

AGREEMENT BETWEEN THE TOWNS OF OTIS AND SANDISFIELD

WITH RESPECT TO THE FARMINGTON RIVER REGIONAL SCHOOL DISTRICT

(School Committee Working Draft, 9/9/24 - **with edits**)

This Farmington River Regional School District (the District) Regional District Agreement (RDA) is entered into pursuant to Chapter 71 of the General Laws of Massachusetts (M.G.L.), as amended, between the Towns of Otis and Sandisfield (hereinafter sometimes referred to as the member towns). This Agreement supersedes in its entirety the Agreement between the member towns forming the Farmington River Regional School District originally dated January 1, 1992. In consideration of the mutual promises herein contained, it is hereby agreed as follows:

**SECTION I - TYPE OF REGIONAL SCHOOL DISTRICT.**

***RAAC Approved: 6/20/2024***

***School Committee Modified & Approved: 9/9/2024***

The District shall provide for the public school education of all pupils in grades kindergarten through twelve who reside within the District *and shall operate an integrated early childhood program enrolling students aged 3 and 4 who require early intervention services. The integrated early childhood program shall also enroll district residents aged 3 and 4 who do not require intervention services, free of charge, as space permits.* The District shall maintain and operate a school for school-age students residing in the Member Towns for pupils in grades pre-kindergarten through grade six and shall provide tuition for pupils in grades seven through twelve to attend a secondary school or schools outside the District. *The Committee shall have the right to expand or contract available grade levels. For grade levels up to grade 12 not offered at the District operated school(s), a tuition agreement will be established with neighboring District(s) and tuition paid for through the District budget, excluding vocational training otherwise paid by towns.*

## **SECTION II - THE REGIONAL SCHOOL DISTRICT SCHOOL COMMITTEE**

***RAAC Approved: 6/20/2024***

***School Committee Modified & Approved: 9/9/2024***

(A) Composition.

The powers and duties of the District shall be vested in and exercised by a regional school district school committee, hereinafter sometimes referred to as The Committee. The Committee shall consist of seven members, with each town's representation apportioned according to the total population.

(B) Election of Members.

At each Annual Town Election in which the term of a member expires, his or her successor shall be elected for a three-year term.

(C) **School Committee Composition Review**

Not later than six months following the official publication by the United States Bureau of the Census of each decennial federal census, the Committee shall consider the respective populations of the Member Towns and determine whether a change is required in to the apportionment of committee members and implement that change to ensure compliance with requirements of the United States Constitution under the so-called one person-one vote principle.

(D) Vacancies.

Any vacancy in the membership of the Committee shall be filled within 3 subsequent school committee meetings by appointment of the Select Board of the Member Town concerned for the remainder of the unexpired term.

(E) Organization.

Following each annual election, the Committee shall organize and choose by **vote** a chairperson and a vice chairperson from its own membership; appoint a treasurer and secretary who may be the same person but who need not be members of the Committee; choose such other officers as

it deems advisable; determine the term of office of its officers (except the chairperson and vice chairperson who shall be elected annually as provided above); and prescribe the powers and duties of its officers, fix the time and place for its regular meetings, and provide for the calling of special meetings.

(F) Powers and Duties.

The Committee shall have all the powers and duties conferred and imposed upon school committees by law and conferred and imposed upon it by this agreement, and other such powers and duties as are specified in Sections 16 to 161, inclusive, of Chapter 71 of the general laws and any amendments thereof or additions thereto now or hereafter enacted, or as may be specified in any other applicable general or special law.

(G) Quorum.

A quorum of the School Committee shall consist of a simple majority of the members. However, the quorum cannot deliberate unless there is one member present from each town.

**SECTION III – LOCATION OF REGIONAL DISTRICT SCHOOLS.**

**RAAC Reviewed/Approved: 6/20/2024**

**School Committee Modified & Approved: 9/9/2024**

(A) Location.

Any schools constructed by the District shall be located at a site or sites within the District as shall be determined by the Committee.

## **SECTION IV – APPORTIONMENT OF EXPENSE BETWEEN MEMBER TOWNS**

### ***School Committee Began Reviewing (no vote) on 9/9/2024***

In apportioning expense to the Member Towns, the district shall separate all educational costs into three categories:

**Capital expenses:** Expenditures for purchase of durable goods, vehicles, land, buildings, building components etc. with a value greater than \$5,000. (USE DESE DEFINITION)

**Transportation expenses:** Expenditures for Pupil Transportation Services for pupils transported to and from school regardless of distance after deducting regional transportation aid and/or other revenues.

