

**SPECIAL MEETING OF RSU NO. 5 BOARD OF DIRECTORS  
WEDNESDAY – JULY 30, 2014  
FREEPORT HIGH SCHOOL - LIBRARY  
30 HOLBROOK STREET; FREEPORT**

**6:30 P.M. SPECIAL SESSION  
AGENDA**

1. The meeting was called to order at \_\_\_\_\_ p.m. by Chairperson Nelson Larkins

2. Attendance:

\_\_\_ Kathryn Brown  
\_\_\_ Candace Decsipkes  
\_\_\_ Nelson Larkins  
\_\_\_ Naomi Ledbetter  
\_\_\_ John Morang

\_\_\_ Peter Murray  
\_\_\_ Beth Parker  
\_\_\_ Brian Pike  
\_\_\_ Michelle Ritcheson  
\_\_\_ Valeria Steverlynck  
\_\_\_ Karin VanNostrand

3. Pledge of Allegiance:

4. Public Comments (related to matters under consideration by the Board):

*Public Comment will be limited to three minutes for each member of the public wishing to address the Board.*

5. Consideration of action to vote on a withdrawal plan.

Motion: \_\_\_\_\_ 2<sup>nd</sup> \_\_\_\_\_ Vote: \_\_\_\_\_

6. Adjournment:

Motion: \_\_\_\_\_ 2<sup>nd</sup>: \_\_\_\_\_ Vote: \_\_\_\_\_

## WITHDRAWAL AGREEMENT

### By and Between

### Maine Regional School Unit No. 5 and the Town of Freeport Withdrawal Committee

This Agreement dated as of \_\_\_\_\_, 2014 is by and between Regional School Unit No. 5, a Maine regional school unit comprised of the municipalities of Freeport, Durham, and Pownal (hereinafter “RSU 5”, or the “RSU”) and the Town of Freeport Withdrawal Committee, a duly appointed municipal withdrawal committee representing the Town of Freeport ) (hereinafter “Freeport” or the “Town”) organized in accordance with 20-A M.R.S. § 1466(4)(A).

1. **Purposes.** The purposes of this Agreement are:
  - A. To provide for the timely and orderly withdrawal of Freeport from RSU 5;
  - B. To provide educational continuity for all students residing in Freeport, Durham and Pownal;
  - C. To allocate RSU 5’s financial and contractual obligations, and its assets, between RSU 5 and the new administrative unit that includes, or consists solely of, Freeport, as of the effective date of Freeport’s withdrawal in a manner that fairly takes into account the continuing educational needs of students, the continuity of educational programs, and the costs of education;
  - D. To allow for future collaboration between RSU 5 and the New Freeport SAU on administrative, instructional, and extra-curricular functions; and
  - E. To minimize the disruption to educational programming and services for students in all three municipalities, and to minimize any cost increases to taxpayers in all three municipalities that may result from this Agreement.

2. **Withdrawal.** Pursuant to 20-A M.R.S. § 1466, the Town shall withdraw from RSU 5 in accordance with the terms of this Agreement as of June 30, 2015, and thereafter shall no longer be a member of the RSU 5 school administrative unit. As of July 1, 2015 (the “Effective Date”), the Town shall become a separate municipal school administrative unit that consists solely of Freeport. For purposes of this Agreement, the term “New Freeport SAU” shall mean the Town of Freeport municipal school unit or any other school administrative unit that Freeport may join, merge with, or otherwise be included in as a member.

3. **Continuity of Educational Services.** The Parties recognize that the RSU currently operates the following schools: In Freeport, Morse Street School (elementary grades pre-K through 2), Mast Landing (elementary grades 3 through 5), Freeport Middle School (elementary grades 6 through 8), and Freeport High School (secondary grades 9 through 12); in Durham, Durham Community School (elementary grades K through 8); in Pownal, Pownal Elementary School (elementary grades pre-K through 5). Freeport High School is the only secondary school within RSU 5. Durham Community School does not accommodate all Pownal middle school students.

**A. Freeport students attending Freeport Schools**

1. Regular Education Students.

Upon withdrawal from RSU 5, the New Freeport SAU will be responsible for providing educational services for pre-K to 12 students residing in Freeport who wish to attend New Freeport SAU schools in accordance with Maine law.

2. Special Education/504 Students.

The New Freeport SAU will provide for continuity of programming for all special education students residing within the Town of Freeport attending Freeport schools. The New

Freeport SAU will assume all responsibilities for decisions related to special education for these students.

**B. RSU 5 Students Attending Freeport Schools**

1. Enrollment During First Year After Withdrawal.

During the 2015-2016 school year, Freeport agrees to educate RSU 5 students who were previously enrolled in Freeport schools and any RSU 5 students who would have attended a Freeport school during the 2015-2016 school year if RSU 5 had not withdrawn. Enrollments shall be determined in accordance with applicable law and the procedures and policies in place immediately prior to the Effective Date.

The tuition rate payable by RSU 5 to Freeport for RSU 5 students attending Freeport schools in the 2015-2016 school year pursuant to the terms of this subsection shall be as follows. The tuition rate for elementary students shall be determined under 20-A MRS §5804(1), and the tuition rate for secondary students shall be determined under 20-A MRS §5805(1). The above rates shall not include a debt service factor and shall not be subject to any per pupil average limitation.

Freeport will invoice RSU 5 for tuition on a semi-annual basis on or before October 15 and April 15, with a reconciliation after the Department of Education sets final tuition rates.

2. Enrollment Following First Year After Withdrawal.

The Brunswick School Department has offered to serve as the school of guaranteed acceptance for RSU 5 for secondary students for a 10-year period following withdrawal.

Freeport agrees to serve as the school of guaranteed acceptance for Pownal middle school students for the 10-year period following withdrawal. The tuition rate for Pownal middle

school students attending Freeport schools shall be determined under 20-A M.R.S. §5804(1). Freeport will invoice RSU 5 for tuition on a semi-annual basis on or before October 15 and April 15, with a reconciliation after the Department of Education sets final tuition rates. Pownal students enrolled in Freeport Middle School may continue their education in Freeport through graduation from Freeport High School, as long as they remain continuously enrolled in the Freeport schools.

The statute governing withdrawal agreements, 20-A M.R.S. §1466, does not provide for negotiation of tuition contracts beyond the first year following withdrawal. Nevertheless, Freeport has offered to education RSU 5 students for the 9 years following the first year after withdrawal pursuant to the terms described in the tuition contract that is attached as Exhibit A. Freeport will keep this offer open for a period of 60 days following the Effective Date.

