

# Proposed Regional Agreement

Agreement Between the Towns of Ayer and Shirley  
With Respect to the Formation of a Regional School District

Whereas the Towns of Ayer and Shirley (hereinafter referred to as “the member towns”) for good and substantial reasons desire to create a regional school district consistent with the terms of Chapter 71 of the General Laws of Massachusetts, as amended, the member towns, in consideration of the mutual promises contained herein, agree as follows:

Section I – Type of District

The regional school district (hereinafter referred to as “the District”) shall provide educational programs for public school students who reside in the member towns and who are attending grades pre-kindergarten through and including grade 12. The Regional School District Committee (hereinafter referred to as “the Committee” or as the “Regional School Committee”), as established consistent with Section III below, is authorized in its discretion to establish and maintain other educational programs, including but not limited to vocational-technical educational programs consistent with Chapter 74 of the General Laws of Massachusetts, and is authorized in its discretion to join or to form educational collaboratives consistent with Chapter 40, Section 4E of the General Laws of Massachusetts.

Section II – Location of Schools

There shall be located in each of the member towns at least one elementary school, with grade configurations to be established by the Committee. The grade configurations of the middle school(s) and high school(s) of the District shall be established by the Committee, and the location of said middle school(s) and high school(s) will be as determined by the Committee, although said location will be within the member towns. Generally, students in the elementary grades will be assigned to the elementary school within the town in which that student resides. The school buildings may either be owned by the District or leased from the member towns under terms and conditions that will be expressed in lease agreements.

### Section III – The Regional School District Committee

A. Composition of the Committee. The Committee will be composed of six (6) members. Because of the closeness in size of the two member towns at the time of the formation of the District, based upon the most recent United States census estimates, three (3) of said members must reside in the Town of Ayer and will be elected by the voters in said town, and three (3) of said members must reside in the Town of Shirley and will be elected by the voters in said town. During fiscal year 2011, members of the Ayer School Committee and members of the Shirley School Committee will be eligible to serve, if elected by the voters of their town, on the Regional School Committee.

B. Allocation and Weight of Votes. Each member of the Committee shall have one vote, and each vote shall be of equal weight unless and until a shift in the respective populations of the member towns, based on the then-current United States census estimates, causes an impermissible disparity based on one-man, one-vote principles. This population review will occur every five (5) years, with the first review occurring during fiscal year 2015. If an impermissible disparity develops, the Committee will act to address the disparity.

C. Election of Members. Each member must reside in the town which she or he represents. Each member must be elected consistent with the process for the election of town officials in said town and will be elected to open seats during the annual election in said town. The term of each elected member will begin on the first business day after his or her election and after being sworn in by the respective Town Clerk. A member who has not otherwise vacated his or her seat will continue to serve until his or her successor is elected and sworn.

D. Length of Terms. Each member will serve a three (3) year term, with the terms staggered so that at least one (1) member representing each member town will be elected each year.

E. Initial Staggering of Terms. For the purpose of staggering the terms of the initial Regional School District Committee only, the following will apply. In regard to each of the member towns, the candidate receiving the highest number of votes will be elected to a three (3) year term, the candidate receiving the second highest number of votes will be elected to a two (2) year term, and the candidate receiving the third highest number of votes will be elected to a one (1) year term.

F. Vacancies. If for whatever reason a vacancy on the Committee occurs, including a situation in which no candidate is elected at a particular election, the following process will be followed. The members of the Board of Selectman of the town in question will meet in joint session with the remaining members of the Regional School Committee who represent that town in order to appoint someone who resides in that town to serve

until the next annual election. At that next annual election, a person will be elected to serve the balance of the unexpired term which had become vacant.

G. Quorum. A quorum shall exist when a majority (i.e., more than 50%) of the six (6) members of the Committee are present. At a meeting where there is no quorum, or where the quorum is lost, the remaining members may vote to adjourn but may take no other action.

H. Actions by Majority Vote. Except where otherwise provided by statute or by the terms of this Agreement, actions will be taken by majority vote. For these purposes a majority vote shall mean an affirmative vote by more than half of the members who are present and voting on the particular matter at a properly called meeting for which a quorum is present. Consistent with the terms of G.L. chapter 71, section 16B, a two-thirds vote of all of the Committee's members will be necessary to approve the District's annual budget and to apportion among the member towns the amounts necessary to be raised to support said budget.

