicated that if transportation policies change, then the board would be able to adjust practices accordingly.

There were no revisions to Section 13-C of the plan.

13-D. Claims and Insurance (See Exhibit 13 D.)

Insurance coverage shall continue uninterrupted from the SAUs to the RSU.

Connie Packard noted that there would be no lapse in coverage. A bridge policy may be obtained for schools that are not covered by MSMA. The coverage for SAD 47 is would continue with MSMA. SU 52 would continue with MSMA. It would have to be insured that there is continuing coverage until the insurance piece go out to bid. A listing of insurance coverage and claims will be attached as an exhibit to the plan.

There were no revisions to Section 13-Dof the Plan.

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

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

Vote to be Adopted by [School Committee/Board] to Submit Reorganization Plan to Commissioner:

VOTED: That the provisions included in the school reorganization plan prepared by the SU 52 and MSAD 47 Reorganization Planning Committee to reorganize into a regional school unit with an operational date of July 1, 2009, are determined to be necessary within the meaning of Section XXXX-36(5)(M), and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to the Commissioner of Education on behalf of this school administrative unit by December 1, 2008.

Note: Adoption of this vote does not necessarily mean that the governing body of the school administrative unit endorses the school reorganization plan. This vote is required in order for the school reorganization plan to include "such other matters as the governing bodies . . .

determine to be necessary" under Section XXXX-36(5)(M) of the school reorganization law and in order for the plan to be submitted to the Commissioner of Education by the school administrative unit as required by Section XXXX-36(4).

Jim Morse noted that the above-listed motion would need to be adopted by each respective school committee/ board prior to being presented to the voters and the Commissioner.

There were no revisions to Section 13-E of the Plan.

13-F. Section for RSUs with fewer than 2,500 students

Not Applicable

13-G. Collaborative Agreements

Collaborative agreements are agreements to share the responsibility for and cost of the delivery of certain administrative, instructional and non-instructional functions. "Collaborative agreements" include, but are not limited to:

A. Shared purchasing or contract agreements: Kennebec Alliance

B. Agreements for shared staff or staff training: Kennebec Alliance

C. Agreements to share technology or technology support: none

D. Agreements to provide special education programs and support services: Kennebec Alliance

E. Agreements to share accounting, payroll and financial management services: none

F. Agreements to coordinate transportation routing and vehicle maintenance: Waterville & MSAD 47

G. Agreements to share food service planning and purchasing; and Waterville & MSAD 47

H. Agreements to coordinate energy and facilities management: none

I. Adult Education: Winslow, Waterville & MSAD 47

A school administrative unit may enter into collaborative agreements with other school administrative units and, whenever possible, with local and county governments and State Government, to achieve efficiencies and reduce costs in the delivery of administrative, instructional and non-instructional functions.

A collaborative agreement between two or more previous education units may remain in effect after July 1, 2008. Notwithstanding any other provision of law to the contrary, collaborative agreements in existence on the effective date of this section may be extended or modified by the parties to the collaborative agreement.

Jim Morse noted that Skowhegan and Fairfield are included in the Kennebec Alliance. In some cases there are significant cost savings.

There were no revisions to Section 13-G of the Plan.

Jack Sutton noted that taking this part of the plan and going through categories looking at units of dollars that collectively are spent now and looking at range of costs per pupil, he thinks that people can make reasonable educated guesses about what percent of change is reasonable, and he would like to see that done. It can be called a goal or target. There should be add backs that are significant. He suggested a figure of close to $4 million, which would be a big help in selling this plan or explaining to people it can go forward at least with perceived cost savings.

Melanie Jewell asked where the $4 million in savings would be.

Hugh Riordan noted what SU 52 went through with Winslow, China and Vassalboro last year in trying to get budgets to people to a point where they would support them. $4 million would greatly impact positions and programming.

Jack Sutton noted that it would not if there is significant overlap.

Dennis Keschl indicated that he wants people with experience to be making these decisions.

Hugh Riordan noted that in China and Vassalboro it was right to the bone. Next time, a program will be affected.

Dennis Keschl noted that schools need to be viewed as to how they exist now. That is where the discussion has to take place. Therein some of the overlap can be removed.

Jack Sutton said he is not proposing these numbers; he is talking about methodology. It is intended to provide something to shoot at. It would be a tremendous tool.