### 3. Special Education/504 Students.

For students residing in RSU 5 and attending Freeport schools under this Agreement, the New Freeport SAU shall provide all special education and related special education services required by the IEP prepared by each student's IEP Team to the extent that the New Freeport SAU has an appropriate program to meet the terms of the IEP and applicable requirements of Maine law and regulations. Except for short term programming changes of not more than 10 school days, decisions about whether the New Freeport SAU can implement the terms of the IEP, and whether the New Freeport SAU has an appropriate program or placement for a student pursuant to the requirements of the IEP shall be made by the New Freeport SAU after a careful review of the IEP for the student. In no event shall the New

Freeport SAU refuse to provide needed special education services as provided in the IEP for students residing in RSU 5 who are permitted to attend New Freeport SAU schools under this Agreement, except for student removals of not more than 10 school days or when the New Freeport SAU has determined that it cannot provide an appropriate program for that student. By this Agreement, the New Freeport SAU shall not be required to create a special education/504 program for RSU 5 resident students; however, the New Freeport SAU may not refuse to provide special education services for a RSU 5 resident student if the New Freeport SAU operates a program that would be appropriate for that student and the New Freeport SAU determines that it has adequate capacity for that student. In the event that the IEP Team is unable to reach consensus on issues that are the responsibility of the Team, RSU 5's representative at that Team meeting shall make the decisions on those issues, subject to the parent's due process rights in relation thereto. RSU 5's representative on the IEP Team shall be the RSU 5 Special Education Director or other individual designated by the Superintendent of RSU 5. New Freeport SAU personnel will work cooperatively with the RSU 5's representative, and, upon request will provide RSU 5's representative with access to any and all information contained in RSU 5 students' special education or 504 files. RSU 5's representative shall provide input to the New Freeport SAU's Special Education Director (or other administrative designee) on the proper implementation of the IEPs of RSU 5 special education students attending New Freeport SAU schools or perceived deficiencies in IEP implementation. The New Freeport SAU shall consider that input in good faith and shall respond in an appropriate manner consistent with the terms of this Agreement and applicable law.

#### 4. Special Education/504 Costs.

The tuition rate calculations under 20-A MRS §§5804 and 5805 expressly exclude expenditures for special education. Therefore, in accordance with Chapter 101 of the Rules of the Maine Department of Education, Maine Unified Special Education Regulation, Section IV(4)(A) and (B), RSU 5 shall be responsible to pay the actual costs of special education and 504 services received by RSU 5 students attending New Freeport SAU schools , including special education transportation costs and costs for facilities modifications required to accommodate specific needs of RSU 5 students (thus excluding costs for facilities accessibility modifications required by laws of general applicability), to the extent that such costs are not included in the calculation of the tuition rate under 20-A M.R.S. §§ 5804 and 5805. For purposes of this subsection 4, special education shall include non-special education 504/ADA plans and services and special education costs shall include costs of non-special education 504/ADA plans and services and reasonable attorneys' fees incurred by the New Freeport SAU in connection with disputes over delivery of special education services and/or section 504/ADA plan services for individual RSU 5 students. The New Freeport SAU shall provide an itemized invoice to RSU 5 for such special education costs during the fiscal year in which the special education costs are incurred.

### **C. Freeport Students Attending RSU 5 Schools**

#### 1. Enrollment During First Year After Withdrawal.

During the 2015-2016 school year, RSU 5 agrees to educate Freeport students who were previously enrolled at one of the remaining RSU 5 schools and any Freeport students who would have attended one of the remaining RSU 5 schools during the 2015-2016 school year if

Freeport had not withdrawn. Enrollments shall be determined in accordance with applicable law and the procedures and policies in place immediately prior to the Effective Date. This provision applies only to such elementary students, since RSU 5 will no longer operate a secondary school.

The tuition rate payable by the New Freeport SAU to RSU 5 for Freeport elementary students attending RSU 5 schools in the 2015-2016 school year pursuant to the terms of this subsection shall be as follows. The tuition rate for elementary students shall be determined under 20-A M.R.S. §5804 and shall not include a debt service factor nor be subject to any per pupil average limitation.

RSU 5 will invoice the New Freeport SAU for tuition on a semi-annual basis on or before October 15 and April 15, with a reconciliation after the Department of Education sets final tuition rates.

## 2. Special Education/504 Students.

During the 2015-2016 school year, for students residing in Freeport attending RSU 5 schools, RSU 5 shall provide all special education and related special education services required by the IEP prepared by each student's IEP Team to the extent that RSU 5 has an appropriate program to meet the terms of the IEP and applicable requirements of Maine law and regulations. Except for short term programming changes of not more than 10 school days, decisions about whether RSU 5 can implement the terms of the IEP, and whether RSU 5 has an appropriate program or placement for a student pursuant to the requirements of the IEP shall be made by RSU 5 after a careful review of the IEP for the student. In no event shall RSU 5 refuse to provide needed special education services as provided in the IEP for students residing



in Freeport who are permitted to attend RSU 5 schools under this Agreement, except for student removals of not more than 10 school days or when RSU 5 has determined that RSU 5 cannot provide an appropriate program for that student. By this Agreement, RSU 5 shall not be required to create a special education/504 program for Freeport resident students; however, RSU 5 may not refuse to provide special education services for a Freeport resident student if RSU 5 operates a program that would be appropriate for that student and RSU 5 determines that it has adequate capacity for that student. In the event that the IEP Team is unable to reach consensus on issues that are the responsibility of the Team, the New Freeport SAU's representative at that Team meeting shall make the decisions on those issues, subject to the parent's due process rights in relation thereto. The New Freeport SAU's representative on the IEP Team shall be the Freeport Special Education Director or other individual designated by the Superintendent of the New Freeport SAU. RSU 5 personnel will work cooperatively with the New Freeport SAU's representative, and, upon request will provide the New Freeport SAU's representative with access to all information contained in Freeport students' special education or 504 files. The New Freeport SAU's representative shall provide input to RSU 5's Special Education Director (or other administrative designee) on the proper implementation of the IEPs of Freeport special education students attending RSU 5 schools or perceived deficiencies in IEP implementation. RSU 5 shall consider that input in good faith and RSU 5 shall respond in an appropriate manner consistent with the terms of this Agreement and applicable law.

### 3. Special Education/504 Costs.

The tuition rate calculations under 20-A M.R.S. §§5804 and 5805 expressly exclude expenditures for special education. Therefore, in accordance with Chapter 101 of the Rules of

the Maine Department of Education, Maine Unified Special Education Regulation, Section IV(4)(A) and (B), the New Freeport SAU, in addition to the tuition payments required under subsection 1 above, shall be responsible for the actual costs of special education and 504 services received by Freeport students attending RSU 5 schools, including special education transportation costs and costs for facilities modifications required to accommodate specific needs of Freeport students (thus excluding costs for facilities accessibility modifications required by laws of general applicability), to the extent that such costs are not included in the calculation of the tuition rate under 20-A M.R.S. §§5804 and 5805(1). For purposes of this subsection 3, special education shall include non-special education 504/ADA plans and services and special education costs shall include costs of non-special education 504/ADA plans and services and reasonable attorneys' fees incurred by RSU 5 in connection with disputes over delivery of special education services and/or section 504/ADA plan services for individual Freeport students. The RSU shall provide an itemized invoice to the New Freeport SAU for such special education costs during the fiscal year in which the special education costs are incurred.