I. Election of Committee Officers. The Committee shall annually elect a chairperson and a vice chairperson from among the Committee's membership. The Committee will have as a standard that the position of chairperson will rotate annually between the member towns. For example, in the first year that the District is in existence, the chairperson will be elected without regard for where s/he resides. In year two, however, the chair will be elected from members who reside in the other member town. This rotation will then be maintained in future years. By a two-thirds vote, the Committee may in any given year deviate from this standard regarding the rotating chairmanship. The vice chairperson in any given year will be drawn from those members who reside in the member town different from where that year's chairperson resides. The Committee will also appoint a treasurer who will not be a member of the Committee, and the Committee will also appoint a secretary who may or may not be a member of the Committee. The election of such officers will occur at the Committee's first regularly scheduled meeting held after the last of the annual elections in the member towns. Such officers will exercise the powers expressed and implied in G.L. chapter 71, section 16A.

#### Section IV – Powers of the Committee

The Committee shall possess all of the powers conferred by law upon regional school committees via G.L. chapter 71, section 16 and otherwise, including but not limited to the power to acquire property and/or to enter into leases for land and/or buildings. During fiscal year 2012, the Committee will have the power to perform all of the end of the year reporting functions that normally would have been performed by the Ayer School Committee and the Shirley School Committee.

## Section V- Development of the District's Budget

The Committee shall annually determine the District's budget consistent with the timelines, terms, and requirements in G.L. chapter 71, section 16B, and consistent with regulations promulgated by the Department of Elementary and Secondary Education. The Committee will hold a public hearing on its budget consistent with G.L. chapter 71, section 38N. The apportionment of the costs appearing in said budget will be calculated consistent with Section VI of this Agreement.

## Section VI – Apportionment of Costs Incurred By the District

A. Classification of Costs. For the purpose of apportioning costs assessed by the District against the member towns, costs shall be divided into two categories: operating costs and capital costs.

B. Operating Costs. Operating costs shall include all costs not included in capital costs as defined in subsection VI, C below. Without limiting the generality of the preceding sentence, the following shall be classified as operating costs: salaries, wages, supplies, textbooks, ordinary repairs and maintenance, interest on temporary notes issued by the District in anticipation of revenue, and other costs incurred in the day to day operation of District schools.

1. Assessment of Operating Costs. For each fiscal year, the assessment of operating costs for each member town will be the sum of the following: (a) the member's required local contribution to the District as determined by the Commissioner; (b) the member's share of that portion of the District's net school spending, as defined by G.L. chapter 70, section 2, that exceeds the total of the required local contributions for all members; and (c) the member's share of costs for transportation and all other expenditures (exclusive of capital costs as defined under Section V,C below) that are not included in the District's net school spending. A member's share of (b) and (c) above will be calculated on the basis of "foundation enrollment" as defined in G.L. chapter 70, section 2 based upon a five year rolling average. That is, for any fiscal year a member will pay the same percentage of (b) and (c) above as that member's foundation enrollment for the preceding five years relates to the foundation enrollment for the entire District during those five years when the foundation enrollment figures for those five years are averaged.

2. Transitional Assessment of Operating Costs. In order to somewhat cushion the initial financial impact that the creation of the District may have on a member town, the following approach will be utilized in the first years of the District's existence in computing each member's share of the District's net school spending

that exceeds the total of the required local contributions for all members (i.e., (b) in the preceding paragraph).

a. The fiscal year prior to the effective date of the creation of the District will, for purposes of this subsection, be termed the “base year.”

b. The non-capital school costs in each of the member towns for the base year will, for purposes of this section, be termed the “base year current resources.”

c. The District’s net school spending that exceeds the total of the required contributions for all members will, for purposes of this subsection, be termed the “total excess.”

d. In determining the assessments for the first fiscal year of the District’s existence, the percentage of the total excess that each member will be assessed will be the same percentage that the member’s base year current resources was to the sum of the members’ base year current resources.