Connie Packard noted that there would be more savings because what was identified was administration. Within support, there may be more savings.

Nora Murray noted that the law states that there should not be any adverse educational impact.

Dennis Keschl noted that the RPC has talked about efficiencies as a result of consolidation. The intent was to focus on administrative savings. It is recognized that consolidation would produce efficiencies. The approach gives us something we can speak to in terms of savings as targets and

goals. There is a process in place where experts can grab on to and maybe come up with anticipated savings. It all depends on what the RSU board does.

Lori Fowle noted that it needs to be kept in mind that when moving forward and building this current budget that $36 million has already been cut. This town has already done the cutting in terms of moving forward. It happened this year. That is what needs to be remembered also. The law says SAUs need to consolidate. The $36 million was already in the current budget. The current budgets reflect the cuts that municipalities had to make to absorb their share of the $36 million.

Dennis Keschl noted that taxes were raised and cuts were made, but SAUs did not save $36 million across the state. $36 million was what the state saw as revenues through property taxes and cuts.

Jim Morse noted that towns raised taxes because of fewer state dollars. The overall goal of the new RUS using the cost centers in Exhibit 12 will be to establish cost efficiencies based on those cost center and to articulate percent savings over a three-year period based upon 2008-09 numbers. So there is a fixed cost, and there is an established goal. That guides the RSU, takes Jack Sutton's vision, but still leaves the work of articulating savings to the RSU school board.

Jeff Frost stated that the goal of what Jack Sutton is talking about is efficiency. The goal is to create a climate of efficiency and continue to review each undertaking that the RPC articulated.

Libby Mitchell noted that the SAUs are receiving districts from the state. That 55% that the state promised - we are almost there. We will be facing fuel crisis, and we will be facing less money from the state. List things, but be very careful. SAUS are now feeling betrayed by state promises. This is a cause of efficiency minded people. Be very careful about over promising.

Joel Selwood referred to Section 7 relating to individual contracts. He suggested that after the respective school committees in each town accept the plan that they are not in any contract extensions or increases beyond what would be transferred to the new RSU.

Gary Smith noted that the whole central office of SU 52 would be December until July 1. That is typically when contracts are established.

Lori Fowle stated that she believed the only contract protected in moving forward with consolidation was that of the superintendent.

Jim Morse noted that anybody in central office with a multiple-year contract, those contracts have to be renewed. Both Central Offices have the same equity going through the RSU. In SAD 47 administrators have a three-year contract. The Superintendent has a five-year contract, but let two years lapse. As a result the Superintendent has a three-year contract.

Libby Mitchell asked how a reduction in system administration would be accomplished if existing school boards are forced to deal with this issue.

Jim Morse noted that reductions in administration would be absorbed through retirements.

Joel Selwood made a motion, and Jack Sutton seconded, to add language to the proposal to restrict school committees who approve this proposal to be sent to the Commissioner and then to referendum that they agree not to extend these individual employment contracts for the duration or for the time of the approval of this agreement by their boards through the time of the formation of the RSU. SAD 47 voted no, Winslow voted no, Vassalboro voted no, and China voted no. Motion failed unanimously.

Joel Selwood noted that the additional local funds for Winslow is 29%. If state changes EPS over the next three years, this would be unfavorable for Winslow.

Gary Smith noted that there will be efficiencies and the 29% will be a smaller number. Winslow would also receive 29% of the savings.

Joel Selwood made a motion that if EPS funding changes during the three-year period that the cost sharing formula is subject to change. As there was no second, the motion failed.

Joel Selwood noted that it has not been discussed what this will mean educationally.

Jim Morse noted that that is listed in Exhibit 13B, potential educational benefits, completed by the Educational Programming Subcommittee.

Dennis Keschl made a motion and Gerry St. Amand seconded, to bring the plan as presented to each respective school board. Vassalboro voted yes, Winslow voted yes, China voted yes, and SAD 47 voted yes. Motion carried unanimously.

Doug Eugley made a motion, and Larry Brown seconded, to approve the minutes of June 17, 2008 meeting as printed. Motion carried unanimously.

Charley Clark made a motion, and Gerry St. Amand seconded, that the meeting be adjourned. Motion carried unanimously. Time: 8:43 p.m.