**4. Transportation.** After the effective date of withdrawal, the New Freeport SAU and RSU 5 will each be responsible for transportation of its own resident students consistent with Maine law. RSU 5 shall not be responsible for providing transportation for Freeport resident students to or from any school, and the New Freeport SAU shall not be responsible for providing transportation to for RSU 5 resident students to or from any school. The Parties shall collaborate to reduce transportation costs between the New Freeport SAU and RSU 5, and nothing in this Agreement will limit the authority of the New Freeport SAU and RSU 5 to enter into agreements relating to transportation of students.

5. **Need for School Construction.** Withdrawal of Freeport from RSU 5 will not cause a need for state subsidized school construction within five years from the effective date of withdrawal.

6. **Financial Commitments from Outstanding Bonds or Notes.**

A. **Debt and Lease Purchase Obligations That Existed When RSU 5 Was Formed.**

Under Paragraph 6(A) of the RSU 5 reorganization plan (the “Reorganization Plan”), RSU 5 assumed liability to pay the bonds, notes and lease purchase agreements listed in Paragraph 6(A) of the Reorganization Plan and updated to reflect current outstanding obligations as follows (and corrected as to amount and issuer for the Durham Elementary school project debt which was issued by RSU 5 shortly after organization):

TABLE 1: Outstanding Debt Assumed/Issued by RSU 5

Issuer	Issue Date	Purpose	Original Principal Amount	Outstanding Principal on 7/1/2009	Outstanding Principal on 6/30/2015	Final Maturity Date
Freeport	2001	Central Office	\$	\$175,000	\$85,000	2022
Freeport	1990	Mast Landing (state portion)	\$5,607,000	\$825,000	\$0	2011
Freeport	2002	High School	\$4,491,000	\$3,365,000	\$1,755,000	2023
Freeport	2008	HS heating system	\$570,000	\$510,000	\$165,000	2017
Freeport	2008	HS Lighting	\$21,250	\$16,250	\$0	2012
RSU 5 (not Durham)	August 27, 2009	New Elem. School (state portion)	\$17,729,348 (not \$21,729,709)	Not yet issued	\$13,297,005	2029

Pursuant to 20-A M.R.S. § 1466(16)(A), whenever a municipality withdraws from a regional school unit having outstanding indebtedness, the regional school unit remains intact for the purpose of securing

and retiring the indebtedness, however, a withdrawal agreement may provide for alternate means for retiring outstanding indebtedness.

As an alternate means for retiring the outstanding indebtedness assumed by RSU 5 under Paragraph 6(A) of the Reorganization Plan, after the date of withdrawal, (i) RSU 5, exclusive of the New Freeport SAU, will pay any remaining debt service on the outstanding bonds, notes, and lease purchase agreements assumed by RSU 5 under Paragraph 6(A) of the Reorganization Plan that are identified as having been issued originally by Durham, and as listed in **Table 1** above, as well as the Durham Elementary project debt issued by RSU 5 and set forth on Table 1 above; and (ii) the New Freeport SAU will pay any remaining debt service on the outstanding bonds, notes, and lease purchase agreements assumed by RSU 5 under Paragraph 6(A) of the Reorganization Plan that are identified as having been issued originally by Freeport.

Under Paragraph 6(B) of the Reorganization Plan, RSU 5 did not assume certain bonds and notes. Those obligations continue to be paid by the original member municipalities of RSU 5, and pursuant to 20-A MRS §1506(4), RSU 5 continues to serve as fiscal agent of the member municipalities for that purpose. The New Freeport SAU will pay any remaining debt service on Freeport debt service listed in Section 6(B) of the Reorganization Plan, and RSU 5 will pay any remaining debt service on Durham debt service listed in Section 6(B) of the Reorganization Plan. As of the Effective Date, RSU 5 shall no longer serve as fiscal agent for the New Freeport SAU for purposes of payment of the Freeport debt service listed in Section 6(B) of the Reorganization Plan.

B. Debt and Lease Purchase Obligations Issued by RSU 5 after its Formation. As of the date of this Agreement, RSU 5 had issued no other bonds, notes and lease purchase agreements with debt service remaining outstanding as of the Effective Date.

**7. Adult Education and Community Recreation Programs.**

For a period of 10 years after the Effective Date, the New Freeport SAU shall allow residents of RSU 5 to participate in Freeport Adult Education programs and community recreation programs at the same rates provided for Freeport residents.

**8. Reimbursement for Excess Capital Improvements for Freeport Schools**

The New Freeport SAU will pay RSU 5 \$136,520 within 30 days following the Effective Date, representing the amount that the RSU has calculated to be the portion of excess capital improvements paid by Pownal and Durham taxpayers during the existence of the RSU toward properties being transferred that are attributable to the Central Office, Morse Street School, Mast Landing School and one half of that portion attributable to Freeport High School.

**9. Contractual Commitments and Liabilities.**

A. Superintendent and Other Long-Term Employment Contracts. RSU 5 has a long term employment contract for its superintendent. That contract is expected to expire or terminate before the Effective Date, and Freeport shall have no responsibility for contributing to salary or benefits of an RSU 5 Superintendent after the Effective Date. RSU 5 also has long-term employment contracts for certain other administrative positions, as follows: Principals, Assistant Principals, Curriculum Director, Special Education Director, Assistant Special Education Director, Director of Finance and Human Resources, Director of School Nutrition, Director of Transportation and Facilities, Technology Director, Athletic Director, and Community Recreation and Adult Education Director. Following the Effective Date, RSU 5 will remain the employer under the Principal and Assistant Principal contracts that are provided for services at Pownal Elementary School and Durham Community School to the extent such contracts extend beyond the Effective Date. As of the Effective Date, the contracts for Principals and Assistant

Principals serving Freeport schools shall be deemed assigned to and assumed by the New Freeport SAU to the extent such contracts extend beyond the Effective Date. The Parties recognize that the remaining positions listed above as being filled with long term contracts provide services largely at New Freeport SAU. Accordingly, to the extent that these employment contracts extend beyond the Effective Date, they shall be deemed assigned to and assumed by the New Freeport SAU as of the Effective Date. Notwithstanding the foregoing, the New Freeport SAU shall not be responsible to assume any such long term individual employment contracts to the extent that they are entered into or extended after the date that voter approval of this Agreement is certified.

B. Copier Leases and Maintenance Agreements. The parties note that as of the date of this Agreement, RSU 5 had no copier lease agreements; its copier maintenance agreement(s) may be terminated for convenience; and its HVAC and elevator maintenance agreements are on a town by town or school by school basis.

As of the Effective Date, the New Freeport SAU will assume and be solely liable at its own expense for any copier leases and for any maintenance agreements located at or related to the New Freeport SAU Schools, including copier maintenance agreements, HVAC maintenance agreements, and elevator maintenance agreements. These agreements are listed in **Exhibit 2** attached hereto. This exhibit shall be updated immediately prior to the Effective Date by mutual agreement between RSU 5 and Freeport and attached hereto as Replacement **Exhibit 2**.