e. In determining the assessments for the second fiscal year of the District’s existence, each member’s share of the total excess will be initially calculated using the method appearing in subsection VI,B,1. If for any member the dollar amount of said assessment is greater than the dollar amount that the assessment would have been if the percentages expressed in paragraph d (above) had been used, that member will, for this second fiscal year, be assessed no more than twenty (20%) percent of this increased dollar amount. The other member’s assessment for the total excess will be increased accordingly.

f. In determining the assessments for the third fiscal year of the District’s existence, each member’s share of the total excess will be initially calculated using the method appearing in subsection VI,B,1. If for any member the dollar amount of said assessment is greater than the dollar amount that the assessment would have been if the percentage expressed in paragraph d (above) had been used, that member will, for this third fiscal year, be assessed no more than forty (40%) percent of this increased dollar amount. The other member’s assessment for the total excess will be increased accordingly.

g. In determining the assessments for the fourth fiscal year of the District’s existence, each member’s share of the total excess will be initially calculated using the method appearing in subsection VI,B,1. If for any member the dollar amount of said assessment is greater than the dollar amount that the assessment would have been if the percentage expressed in paragraph d (above) had been used, that member for this fourth fiscal year will be assessed no more than sixty (60%) percent of

this increased dollar amount. The other member's assessment for the total excess will be increased accordingly.

h. In determining the assessments for the fifth fiscal year of the District's existence, each member's share of the total excess will be initially calculated using the method appearing in subsection VI,B,a. If for any member the dollar amount of said assessment is greater than the dollar amount that the assessment would have been if the percentage expressed in paragraph d (above) had been used, that member for this fourth fiscal year will be assessed no more than eighty percent (80%) of this increased dollar amount. The other member's assessments for the total excess will be increased accordingly.

i. . For the sixth fiscal year of the District's existence, and for each year thereafter, unless this Agreement is otherwise amended, each member's share of the total excess will be calculated using the method appearing in subsection VI,B,1. During the sixth fiscal year of the District's existence, the Committee, as part of its periodic review of this Agreement (spoken to in Section XIV), will review the apportionment language contained in this Section VI.

C. Capital Costs. Capital costs will include capital outlay appearing in the 7000 DESE function codes. Capital costs also include principal and interest debt service. Instructional capital expenditures which qualify under net school spending are not included under capital costs and instead are included as an operating cost.

1. Assessment of Capital Costs

a. General Standard. With the exception of assessments for the payment of principal and interest debt service, all assessments of capital costs, regardless of the regional facility to which the capital cost is associated, will be computed based on the approach and formula set out in subsection b below.

b. Approach and Formula. During the development of each fiscal year's budget, the total capital costs, exclusive of principal and interest debt service payments, for the year in question will be identified. Each member town will then be assessed a percentage of that total capital cost. One-half of each town's percentage will be based upon "foundation enrollment" as defined in G.L. chapter 70, section 2, based upon a five year rolling average. That is, for the year in question one-half of a given town's capital assessment will be based upon the percentage that that member's foundation enrollment for the preceding five years relates to the foundation enrollment for the entire District during those preceding five

years when the foundation enrollment figures for those five years are averaged.

The other half of each town's percentage of the total capital cost will be based upon the "combined effort yield" as defined and calculated by the Department of Elementary and Secondary Education, based upon a five year rolling average. That is, for the year in question the other half of a given town's capital assessment will be based upon the percentage that that member's combined effort yield for the preceding five years relates to the combined effort yield for the entire District, when the combined effort yield figures for those five years are averaged.

c. Assessment of Principal and Interest Debt Service. Debt service payments (both principal and interest) which are attributable to facilities that are under the custody and control of the District, regardless of whether they are owned by the District or leased to the District, will be assessed to the member towns using the following approach. The number of students who reside in each of the member towns who are assigned to the facility in question during the year in which the budget is developed will be identified. Each member town will then be assessed a percentage of the debt service payments attributable to that facility. This percentage will be the same as the percentage that the number of students from that town who are enrolled in the facility in question bears to the total enrollment in that facility.