Exhibit 12

Range of Costs per SAU for the New RSU Board to Use As a Starting Point in Creating Operation Efficiencies

FY 08-09 BUDGETS OF CHINA & SAD 47

CATEGORIES	CHINA	MSAD47	RSU TOTALS			
Regular Instruction	TOTALS	TOTALS	ELEM	SEC	CC-90	TOTAL
TOTAL:	$4,467,930	$10,925,170	$9,177,270	$6,215,830	$0	$15,393,100
2007 students (ED279)	800.5	2568				3,369
per student costs	$5581	$4254				$4,570
Special Education Instruction						
TOTAL:	$1,103,057	$2,164,687	$2,070,115	$476,589	$721,040	$3,267,744
Dec. 1, 2007 sped. Ed students	111	370				481
per student costs	$9937	$5851				$6,794
CTE Instruction						
TOTAL:	$99,900	$281,304	$0	$381,204	$0	$381,204
Other Instruction						
TOTAL:	$82,377	$616,798	$202,265	$496,910	$0	$699,175
Student & Staff Support						
TOTAL:	$327,458	$2,716,474	$1,568,860	$801,767	$673,305	$3,043,932
System Administration						
TOTAL:	$149,961	$770,784	$0	$0	$920,745	$920,745
2007 students (ED279)	800.5	2568				3,369
per student costs	$187	$300				$273
School Administration						
TOTAL:	$0 $276,979	$0 $1,373,771	$1,207,527	$443,223	$0	$1,650,750
2007 students (ED279)	499	2568				3,067
per student costs	$555	$535				$538
Transportation & Buses						
TOTAL:	$508,132	$1,547,373	$0	$0	$2,055,505	$2,055,505
2007 students (ED279)	800.5	2568				3,369
per student costs	$635	$603				$610
District size (KVCOG) sq miles	54	186				240
Cost per sq mile	$9,410	$9,919				$9,788
Facilities Maintenance						$0
TOTAL:	$546,309	$3,658,740	$2,681,128	$866,872	$657,049	$4,205,049
2007 students (ED279)	499	2568				3,067
per student costs	$1,095	$1425				$1,371
sq ft/custodian	20944	20852				20349
Debt Service						
TOTAL:	$195,467	$1,570,100	$195,467	$0	$1,570,100	$1,765,567
All Other Expenditures						
TOTAL:	$18,496	$0	$18,496	$0	$0	$18,496
GRAND TOTALS	$7,776,066	$25,625,201	$17,121,128	$9,682,395	$6,597,744	$33,401,267

Exhibit 13A

SU 52 Inter-local Agreement

Exhibit 13A – School Union 52 – Interlocal Agreement

INTERLOCAL AGREEMENT
(School Union 52 Superintendent's Office)

This AGREEMENT is being made and entered into between the TOWNS OF WINSLOW, VASSALBORO and CHINA, in the County of Kennebec, hereinafter collectively referred to as the "Participating Entities", all being duly organized municipal corporations under the applicable laws of the State of Maine.

NOW THEREFORE: It is hereby mutually agreed by and between the undersigned Participating Entities as follows:

1. That the purpose of this AGREEMENT is to provide for the construction and operation of a building necessary for the School Union 52 Superintendent's Office (hereinafter defined as "The Project"), and to establish and to carry out the operation and expenses of the School Union 52 Superintendent's Office.

2. That this AGREEMENT shall remain in full force and effect until January 1, 2099, and may be extended by mutual agreement of the Participating Entities, the parties hereto, evidenced by a duly executed instrument in writing attached hereto; except that this AGREEMENT may be sooner terminated by withdrawal of all the remaining parties or by dissolution.

3. That the Town of Winslow shall not assess the Union 52 Superintendent's Office as if it was taxable real and personal property in the Town of Winslow.

4. That the Participating Entities shall contribute for the construction of the Union 52 Superintendent's Office as capital ("Capital") the sum of $150,000 as follows:

Winslow School Committee	$87,750
China School Committee	$32,700
Vassalboro School Committee	$29,550

The Capital Ratio is as follows:

Town of Winslow	58.5 %
Town of China	21.8 %
Town of Vassalboro	19.7 %

5. The Superintendent of Schools for School Union 52, on behalf of the Participating Entities may exercise, on behalf of the Participating Entities, those powers as are hereinafter set forth which are necessary or convenient to their accomplishment of the purposes stated herein and which are permitted by law to be exercised by the

Participating Entities, individually or jointly. Such delegated powers shall be undertaken in consultation with the Participating Entities and are as follows:

A. To maintain and operate any and all real and personal property or any interest therein all as may be necessary or convenient for the purposes stated therein. Ownership of any right, title or interest therein shall be held jointly as tenants in common by the Participating Entities.