C. Other Contracts and Agreements. Effective upon the date of withdrawal, the New Freeport SAU will assume and be solely liable at its own expense for any other contracts or lease purchase agreements related to assets located at or serving schools or to be owned by the New Freeport SAU under the terms of this Agreement, including school buses and other vehicles transferred to the New

Freeport SAU. These agreements are listed in **Exhibit 3** attached hereto. This exhibit shall be updated immediately prior to the Effective Date by mutual agreement between RSU 5 and Freeport and attached hereto as Replacement **Exhibit 3**.

D. Audit. In the event that RSU 5 becomes the subject of a federal or state audit for the period from July 1, 2009 through June 30, 2015, when Freeport was a member of RSU 5, and as a result of such audit RSU 5 is subject to any payment obligation or withholding by federal or state authority, then the New Freeport SAU shall reimburse RSU 5 for 65.98% of the amount of such payment obligation or withholding including without limitation, any interest and penalties thereon, within thirty (30) days of any such payment by RSU 5 or any such withholding from RSU 5. If as a result of such audit RSU 5 receives any rebate, refund, credit or overpayment from any federal or state authority, then RSU 5 shall reimburse the New Freeport SAU for 65.98% of such rebate, refund, credit or overpayment within thirty (30) days of any such payment or credit to RSU 5.

E. Legal Claims. The Parties acknowledge that RSU 5 may be liable for future legal claims based on incidents arising between July 1, 2009 and June 30, 2015, when Freeport was a member of RSU 5. The New Freeport SAU shall be responsible for and agrees to pay 65.98% of RSU 5's costs, expenses, damages and other losses arising from such claims, including costs to defend any such claims, to the extent not paid by RSU 5's insurance or other sources. RSU 5 shall give written notice of such claims to the New Freeport SAU within 30 days of the date that RSU 5 receives notice of a claim. RSU 5 shall regularly update the New Freeport SAU regarding the status of such claims, and shall obtain advance written approval from the New Freeport SAU before entering into settlement of such claims, which approval shall not be unreasonably withheld or delayed.

9. **Financial Commitments for Bonds or Notes Issued During FY 2013-2014 and FY 2014-2015.**

If Freeport votes to approve this Agreement, during the period between the date that vote is certified and the Effective Date, the New Freeport SAU shall have the right to issue such bonds or notes or enter into lease purchase financing arrangements to make unexpected or emergency repairs or to make renovations or upgrades to Freeport school facilities to the extent it may be permitted under applicable provisions of law (including without limitation sections 5721, 5724(4) and 5772 of Title 30-A). If the New Freeport SAU issues a bond or note or enters into a lease purchase agreement for such repairs, renovations or upgrades, these obligations shall be issued in the name of the Town of Freeport and shall be the sole responsibility of the New Freeport SAU with no contribution from RSU 5 (except for the Secondary Debt Service Factor and Elementary Debt Service Factor under the tuition agreement as described above.) Until the Freeport schools are transferred to the New Freeport SAU, RSU 5 and Freeport shall reasonably cooperate to complete the financed repairs, renovations or upgrades to effect the same without unnecessarily interfering with the operation of the Freeport schools.

In addition, if Freeport votes to approve this Agreement, during the period between the date that vote is certified and the Effective Date, RSU 5 may issue bonds or notes or enter into lease purchase financing arrangements to upgrade facilities at RSU 5 schools that are not located in Freeport. Pursuant to 20-A M.R.S. § 1466(16), RSU 5 will remain intact for purposes of retiring and securing that indebtedness. As an alternate means of retiring such debt, RSU 5, however, hereby agrees to assume, and at its own expense to pay, such obligations entirely from its own funds with no contribution or participation from the New Freeport SAU.

**10. Fund Balances: Undesignated, Reserve, and Other Funds.** Within thirty (30) days of its finalized FY 2014-2015 audit, which RSU 5 shall make reasonable efforts to finalize by January 1, 2016, RSU 5 shall pay the New Freeport SAU a 65.98% share of any undesignated fund balance as of



June 30, 2015, net of (i) all encumbered funds, including sums required to pay RSU 5's 2014-2015 summer salaries and benefits obligations, and including sums related to retirement benefits payable to staff members who retire before the Effective Date (ii) sums for all other items expensed in accordance with generally accepted accounting principles, and (iii) sums sufficient to cover deficits if any in the School Lunch Program fund. However, for purposes of determining the undesignated fund balance, amounts payable by the New Freeport SAU to RSU 5 under other provisions of this Agreement shall not be considered. The New Freeport SAU's share of the undesignated fund balance, so determined, is calculated based on the percentage of Freeport's FY 2014-2015 share of RSU 5 additional local funds (65.98%). In the event that RSU 5's finalized audit for FY 2014-2015, adjusted as described above, shows a negative undesignated fund balance as of June 30, 2015, the New Freeport SAU shall pay RSU 5 within thirty (30) days of the finalized audit the total of Freeport's share (65.98%) of the net negative undesignated fund balance as calculated above. In the event the School Lunch Program has a positive fund balance on June 30, 2015, RSU 5 shall pay the New Freeport SAU a 65.98% share of the fund balance.

RSU 5 has no capital improvement funds except for the Durham Elementary Construction Fund, which shall not be shared with the New Freeport SAU. RSU 5 shall transfer to the New Freeport SAU the fund balance, if any, for each Agency Fund for Freeport School Activities shown on RSU 5's financial reports. Attached as **Exhibit 4** is a list of agency funds that will be paid over to the New Freeport SAU, listing each fund or account by name. The Parties recognize that Freeport never turned over its scholarship funds to RSU 5 in accordance with Paragraph 8(F) of the Reorganization Plan, and therefore RSU 5 has no obligation to return scholarship funds to the New Freeport SAU. Attached as **Exhibit 5** is a list of Other Governmental Funds to be shared with or paid over to the New Freeport

SAU, listing each fund by name, and listing the percentage of that fund balance that will be paid over to the New Freeport SAU. All fund balances shall be paid over within 30 days of the completion of final audit in accordance with generally accepted accounting principles.

**11. Collective Bargaining Agreements.** The collective bargaining agreements listed below currently pertain to RSU 5 employees that will be employed by the New Freeport SAU following Freeport’s withdrawal from RSU 5:

Employee Unit	Expires	Applies to
Coastal Education Association	August 30, 2015	Teachers and other certified professional educators
Educational Support Professional Unit	June 30, 2015	Bus Drivers, Custodians, Educational Technicians, Secretaries, Health and Nutrition Services

As of the Effective Date, the New Freeport SAU shall assume the RSU’s existing collective bargaining agreements to the extent that they cover employees of RSU 5 who are assigned to the New Freeport SAU schools at the end of the 2014-2015 school year on a full or part-time basis and who have a right to continued employment as of July 1, 2015. A list of employees and positions to be assigned to the New Freeport SAU schools is attached to this Agreement as **Exhibit 6**. This list shall be updated to June 30, 2015, by mutual agreement between RSU 5 and Freeport, and the updated list shall be attached to this Agreement as Replacement **Exhibit 6**.