## Section VII – Payment of Apportioned Costs

Each member town shall pay to the District in each year its apportioned costs, assessed as provided in Section VI. Within thirty (30) days of the completion of the annual budget process, or June 30, whichever occurs first, the District treasurer shall notify the member towns of their assessment and the assessment payment schedule for the next fiscal year. The annual assessment of each member town shall be paid as follows:

A. Each member town will pay to the District one-twelfth of its annual assessment of operating costs and non-debt capital costs, as defined in Section VI, on or before the fifth of each calendar month.

B. Each member town will pay to the District its apportioned share of debt service, both principal and interest, no less than fourteen (14) days prior to the debt service payment due date.

### Section VIII- Excess and Deficiency Fund

The District will maintain a so-called “Excess and Deficiency Fund” which shall be administered consistent with directives from the Department of Revenue and consistent with the terms of G.L. chapter 71, section 16B1/2.

### Section IX – Revolving Funds and Existing Equipment and Supplies

At the time of the creation of the District, any and all money held in so-called “revolving funds”, in gift accounts, in grant accounts, or in student activity accounts/funds that are held by the member towns for the benefit of their respective school departments will be conveyed to the District to be utilized for educational and/or extracurricular purposes consistent with the purposes for which the revolving funds or accounts were created. Additionally, school-related equipment and supplies that are owned by the school departments of the member towns at the time of the creation of the District will be conveyed to the District.

### Section X – Incurring of Debt

The District School Committee is empowered to incur debt consistent with the terms and conditions of G.L. chapter 71, section 16. Except for the incurring of temporary debt in anticipation of revenue, for an issuance of debt which is less than two percent (2%) of the District’s total annual budget in the fiscal year in which the Committee votes to incur the debt, the process that appears in subsection (d) of chapter 71, section 16 will be followed. For an issuance of debt equal to or greater than two percent (2%) of the District’s total annual budget in the fiscal year in which the Committee votes to incur the debt, the process that appears in subsection (n) of chapter 71, section 16 will be followed. Notwithstanding the above, the Committee by majority vote may choose to follow the process that appears in subsection (n) of chapter 71, section 16 for an issuance of debt which is less than two percent (2%) of the District’s total annual budget in the year in which the Committee votes to incur the debt.

### Section XI – Annual Report

The Committee shall submit an annual report to each of the member towns consistent with G.L. chapter 71, section 16 (k).

## Section XII – Withdrawal of Member Towns

In the event that a member town decides to seek to withdraw from the District, the following procedures and requirements will apply:

A. Vote Expressing Desire to Withdraw. Any member town seeking to withdraw from the District shall, by vote at an annual or special town meeting, request the Committee to formulate an amendment to this Agreement setting forth the terms under which the town may withdraw from the District. No withdrawal will take effect on other than July 1 of a given year and the vote spoken of in the preceding sentence, as well as the notification to the District consistent with paragraph B below, as well as the submittal of a long range education plan consistent with paragraph C below, must all occur no less than two (2) years prior to the desired date of withdrawal.

B. Notice. The clerk of the town seeking to withdraw shall, within seven (7) days of the vote, notify the Committee chairperson as well as the District's superintendent in writing that the town has voted to request the Committee to formulate an amendment to the Agreement setting forth the terms for withdrawal. The clerk will provide a certified copy of the vote with the notification.

C. Long Range Education Plan. No less than two (2) full years prior to the desired date of withdrawal, the town seeking to withdraw, in addition to the other requirements spoken to in paragraph A above, will submit to the Commissioner of Elementary and Secondary Education (hereinafter "the Commissioner") and to the District a "Long Range Education Plan" consistent with 603 CMR 41.02(2). The Long Range Plan will address, in addition to any other factor required by the Commissioner, the following: the expected educational benefits of reorganization; the current and projected enrollments; an inventory of all educational facilities under the jurisdiction of the District; the proposed administrative structure; the fiscal ramifications of withdrawal upon the withdrawing town as well as the other member towns in the District; the geographical and physical characteristics of the area; and the effect that withdrawal will have on student transportation.