B. To allocate all costs of operation of The Project to the Participating Entities on the basis of the percentage as determined at the annual December School Union meeting, such percentage to be determined on the basis of the percentage of certified personnel which each school system within a Participating Entity has in relation to the total certified personnel in the School Union. Such annual operating expenses shall also include unfunded capital outlay, if any, insurance, taxes, rentals, and necessary reserves of contingencies as determined by the Superintendent of Schools.

6. The Superintendent of Schools for School Union 52 , on behalf of the Participating Entities, shall:

A. Plan, construct, equip, operate and maintain the Project for the benefit of the Participating Entities, parties hereto, or residents thereof.

B. On or before the annual December School Union Meeting each year, prepare and submit to the Participating Entities an itemized estimate of the expenditures and the anticipated revenues, if any, for the following fiscal Year, which shall be from July 1st through June 30th of the each year. Such estimates shall include the following:

(1) Anticipated revenue. An itemized estimate of anticipated revenues, if any, during the ensuring fiscal year from each source;

(2) Estimate of expenditures. An itemized estimate of expenditures both operational and capital for each classification for such ensuing fiscal year;

(3) Actual receipts. After the first year of operation, an itemized statement of all actual receipts, if any, from all sources to and including June 30th of the previous fiscal year, with estimated receipts from such sources shown for the balance of such year.

(4) Actual expenditures. After the first year of operation, an itemized statement of all actual expenditures to and including June 30th of the previous fiscal year, with estimated expenditures shown for the balance of such year.

7. In the event that any expenditure is required to be made, financed or refinanced, the Superintendent of Schools shall consult with and request the Participating Entities to provide the funds for the expenditure. If the Participating Entities are requested to provide the funds, the Superintendent of Schools shall notify the Participating Entities of the necessity to fund the expenditure. In its notice to the Participating Entities, the Superintendent of Schools shall describe the project for which the expenditure or debt service deficiency payment is required, the estimated cost thereof, the term over which the cost shall be funded or the term of any debt service on which payment is sought hereunder, the proportionate share of the estimated cost or debt service deficiency to be contributed by each Participating Entity requested to provide such funds, and the date or dates upon which such funds are to be made available to the Superintendent of Schools. Such funds may be provided by each Participating Entity in such manner as it shall determine, from available revenue funds, by taxation, by borrowing, or otherwise. Each Participating Entity shall promptly take such action as soon as such funds are available.

The funds so provided by the requested Participating Entities shall be used by the Superintendent of Schools only for the purposes for which the request was made. Any surplus funds not so used shall be returned to the Participating Entities in the same proportion in which such municipalities originally contributed such funds.

The proportionate share of the expenditure to be contributed by each Participating Entity so requested shall be determined by the Superintendent of Schools on the basis of the percentage of certified personnel which each school system within a Participating Entity has in relation to the total certified personnel in the School Union.

8. The Superintendent of Schools shall insure against claims and expenses arising out of its ownership, maintenance or operation of the Project. Such insurance shall name each Participating Entity as an additional insured as its interest may appear.

9. A Participating Entity may withdraw from this AGREEMENT at the end of the fiscal year of School Union 52 provided that it has given the Superintendent of Schools at least one (1) year's written notice of its intention to do so. Such Participating Entity shall be permitted to withdraw only if it pays its proportionate share of the current indebtedness of the Project prior to withdrawal and agrees by appropriate written document to pay its proportionate share of any long-term indebtedness of the Project as such indebtedness becomes due and payable; and shall convey to the other Participating Entities all its right, title or interest in property owned under this Agreement or held jointly by two or more Participating Entities and used by the Superintendent of Schools to insure unfettered use for the purposes stated herein by the remaining participants; provided, however, during the period of notice, such withdrawing municipality shall not become liable for any capital

expenditures or borrowings which may be made by the Superintendent of Schools and further provided, the withdrawal of any Participating Entity from this AGREEMENT pursuant to this Section shall not relieve the withdrawing municipality from liabilities incurred by the Superintendent of Schools during its membership. In the event that a withdrawing party has a proportionate share of equity in the Project at the time of withdrawal, the withdrawing participating Entity shall receive its share of any equity in real property purchases, financed or constructed under this Agreement. From the effective date of withdrawal forward, the remaining Participating Entities shall share in costs and expenses on the basis of the percentage of certified personnel which each school system within a remaining Participating Entity has in relation to the total certified personnel in the School Union (not taking into account the certified personnel of any withdrawing entity).