As of the Effective Date, the Freeport School Committee will extend representational rights to all of the bargaining units listed above for the purpose of negotiating future collective bargaining contracts. If, after a vote by Freeport to approve this Agreement is certified, RSU 5 is engaged in negotiations with any of the above bargaining units, the New Freeport SAU school board will assume responsibilities for those negotiations insofar as they pertain to employees of the New Freeport SAU for

time periods after the Effective Date. If no new collective bargaining agreement has been reached between RSU 5 and any of the bargaining units above on the date of a vote by Freeport to withdraw, the New Freeport SAU school board will honor the terms of any existing collective bargaining agreements that remain in effect past their termination date and will honor the static status quo as defined by applicable law under the expired agreement with respect to employees assigned to the New Freeport SAU until a successor agreement has been agreed upon.

**12. Continuing Contract Rights under Section 13201.** Freeport's withdrawal from RSU 5 will not affect the continuing contract rights of teachers under 20-A M.R.S. § 13201. On the Effective Date, all continuing contract teachers assigned to the Freeport schools, and having a right to continued employment as of July 1, 2015, shall become continuing contract teachers of the New Freeport SAU. On the Effective Date, all probationary teachers assigned to the Freeport schools who become employees of the New Freeport SAU and who have earned years of service with RSU 5 toward continuing contract status shall retain those years of service for purposes of attaining continuing contract status with the New Freeport SAU. A list of continuing contract teachers and probationary teachers with their number of years of service toward continuing contract status, assigned to the Freeport schools is attached as **Exhibit 7**. This list shall be updated to June 30, 2015 by mutual agreement between RSU 5 and Freeport and the updated list shall be attached to this Agreement as Replacement **Exhibit 7**.

**13. Disposition of Real and Personal Property.** The New Freeport SAU shall be responsible for the cost, including any attorneys' fees, for all recording, registration and filing fees; and all transfer, re-titling, inspection and other taxes, fees or charges of any governmental authority to effectuate the transfer of any property pursuant to this Agreement. All transfers and assignments of property under

this Agreement shall be with the same warranty or covenant of title, if any, as the instrument by which Freeport transferred or assigned the property to the RSU, and shall be subject to rights and interests of lessors, lessees, secured parties, and others, if any, whether or not recorded or filed of record.

A. Real Property. All real property and fixtures that the Town of Freeport deeded to RSU 5 upon creation of the RSU will be deeded back to the New Freeport SAU. The New Freeport SAU may require such deeds, assignments or other instruments of transfer as in its judgment are necessary to establish the New Freeport SAU's right, title and interest in such real property and fixtures.

B. School Buses and Vehicles. On the Effective Date, RSU 5 will transfer to the New Freeport SAU the school buses, vehicles and equipment listed on **Exhibit 8** to the New Freeport SAU.

C. Other Tangible Personal Property. RSU 5 agrees that any and all other non-cash, tangible personal property transferred by Freeport to the RSU upon creation of the RSU and currently in use, and all personal property located in or on the Freeport Schools, or used exclusively for Freeport school programs, as of the date of this Agreement, including moveable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories, will become the property of the New Freeport SAU upon withdrawal. The New Freeport SAU may require such assignments, bills of sale or other instruments of transfer as in its judgment are necessary to establish the New Freeport SAU's right, title and interest in such personal property.

D. Licenses and Software. As of the Effective Date, license agreements and software for the operation of New Freeport SAU and equipment and other tangible personal property transferred by this Agreement shall be assigned by RSU 5 to the New Freeport SAU to the extent permitted by the terms of the licensing or software agreements, and to the extent such transfer is permissible under the terms of such agreements without imposition of any additional fee or cost to RSU 5 or any limitation or

restriction on RSU 5's use of such license or software agreement in connection with RSU 5's other facilities, equipment and operations.

**14. Transition of Administration and Governance.** Prior to the Effective Date of withdrawal, Freeport shall elect a school committee. This school committee shall have the authority to take all actions necessary to prepare for the establishment of the New Freeport SAU, including but not limited to establishing a budget for the 2015-2016 school year.

Upon withdrawal, the administration and governance of education for students residing in Freeport will be transferred directly from RSU 5 to the New Freeport SAU. When the New Freeport SAU assumes control of Freeport's schools, the New Freeport SAU will hire or contract for a superintendent, business manager and all necessary central administrative office staff.

After a vote to approve this Agreement is certified, the voters of Freeport shall not participate in (i) approval of the RSU 5 budget for fiscal year 2015-2016 at either the RSU 5 budget meeting or the RSU 5 budget validation referendum, or (ii) approval of third party SAU tuition contracts.

After a vote to approve this Agreement is certified and prior to the Effective Date, RSU 5 may enter into tuition contracts with third party school administrative units for terms of up to ten (10) years for resident Durham secondary (grade 9-12) students and for resident Pownal middle school and secondary (grade 6-12) students, as follows. RSU 5 may conduct a referendum vote in the Towns of Durham and Pownal, without participation of Freeport, to determine if the school board members from Pownal and Durham are authorized to enter into a tuition contract for a term of up to ten years. The RSU 5 board actions in connection with that referendum shall be without participation of its Freeport board members, who shall not participate in any aspect of that referendum vote, including calling the referendum, signing warrants or public hearing notices, decisions regarding preparation of election

materials or the conduct of the election, and certifying the election result. If approved by a majority of voters voting at such referendum, the RSU 5 school board, without participation of its Freeport board members, is authorized to enter into tuition contracts pursuant to sections 2701-2704 of Title 20-A. As used herein, “without participation of its Freeport board members,” also means that the Freeport board membership shall not be counted for purposes of determining whether a quorum is present to conduct a meeting on any aspect of such election or tuition contract, or for purposes of determining whether a majority has voted in favor. Nothing in this Agreement shall prevent Freeport members on the RSU Board from participating in any and all Board decisions between certification of the withdrawal vote and the Effective Date, other than approval of third party SAU tuition contracts.

**15. Dispute Resolution.** Any dispute between the Parties arising out of or relating to this agreement shall be resolved in accordance with this paragraph. Either Party may give written notice of a dispute arising out of or related to this agreement to the other Party by certified mail, return receipt requested. The Parties to the dispute shall attempt to resolve the matter through informal communication or negotiation for a period of thirty (30) days from the date of receipt of notice by the last Party to receive notice. If the dispute has not been resolved within thirty (30) days, any Party may serve written notice on the other Affected Parties of a request for mediation. The mediation shall be conducted in Maine by a mediator mutually agreeable to the Affected Parties, shall not exceed one full day or two half days in length, and shall be completed within ninety (90) days from the date of receipt of notice of a request for mediation by the last Affected Party to receive notice. If the Affected Parties are unable to agree on a mediator within thirty (30) days, or to resolve the dispute through mediation within ninety (90) days, the dispute shall be submitted to arbitration in accordance with the procedures of the Maine Uniform Arbitration Act, 14 MRS §5927 et seq.