D. Requirements. In addition to other terms and requirements which the Committee may include in the amendment, the town seeking to withdraw will be responsible for the following: (1) payment of all operating costs for which it is liable as a member of the District; (2) continuing payments beyond the time of withdrawal to the District for the town's share of the indebtedness of the District which is outstanding at the time of such withdrawal, and for interest thereon, to the same extent and in the same manner as though the town had not withdrawn from the District; and (3) for the costs, including legal fees, that accrue to the District as a result of the withdrawal process.

E. Approval of Withdrawal. A request to withdraw shall become effective only if the amendment to the Agreement is approved by vote of the Committee, is approved by the Commissioner of Education, and is approved by majority vote at an annual or special

town meeting in the town seeking to withdraw and in each of the other member towns, and the withdrawal can become effective no less than one full year after the completion of these requirements.

### Section XIII – Admission of Additional Towns

Additional towns may apply for admittance to the District, although no admittance will occur on a date other than July 1 of a given year. Towns applying for admission must submit to the Committee a Long Range Education Plan consistent with the terms of Section XII, subsection C of this Agreement. If the Committee so chooses, it may then vote to seek approval from the Commissioner of Education of the proposed admittance of a new member consistent with the terms of 603 CMR 41.00. If the approval of the Commissioner is obtained, the Committee will then formulate an amendment to this Agreement, setting forth the terms upon which the new member will be admitted. Such terms will include, without being limited to, “buy-in” payments by the new town to reflect capital costs that have previously been incurred by the member towns, and will include an ongoing assessment for existing debt service. No admittance of a new town will occur unless the amendment to the Agreement is approved by vote of the Committee, is approved by the Commissioner of Education, and is approved by majority vote at an annual or special town meeting in the town seeking admittance and in each of the other member towns, and no admittance of a new town will become effective any less than one full year after the completion of these requirements.

### Section XIV- Review of Agreement

At least every five years, the Committee will undertake a review of the terms of this Agreement. The first review of this Agreement will occur no later than fiscal year 2015. Proposals for amendments to this Agreement will be processed consistent with Section XV.

### Section XV – Amendments to Agreement

A. Limitation: This Agreement may be amended from time to time in the manner hereinafter provided, but no amendment shall be made which shall substantially impair the rights of the holders of any bonds or notes or other evidences of indebtedness of the District which are then outstanding, or the rights of the District to procure the means for payment thereof, provided that nothing in this section shall prevent the admission of a new town or towns to the District consistent with the term of this Agreement, and nothing in this section shall prevent the reapportionment, resulting from

said admission of a new town, of capital costs of the District represented by bonds or notes of the District then outstanding and of interest thereon.

B. Procedure: Any proposal for amendment, except a proposal for amendment providing for the withdrawal of a member town (which shall be acted upon as provided in Section XII), and except for a proposal for amendment providing for the admittance of a new member (which shall be acted on as provided in Section XIII), may be initiated by a two-thirds vote of all members of the Committee or by a petition signed by 10 percent of the registered voters of any one of the member towns. In the latter case, said petition shall contain at the end thereof a certification by the town clerk of such member town as to the number of registered voters in said town according to the most recent voting list and the number of signatures on the petition which are the signatures of registered voters of said town, and said petition shall be presented to the secretary of the Committee. In either case, the secretary of the Committee shall mail or deliver a notice in writing to the board of selectmen of each of the member towns that a proposal to amend this Agreement has been made and shall enclose a copy of such proposal (without the signatures in the case of a proposal by petition). The selectmen of each member town shall include in the warrant for the next annual town meeting, or a special town meeting called for this and/or other purposes, an article which states the proposed amendment or the substance thereof. Such amendment shall take effect upon its acceptance by all of the member towns, acceptance by each town to be by a majority vote at a town meeting as aforesaid.

#### Section XVI – Severability

Consistent with G.L. chapter 71, section 16I, if any provision of this Agreement is found to be invalid, the remainder of this Agreement shall not be affected thereby.

#### Section XVII – Transition Period

As part of the approval of this Agreement and of the regional school district created by this Agreement, the member towns as well as the Commissioner of Education will be taken to have approved a transition period, consistent with 603 CMR 41, which will extend from the date of voter approval of the regional school district until the end of the fiscal year following the fiscal year in which the vote to approve the creation of the district was taken. During this transition period, the existing local school committees will continue in existence and will continue to operate the schools of the member towns subject to the restrictions spoken to in this Section XVII (hereinafter “this section”). During this transition period, and prior to the seating of the Regional School Committee on July 1, 2010, a transitional regional school committee will be formed consistent with this section which will exercise powers expressed in this section. Upon the seating of the Regional School Committee on July 1, 2010, the Regional School Committee will exercise the powers expressed in this section for the remainder of the transition period.