10. At such time as the Superintendent of Schools shall have discharged all of its obligations and paid or provided for the payment thereof, the Participating Entities may, dissolve this AGREEMENT and dispose of all joint property and property, real and personal, in such manner as the Participating Entities shall authorize and direct. All money, if any, remaining in the hands of the Superintendent of Schools, shall be paid to the Participating Entities as of the date of such dissolution in accordance with the formula then in effect for the cost sharing of capital contributions.

11. This AGREEMENT may be further modified or amended by mutual agreement of all Participating Entities, parties hereto, evidence by a duly executed instrument in writing attached hereto and approved, if necessary, by the Commissioner of Education of the State of Maine as its successor agency.

IN WITNESS WHEREOF, the said Participating Entities have caused this AGREEMENT to be executed on their behalf by their respective duly authorized representatives, and to be dated _____, 2000.

WITNESS:

CHINA BOARD OF SELECTMEN

_____ _____

_____ _____

_____ _____

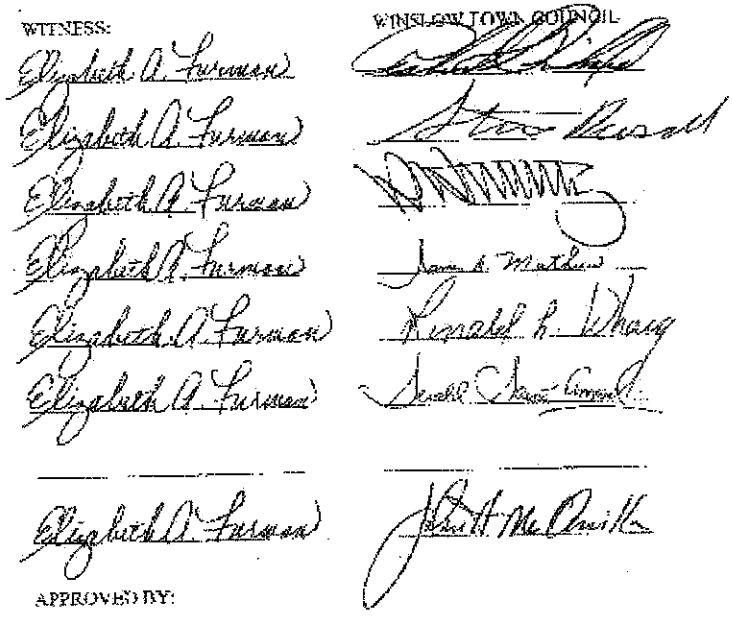
_____ _____

_____ _____

WITNESS: VASSALBORO BOARD OF SELECTMEN

WITNESS:	VASSALBORO BOARD OF SELECTMEN
Gary L. Brown to ALL	Kenneth H. Mitchell
	Donald V. Brito
	Robert Browne

5



WITNESS:

WINSLOW TOWN COUNCIL

Exhibit 13B

Potential Educational Benefits

REGIONAL SCHOOL DISTRICT VISION STATEMENT
Belgrade, China, Oakland, Rome, Sidney, Vassalboro

Collaboration, flexibility and adaptation is the foundation in structuring our schools around pathways that place the highest value on education, assure quality instruction to students of all ages, give strong academic, technical and professional support, assure efficient use of all resources, and retain the intrinsic advantages that come from teaching and learning in small schools and classes. To that end, we have established at the secondary level an integrated system of specialized academies that are fully engaged with our communities in providing personalized year-round learning opportunities focused on the needs and aspirations of every student.