**16. Superintendents' Agreements.** Nothing in this Withdrawal Agreement shall limit the use of Superintendents' Agreements with respect to students who reside in RSU 5 and the New Freeport SAU.

**17. Third Party SAU School Tuition Contracts.** To the extent required by the Department of Education for, or deemed by the RSU 5 school board to be in the best interests of some or all RSU 5 secondary students, it is the responsibility of RSU 5 to secure a school of guaranteed acceptance for secondary students through a tuition contract, and RSU 5 shall make reasonable efforts to do so pursuant to applicable laws governing tuition contracts.

**18. Applicability to Successor School Administrative Units.** Upon approval by the Maine Commissioner of Education and approval by the number of Freeport voters required for withdrawal pursuant to 20-A MRS § 1466, this Agreement shall be binding upon the Town of Freeport, the New Freeport SAU and any successor school units that the New Freeport SAU or Freeport may join, merge with or otherwise be included in as a member, and on RSU 5 and its successor school units. Accordingly, the terms of this Agreement shall be incorporated by reference into any Reorganization Plan to which Freeport, the New Freeport SAU, or RSU 5, or their respective successor school administrative units, is or becomes a party.

**19. State and Local Approval.** This Agreement is subject to approval by the Maine Commissioner of Education as required by 20-A MRS § 1466(4)(B) and approval by a majority vote at a referendum conducted in Freeport as required by 20-A MRS § 1466(9). By approval of this withdrawal agreement, the Maine Commissioner of Education agrees on behalf of the Maine Department of Education that the Essential Program and Services allocations under 20-A MRS Chapter

606-B for Freeport schools and Freeport resident students shall be assigned to the New Freeport SAU in accordance with the terms of this agreement.

**20. Miscellaneous.** This Agreement may not be assigned and shall be interpreted, governed, construed, and enforced in accordance with the laws of State of Maine, without regard to any of its conflict of laws principles.

This Agreement contains the entire agreement between the Parties in relation to its subject matter, and there are no other agreements or understandings, oral or otherwise, between the Parties at the time of execution of this Agreement.

Each Party represents that its signatories to this Agreement are duly authorized by that Party to execute this Agreement and in so doing to bind that Party to its terms.

The headings and subheadings of the sections and paragraphs of this Agreement are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the agreements, terms, covenants and conditions of this Agreement in any manner.

If any provision(s) of this Agreement is determined to be invalid or unenforceable in whole or in part for any reason, such provision(s) shall be severed and the Parties shall negotiate in good faith to amend this Agreement so as to effect the original intent of the Parties as closely as possible. The remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the full extent permitted by law.

“Parties” as used in this Agreement shall mean RSU 5 and, as the context dictates, the Freeport Withdrawal Committee, or the New Freeport SAU.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same Agreement.



**TOWN OF FREEPORT WITHDRAWAL COMMITTEE:**

\_\_\_\_\_  
Member from the RSU 5 School Board

\_\_\_\_\_  
Member and representative from Municipal Officers

\_\_\_\_\_  
Member at Large

\_\_\_\_\_  
Member of Petitioning Group

Signed at Freeport, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**REGIONAL SCHOOL UNIT NO. 5**

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Board Member

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Board Member

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Board Member

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Board Member

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Board Member

\_\_\_\_\_  
Board Member

Signed at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Approved as a Final Withdrawal Agreement under 20-A M.R.S. §1466(5)

Approved this \_\_\_\_ day of \_\_\_\_\_. 2014.

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James Rier  
Commissioner, Maine Department of Education

### **List of Exhibits**

- Exhibit 1: Secondary Tuition Contract between Town of Freeport and Regional School Union No. 5
- Exhibit 2: Copier leases, copier maintenance agreements, HVAC maintenance agreements, and elevator maintenance agreements to be assigned and assumed by New Freeport SAU to the extent that agreements cover properties to be transferred to New Freeport SAU (to be updated)
- Exhibit 3: Other contracts or lease purchase agreements to be assigned or assumed, related to assets located at or serving schools or to be owned by the New Freeport SAU under the terms of this Agreement, including school buses and other vehicles transferred (to be updated)
- Exhibit 4: List of agency funds to be paid to New Freeport SAU
- Exhibit 5: List of other governmental funds and percentage to be paid to New Freeport SAU
- Exhibit 6: List of employees and positions covered by CBAs and to assigned to New Freeport SAU schools (to be verified and updated)
- Exhibit 7: List of continuing contract teachers and probationary teachers assigned to New Freeport SAU schools (to be verified and updated)
- Exhibit 8: List of school buses, vehicles and equipment to be transferred to Freeport

**EXHIBIT 1 to WITHDRAWAL AGREEMENT BY AND BETWEEN  
TOWN OF FREEPORT WITHDRAWAL COMMITTEE AND REGIONAL SCHOOL  
UNIT NO. 5**

Secondary School Tuition Contract

Town of Freeport

and

Regional School Unit No. 5

This contract for school privileges is between the Town of Freeport acting by and through the Town of Freeport Withdrawal Committee (“Freeport”), and Regional School Unit No. 5 (“RSU 5”), acting by and through its School Board.

This contract is contingent upon approval by the Town of Freeport of the Withdrawal Agreement between the Freeport Withdrawal Committee and Regional School Unit No. 5 (the “Withdrawal Agreement”), and upon acceptance of the contract by RSU 5 within 60 days following the date that Freeport’s withdrawal from RSU 5 becomes effective.

Pursuant to 20-A M.R.S. chapter 115 and other applicable law, Freeport and RSU 5 agree as follows:

1. In the second school year following Freeport’s withdrawal from RSU 5 and for up to eight years thereafter, Freeport agrees to educate Pownal and Durham secondary students who were enrolled at Freeport Middle School or Freeport High School in the previous school year and who remain continuously enrolled in the Freeport schools.
  
2. In the second school year following Freeport’s withdrawal from RSU 5 and for up to eight years thereafter, Freeport agrees to educate an additional number of Pownal and Durham students up to a maximum total enrollment at Freeport High School of 500 students.
  
3. During each year of this contract, RSU 5 will pay tuition for a minimum number of 60 students, or the number of slots available to reach the maximum total enrollment described in Section 2, whichever is less.