A. Composition of the Transitional Regional School Committee. As soon as possible after the approval by the voters of this Agreement, a transitional regional school committee (hereinafter "TSC") will be formed which will be comprised of six (6) members, two (2) of which will be drawn from the members of, and selected by vote of, each of the local school committees of Ayer and Shirley. Each of these local school committees will also appoint one additional citizen who resides in their respective town and who is not a member of the local school committee to serve on the TSC. During that part of the transition period when the TSC is in existence, should any of the members of the TSC resign from membership on the TSC or become ineligible for membership on the TSC (e.g., by leaving the membership of the local school committee or by moving from their respective town) the local school committee will vote a replacement. If the vacancy is caused by one of the members of a local school committee leaving the TSC, then the replacement will be chosen from among the remaining members of that local school committee. If the vacancy is caused by one of the "citizens" leaving the TSC, then the respective local school committee will appoint another citizen of the town who is not a member of the local school committee as the replacement.

B. Quorum. A quorum shall exist when a majority (i.e., more than 50%) of the six (6) members of the TSC are present. At a meeting where there is no quorum, or where the quorum is lost, the remaining members may vote to adjourn but may take no other action.

C. Election of Officers. The TSC will elect officers consistent with subsection III,J except that the TSC officers so chosen will serve throughout that part of the transition period that the TSC is in existence.

D. Powers of the TSC and of the Regional School Committee During the Transition Period. During the transition period, the TSC (until June 30, 2010) and the Regional School Committee (from July 1, 2010 to June 30, 2011), shall possess all powers, subject to the availability of funds necessary for the exercise of such powers, necessary for the planning and implementation of the regional school district, including but not limited to the following:

1. The power to receive funds from the Commonwealth as well as appropriations, grants, and gifts from other sources. This is not intended to alter the fact that during the transition period other funds from the Commonwealth will continue to flow to the member towns and their individual school departments.
2. The power to establish and adopt policies for the regional school district.
3. The power to employ a superintendent, treasurer, chief financial officer, and director of special education, as well as the power to authorize the superintendent to employ other personnel as needed.
4. The power to contract for and/or purchase goods and services, as well as the power to enter into leases and other agreements with the member towns,

collaboratives, vendors, and other agencies and parties, with all of these powers being able to be exercised on behalf of the regional school district.

5. The power to adopt budgets for the region for the transition period and for the first year of the regional school district, and to assess the member towns for these budgets.
6. The power to negotiate and to enter into collective bargaining agreements, which will take effect no sooner than the inception of the regional school district.
7. The power to appoint a Regional School Building Committee.
8. The power to develop and adopt a strategic plan for the regional school district.
9. The power to appoint subcommittees.

E. Relationship Between the TSC and the Local School Committees, and Between the Regional School Committee and the Local School Committees, During the Transition Period. During the transition period, the local school committees of the member towns may not make decisions that will financially obligate or legally encumber the regional school district without ratification by the TSC or, after June 30, 2010, by the Regional School Committee. In addition, the local school committees will comply with the following during the transition period:

1. No building projects will be undertaken and no building closures will occur unless ratified by the TSC or, after June 30, 2010, by the Regional School Committee.
2. Program offerings will remain substantially the same.
3. No school choice openings will be filled except with the approval of the TSC or, after June 30, 2010, by the Regional School Committee.
4. The school administration of the local school districts will cooperate with the regional administration in terms of information sharing and in terms of the transfer of control during the transition.

F. Termination of TSC. The TSC will exist until midnight on June 30, 2010, at which time the Regional School Committee will assume jurisdiction of the regional school district for the balance of the transition period and thereafter. The Regional School Committee will be deemed to be the legal successor to the TSC for purposes of all contracts, collective bargaining agreements, other agreements, and leases that have been entered into by the TSC.