Our schools, therefore:

- Focus, at all levels, on a rigorous and relevant core curriculum augmented at the secondary level by elective courses centered on career-orientated clusters.
- Engage each student in the creation of a personal learning plan that is revisited and revised at least once each year and designed to prepare students for their post-secondary future and life as a productive citizen.
- Flexible, year-round scheduling of classes, programs, and services allows students to access multiple learning experiences that accommodate their individual learning styles and educational needs.
- Prepare students for lives of work, partnership and collaboration in the global environment and support their study with state-of-the-art technology.
- Develop alliances with community leaders, small businesses and industry creating partnerships, internships, and other learning opportunities for students.
- Strongly support the development of citizenship by integrating service learning into the graduation path for all students.
- Promote and advance schools as centers of community identity and culture.
- Use both internal and external resources to provide support for teachers and staff and make available to them opportunities for collaboration and professional development.

Educational Programming Benefits
Consolidation SU # 52 & MSAD # 47

The following are identified potential educational programming benefits. These benefits will allow for efficiency and strengthening of programming.

No school closures that would cause a disruption to the delivery of an educational program at a different facility
Retention of experienced RSU teachers (1) if/when faced with student population shifts; (2) by combining HS courses with lower enrollment; and (3) by contracts that bring equity in teacher salary/benefits
45 RSU school community members have participated in the "Future Search" process resulting in a Vision Statement for the RSU Board to consider; potential to impact 5,200 students
The adoption of a common school calendar and a bell schedule that will allow for a greater number and diversity of course offerings through sharing of courses/teachers (*i.e., undersubscribed courses, foreign language, Advanced Placement, gifted & talented, special education, arts, guidance, Early College initiatives, Alternative Education, SAT Prep, drama, etc.*)
Sharing of staff expertise to support and provide quality professional development for all RSU staff (*English Language Learners, literacy and math specialists/coaches, Gifted & Talented, technology*)
The adoption of a common school calendar which allows coordination of quality professional development opportunities
Purchasing power of curriculum materials by a larger group
Equitable educational programming across all schools/ grade levels
Elimination of duplicate time and efforts involved in Pre-K - diploma curriculum and assessment development as we align with the revised ME Learning Results: Parameters for Essential Instruction
Elimination of duplicate time and efforts involved in overseeing grant management and state reports (*federal NCLB applications/performance reports; private foundation grants MELMAC/Oak Grove/Gates, IDEA special education, G&T, HQT highly qualified teachers, comprehensive school improvement plan, etc.*)
Combined NCLB grant funds allow a greater dollar amount with increased possibilities for programming/professional development (*Title VI not available for 20,000+ population, continued availability uncertain at federal level*)
Coordination of a common student assessment system that provides the technological infrastructure that will facilitate data analysis
Shared coordination of a 'new staff ' induction program
Coordination of Title IA elementary summer school that will provide equity in extended year services
Replace Special Education outside contracted services (*evaluations, etc.*) with services provided by staff that bring more immediate services and knowledge of students/families
Reallocation of Special Education program administrators' responsibilities that have the potential for efficiency
Elimination of duplicate time and efforts necessary for educational programming policy development
Expansion of middle school and high school vocational/technology related courses that will bring more relevance to the curriculum
Sharing an increased number of print library resources available to teachers and students and consider library staffing efficiencies
Technology efficiency that has the potential of cost savings and that allows for a reliable infrastructure, equitable services to students, staff expertise sharing, comprehensive offerings of services, on-line course offerings, professional development, Apple licensed repair person on staff, shared servers, etc.
Collaboration and coordination of extended day programming by sharing teacher expertise and resources (*tutorial, clubs, enrichment, etc.*)
Using collective expertise of an increased work force to problem solve the unique educational needs of RSU students

Exhibit 13B1

Local Only Debt Schedule

Exhibit 13B1 – Local Only Debt Schedule

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired, Constructed or Renovated	Principal Balance as of July 1, 2008	Final Maturity Date
Local Only Debt Schedule – MSAD #47					
SAD 47	FY 02	$985,000	Middle School Local Only	$689,500 P	11/01/21

Exhibit 13D

Pending Claims and List of Coverages

CERTIFICATE NO.

CERT MSMA0000809

RECD JUN 19 2008

CERTIFICATE OF COVERAGE

ISSUE DATE (MM/DD/YY)

July 1, 2008

Alliant Insurance Services, Inc.
1301 Dove Street, Suite 200
Newport Beach, CA 92660
PHONE (949) 756-0271/ FAX (949) 756-2713

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE SELF-INSURED POOL.