4. On or before the January 15 preceding each school year that this contract is in effect, Freeport will notify RSU 5 of the estimated enrollment availability at Freeport High School for Pownal and Durham students, and RSU 5 will notify Freeport of the anticipated enrollment at Freeport High School by Pownal and Durham students.
5. On or before the March 1 preceding each school year that this contract is in effect, RSU 5 will notify Freeport of the final enrollment availability at Freeport High School for Pownal and Durham students, and RSU 5 will notify Freeport of the final enrollment commitment at Freeport High School by Pownal and Durham students. RSU 5 shall pay a full year of tuition and debt service costs for no less than 95% of the final enrollment commitment, and Freeport shall guarantee enrollment for up to 105% of the final enrollment commitment, provided that Freeport shall have no obligation to enroll students in excess of the maximum total enrollment described in Section 2.
6. Enrollment availability at Freeport High School shall be calculated based on the maximum total enrollment number of 500, less (a) the number of students enrolled in the Freeport school system at the applicable grade levels, and (b) the number of Freeport resident students that are expected to newly enroll.
7. A Pownal or Durham student's right to continue to be educated in the Freeport schools under this contract shall terminate if the student discontinues his or her enrollment in the Freeport schools for a continuous period of 90 calendar days between September 1 and June 15 of any school year(s), whether by enrolling in another school administrative unit or private school, dropping out, or being expelled and not readmitted within 90 days. Notwithstanding the foregoing, a student's failure to attend the Freeport schools for a continuous period of 90 days due to health reasons, out-of-district special education placement, or approved travel or study abroad, shall not terminate a student's right to continue to attend Freeport schools under this contract. In addition, in other appropriate circumstances, the Superintendents may agree that a student's failure to attend Freeport schools for a continuous period of 90 days shall not terminate the student's right to continue his or her education at Freeport schools under this contract.
8. The tuition rate payable by RSU 5 to Freeport for Pownal and Durham students attending Freeport High School pursuant to the terms of this contract shall be determined as follows. For the 60 students that RSU 5 is committed to enroll under paragraph 3, the tuition rate shall be the

midpoint between (a) the tuition rate determined by the Commissioner based on Freeport's actual per pupil costs in the prior year under 20-A MRS §5805(1), and (b) the state average tuition rate determined by the Commissioner under 20-A MRS §5805(2). For students in excess of the 60-student minimum commitment, the tuition rate shall be the rate determined by the Commissioner based on Freeport's actual per pupil costs in the prior year under 20-A MRS §5805(1). The tuition rate under section 5805(1) does not include costs for special education, career and technical education, community services, major capital outlay, debt retirement, and tuition and transportation.

9. In addition to the secondary tuition rate, the parties agree that the New Freeport SAU may charge a debt service factor ("Debt Service Factor") pursuant to 20-A MRS §5805(4) for any (i) newly incurred capital outlay and debt service for Freeport High School; and (ii) newly incurred renovation project capital outlay and debt service costs for Freeport High School, to the extent that such costs are not included in the tuition rates calculated under paragraph 8. The parties agree that the amount of the Debt Service Factor in any year is that dollar amount which is proportional to the cost of the project(s) and the number of tuition students, that is, a percentage of the amount for capital outlay and debt service equal to the percentage of Freeport High School students that are resident RSU 5 students.
  
10. RSU 5 shall also be responsible for and pay the actual special education costs for Pownal and Durham resident students attending secondary school in Freeport, including special education transportation costs and costs for facilities modifications required to accommodate the students. The preceding sentence does not limit RSU 5's responsibility for all costs of its special education students, including out of district placements. For the purposes of this contract, "special education" shall include non-special education 504/ADA plans and services and "special education costs" shall include costs of non-special education 504/ADA plans and services and reasonable attorneys' fees incurred by Freeport in connection with disputes over delivery of special education services and/or section 504/ADA plan services for individual RSU 5 students. Freeport shall provide an itemized invoice to RSU 5 for such special education costs during the fiscal year in which the special education costs are incurred.
  
11. In the event that the IEP Team for a Pownal or Durham student attending Freeport schools under this contract is unable to reach consensus on issues that are the responsibility of the Team, the RSU 5 representative at that Team meeting shall make the decisions on those issues, subject to the parent's due process rights in relation thereto. Freeport personnel will work

cooperatively with the RSU 5 representative, and, upon request will provide the RSU 5 representative with all information regarding classroom observations, student performance, academic achievement testing, and functional behavior assessment components of the student evaluation process. The RSU 5 representative shall provide input to Freeport's Special Education Director (or other administrative designee) on the proper implementation of the IEPs of RSU 5 special education students attending Freeport schools or perceived deficiencies in IEP implementation. Freeport shall consider that input in good faith and RSU 5 shall respond in an appropriate manner consistent with the terms of this contract.

12. RSU 5 shall also be responsible for and pay all costs that Freeport incurs for RSU 5 secondary students attending Freeport secondary school to attend Applied Technology Region 10 pursuant to the Region 10 cooperative agreement, as it may be amended from time to time. This charge shall be based upon the percentage of secondary students enrolled in Freeport schools and attending Region 10 programs that are RSU 5 residents, or such other method as the parties reasonably agree best reflects Freeport's actual costs for RSU 5 secondary students attending Region 10.
13. RSU 5 shall be responsible at its own expense for providing transportation for its resident students to attend secondary school in Freeport. RSU 5 shall also pay Freeport for the transportation of its students between the high school and the applied technology region on the basis of the percentage of secondary students enrolled in Freeport schools and attending Region 10 programs that are RSU 5 residents. RSU 5 shall also pay Freeport for co-curricular and field trip transportation an amount based upon the percentage of the total number of secondary students enrolled in Freeport High School that are RSU 5 residents.
14. This contract will remain in force for a period of nine (9) years commencing on July 1 of the year following the date that Freeport's withdrawal is effective. If either Pownal or Durham withdraw from RSU 5 during the term of this agreement, this agreement will terminate on the effective date of such withdrawal and the individual towns may negotiate regarding further tuition arrangements.
15. This contract shall be incorporated as an exhibit to and made part of the Withdrawal Agreement. Approval of the Withdrawal Agreement shall constitute approval by Freeport voters of this contract and all tuition rates and charges under this contract, to the extent required

by applicable law. RSU 5 shall have the right and opportunity to accept this contract by notice to Freeport within 60 days after the date Freeport's withdrawal from RSU 5 becomes effective.

16. This contract may be amended by mutual agreement of the school committee of Freeport and the RSU 5 School Board. Any such amendment shall be effective only if in writing, signed by duly authorized representatives of the parties to the amendment, and approved by the Commissioner of the Maine Department of Education.

In witness whereof the duly authorized representatives of the parties hereunto set their hands this \_\_\_\_ day of \_\_\_\_\_ 2014.

TOWN OF FREEPORT, acting by and through its Withdrawal Committee

\_\_\_\_\_  
\_\_\_\_\_

Members of the Freeport Withdrawal Committee

REGIONAL SCHOOL UNIT NO. 5

A majority of the School Board of Regional School Unit No. 5



## **Freeport Withdrawal Agreement**

### **Exhibit 2**

#### **Copier maintenance agreements, HVAC agreements and elevator maintenance agreements to be assumed by New Freeport SAU, to the extent agreements cover equipment at property transferred to New Freeport SAU**

- Gorham Savings Leasing Group LLC Lease Number ME1414-12

Lease Commenced Date: July 30, 2013

Final Payment Due: August 15, 2015

Covers copier equipment at:

- Freeport High School
  - Mast Landing School
  - Freeport Middle School
  - Pownal Elementary School
  - Superintendent's Office
- Other maintenance agreements covering Freeport facilities, to the extent still in effect on the Effective Date, including Pine State Elevator, Norris, Mechanical Services, and Snow, Sand, and Salt.