Insured:

MSAD 47
41 Heath Street
Oakland, ME 04963

COMPANIES AFFORDING COVERAGE:

A:	Maine School Management Association Property & Casualty Trust
B:	Aspen Specialty
C:	Selective Insurance Company of New York
D:	Selective Insurance Company of New York /PEPIP USA
E:	National Union Fire (AIG)
F:	Travelers

THIS IS TO CERTIFY THAT THE COVERAGES LISTED BELOW HAVE BEEN EXTENDED TO THE INSURED NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED AND DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSION, AND CONDITIONS OF SUCH POOL. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **An "X" appears for each line of coverage underwritten through the MSMA P&C Trust.**

	CO LTR	TYPE OF COVERAGE	COVERAGE EFFECTIVE DATE (MM/DD/YY)	COVERAGE EXPIRATION DATE (MM/DD/YY)	LIMITS	
X	C	**General Liability & Auto Liability** Athletic Participation Employee Benefits Liability (Claims Made) Medical Payments $5,000 Per person Premises/Personal Injury Including Garage Keepers Liability Products Completed Incidental Medical Malpractice	July 1, 2008	July 1, 2009	Each Occurrence	$1,000,000
NO	C	**Excess Liability**	July 1, 2008	July 1, 2009	Each Occurrence	$1,000,000
X	B	**School Board Legal Liability** Duty to Defend Form Full Prior Acts Defense in Addition to Limits	July 1, 2008	July 1, 2009	Each Occurrence Deductible	$1,000,000 $5,000
X	A	**Property: All Risk Form*** Extra Expense Sublimits: EDP, EDP Media, Valuable Papers, Accounts Receivable, Fine Arts, Mobile Equipment, Miscellaneous Equipment. *Property Limit as per schedule on file with company.	July 1, 2008	July 1, 2009	Each Occurrence Deductible	$1,000,000 $500
X	D	**Property Reinsurance** All Risk of direct physical loss or damage. Per occurrence loss limit, subject to sublimits and aggregates	July 1, 2008	July 1, 2009	Limit of Liability	$79,976,429
X	E	**Crime** Money & Securities Inside & Outside Employee Dishonesty Depositors Forgery/Alteration Computer Transfer Fraud	July 1, 2008	July 1, 2009	Each Occurrence Deductible	$500,000 $1,000
X	F	**Boiler & Machinery** Business Interruption Replacement Cost Spoilage & Contamination Water Damage Expediting Expenses Explosion/Ammonia Contamination Ordinance or Law	July 1, 2008	July 1, 2009	Each Occurrence Deductible	$100,000,000 $1,000

MSAD #47
OPEN INSURANCE CLAIMS
6/30/2008

	Cause	Date of Loss	Total Incurred (including reserves)
#1	Slip & Fall	2/10/2004	$51,175
#2	Fighting	3/27/2006	2,000
#3	School bus rear-ended car	8/30/2006	2,882
#4	School bus rear-ended car	8/30/2006	3,500
#5	Bus hit parked car	9/26/2006	984
#6	Bus hit pedestrian	6/12/2007	80,000
#7	Bus was rear-ended	2/12/2008	3,750
#8	Plowing damage at garage	2/29/2008	8,798
#9	School Vehicle kicked up rock and struck car	4/8/2008	300
	total		$153,389

Exhibit 13-D. Claims and Insurance (see Exhibit 13 D)

School Union 52 Pending Claims

There are no known claims currently for China, Vassalboro, or Winslow.

Insurance Carriers/Coverage

Town	Type	Insurance Agency	Insurance Company/Carrier
China			
China	Property, Liability, Vehicle, Boiler	GHM Agency (jointly with Town)	One Beacon
China	Workers Compensation	Maine Municipal Association	MMA Workers Compensation Trust
China	School Board Liability	Maine School Management Assoc	Driver Alliant
China	Dental Insurance	Maine School Management Assoc	MSMA Dental Trust
China	Health Insurance	Anthem/MEA Benefits Trust	Anthem
China	Student Accident Insurance (voluntary paid by parent/guardian)	Chalmers Agency	Commercial Travelers Mutual Insurance Trust