## **Freeport Withdrawal Agreement**

### **Exhibit 3**

#### **Other contracts or lease purchase agreements related to Freeport Schools**

**[Lease Purchase Agreements and Vehicles to be Divided from List Below According to Schools/Property that Vehicles Primarily Serve]**

1. Lease Purchase Agreement for Bus #32, Plate 423-952, VIN# 4DRBUAAN4CB044293, 2012 International, acquired 7/1/12
2. Lease Purchase Agreement for Bus #33, Plate 423-953, VIN# 4DRBUAAN6CB044294, 2012 International, acquired 7/10/12
3. Lease Purchase Agreement for Bus #34, Plate 424-306, VIN# 4DRBUAAN7FB027606, 2015 International, acquired 11/5/13 (Gorham Savings Leasing Group LLC, Lease Number ME 1414-14)
4. Lease Purchase Agreement for Van #3, Plate 424-951, VIN# 1FMNE1BW6CDB23230, 2012 Ford Econo, acquired 7/25/12
5. Lease Purchase Agreement for Van #4, Plate 423-119, VIN# 2C4RDGBG7ER146083, 2014 Dodge Caravan, acquired 10/11/13 (Gorham Savings Leasing Group LLC, Lease Number ME 1414-13)
6. Lease Purchase Agreement for Van #5, Plate 424-120, VIN# 2C4RDGBG8ER129454, 2014 Dodge Caravan, acquired 10/11/13 (Gorham Savings Leasing Group LLC, Lease Number ME 1414-13)

**Freeport Withdrawal Agreement**

**Exhibit 4**

**Agency Funds to be Transferred to Freeport**

FHS Performing Arts Boosters  
MSS PTC  
MLS PTC  
FMS Student Activities  
FHS Athletics  
FHS Student Activities  
Football Trust Acct.  
Community & Adult Education  
MSS Principal Acct.  
MLS Student Activities  
Louis Curtis Varney Scholarship  
FHS Performing Arts Boosters  
FHS Fundraising  
Student Aspirations

**Freeport Withdrawal Agreement**

**Exhibit 5**

**Apportionment of Other Governmental Funds**

	<b><u>Freeport</u></b>	<b><u>RSU 5</u></b>
Title 1A Disadvantaged	Apportioned consistent with law	Apportioned consistent with law
Teacher II Teacher Quality	65.98%	34.02%
Local Entitlement	65.98%	34.02%
Preschool	65.98%	34.02%
Donations	65.98%	34.02%
Laptop Protection	Apportioned in proportion to percentage of applicable devices transferred	Apportioned in proportion to percentage of applicable devices transferred
SAMSHA	100%	--
Let's Go	100%	--
Mentoring	100%	--
Health Grant	65.98%	34.02%
Dollars for Scholars	100%	--
Performing Arts Center	100%	--
Healthy Maine Partnerships	Apportioned consistent with law	Apportioned consistent with law
Community Education	100%	--
Unemployment Compensation	Apportioned according to employee	Apportioned according to employee

**Freeport Withdrawal Agreement**

**Exhibit 6**

**List of Employees and Position, Covered by CBA's and Assigned  
To Freeport (to be verified and updated as of Effective Date)**

**Freeport Withdrawal Agreement**

**Exhibit 7**

**List of continuing contract teachers and probationary teachers  
assigned to New Freeport SAU  
(to be verified and updated as of Effective Date)**

**Freeport Withdrawal Agreement**

**Exhibit 8**

**Vehicles and Equipment to be Transferred to Freeport**

**[Vehicles and Equipment to be Divided from List Below According to Schools/Property that Vehicles and Equipment Primarily Serve]**

Fleet #	VIN #	Year	Make	Model	Own/Lease
BUSES	1BAAHCPA5YF093520	2000	BLUE	TCFE72	OWN
20	1HVBBABN4YH305672	2000	INTE	3800	OWN
21	1HVBBABN91H305673	2001	INTE	3800	OWN
22	4UZAAXCS63CK86966	2003	FRATL	FS 65	OWN
23	1T88T4C2151158443	2005	THOM	14085	OWN
24	1T88T4C2171276351	2007	THOM	14085	OWN
25	4UZABRCS87CY10075	2007	DERL	B2106	OWN
26	4DRBUAAN89A105398	2009	INTE	CE	OWN
27	4DRBUAAN3BA253416	2011	ICRP	CE	OWN
28	4DRBUAAN4BB256920	2011	ICRP	CE	OWN
29	4DRBUAAN4CB395771	2012	INTL	CE	OWN
30	4DRBUAAN6CB395772	2012	INTL	CE	OWN
32	4DRBUAAN4CB044293	2012	INTL	CE	LEASE
33	4DRBUAAN6CB044294	2012	INTL	CE	LEASE
34	4DRBUAAN7FB027606	2015	INTL	CE	LEASE
37	1HVBBABNXVH449996	1997	INTL	3800	OWN
VANS					
1	1FMNE31L04HA17806	2004	FORD	ECONO	OWN
2	1FMNE31L24HA17807	2004	FORD	ECONO	OWN
3	1FMNE1BW6CDB23230	2012	FORD	ECONO	LEASE
4	2C4RDGBG7ER146083	2014	DODGE	CARAVAN	LEASE
5	2C4RDGBG8ER129454	2014	DODGE	CARAVAN	LEASE
TRUCKS					
	1FTNF21L91EB50167	2001	FORD	F250	OWN
	2FTRF12W69KB47793	2009	FORD	F150	OWN
	1GD323CG8BF117757	2013	GMC	SIERRA	OWN
	1FTBF2B60DEB32124	2013	FORD	K250 XL	OWN
TRAILERS					
	10HHSE18381000407	2008	HUDS	HSE185	OWN
	4TEFS182911042124	2001	CURR	TL	OWN

	1N9B110115F206002	2005	NICH	CANOE	OWN
TRACTORS					
	LV4400H34274	2000	DEER	TRACTO	OWN
	TC1435D080732	2007	DEER	TRACTR	OWN
	TC1446D100281	2010	DEER	TRACTOR	OWN
MOWERS/EQUIPMENT					
	John Deere F-935	1999	DEERE	MOWER	OWN
	John Deere F-935	2001	DEERE	MOWER	OWN
	John Deere Gator	2003	DEERE	GATOR	OWN
	Toro Ground mower 4100-D	2012	TORO	MOWER	OWN
	Workman MD Toro	2013	TORO		OWN
	Toro Seeder Aerator	2012	TORO		OWN
	Grounds Groomer	2012			OWN