**Adjusted operating expenses:** All other school expenses not including transportation and capital costs after deducting Chapter 70 aid, application of any Excess and Deficiency offset, school choice, or other projected revenue.

Each category of expense shall be assessed using a different apportionment method considering one or more of the following factors:

**RLMC** – The town Required Local Minimum Contribution as determined by DESE for the fiscal year under consideration.

**RLMCF** – The town Required Local Minimum Contribution Fraction, determined by dividing the town RLMC by the sum of the member town RLMC.

**EV** – The town **Equalized Valuation** used by DESE in their determination of Chapter 70 Aid for the fiscal year under consideration.

**EVF** – The town **Equalized Value Fraction**, determined by dividing the town EV by the sum of the member town EV.

**CEY** – The town **Combined Effort Yield** for the fiscal year under consideration. CEY is a state-derived measure used in the Chapter 70 school funding calculation. CEY considers property values and resident income to indicate a municipality's *target local share* of education costs.

After the application of revenue and aid, the district will assess remaining expenses to Member Towns as follows:

### **Capital Cost Apportionment**

The district capital costs to be apportioned will be apportioned to each member town by multiplying the district capital costs to be apportioned by the member town EVF.

### **Transportation Cost Apportionment**

The district transportation costs to be apportioned will be apportioned to each member town by multiplying the district transportation costs to be apportioned by the member town RLMCF.

### **Adjusted Operating Cost Apportionment (ALT version below)**

1. The district adjusted operating costs to be apportioned will be apportioned to each member town by first determining the sum of all member town RLMC.
2. If this sum is greater than the district adjusted operating costs to be apportioned, each town is apportioned their RLMC, and the district must increase their adjusted operating cost budget so that the district adjusted operating costs to be apportioned equals the sum of the member town RLMC.
3. If the sum of all member town RLMC is less than the district adjusted operating costs to be apportioned, the district adjusted operating costs to be apportioned will be apportioned to each member town by first subtracting the sum of the member town RLMC from the adjusted operating costs to be apportioned.
4. This remainder will then be apportioned among the member towns as described below, resulting in a non-negative increment for each town to be added to their RLMC, with the sum of the member town RLMC and its non-negative increment being the member town's adjusted operating cost apportionment.

5. These preliminary increments are used as the non-negative increments in the case where the absolute value of the difference between the two town's preliminary Adjusted Operating Assessment % of CEY is less than or equal to the **MA Two-Town Regional School District Mean Difference, M**.
6. In the case where this difference is greater than M, the preliminary increments are adjusted down for the town with the higher preliminary Adjusted Operating Assessment % of CEY (Town 1), while adjusting upward by the same amount the other town's (Town 2) preliminary increment, until the Adjusted Operating Assessment % of CEY of Town 1 is greater than that for Town 2 by exactly M. However, if this results in the preliminary increment for Town 1 becoming negative, then that member town's increment is set to zero, and the increment of the other member town is the full difference between the district adjusted operating costs to be apportioned and the sum of the member town RLMC. In this case the two town's Adjusted Operating Assessment % CEY will differ by more than the mean M. However, this approach is necessary to ensure that each member town's increment is non-negative and hence satisfies the requirements of the Statutory Method.
7. The value of M to be used initially is 0.1982 (i.e., 19.82%). This number is the mean, across all MA two-town regional school districts, of the difference between the Adjusted Operating Apportionment % of CEY for the two district towns, as derived from a complete FY23 data set provided by DESE to the School Committee in July of 2024.
8. The School Committee may by 2/3 vote update the mean M that it uses to apportion costs among its two member towns whenever a more current & complete fiscal year data set is obtained by the School Committee directly from DESE. A data set is complete only if it provides all the information necessary to be able to compute the Adjusted Operating Apportionment % of CEY for each of the two towns in every MA two-town regional school district. In this case, the School Committee shall compute the mean, across all MA two-town regional school districts, of the absolute value of the difference between the Adjusted

Operating Apportionment % of CEY for the two district towns and may only adopt this updated mean for use in apportioning costs to its two member towns.

#### **ALTERNATIVE: ADJUSTED OPERATING EXPENSES TO BE APPORTIONED**

1. The district adjusted operating costs to be will be apportioned to each member town by first **determining the sum of all member towns RLMC**.
2. If this sum of member towns RLMC is **greater than** the district adjusted operating costs, each town is apportioned their RLMC, and the district **must increase** their adjusted operating cost budget so that the district adjusted operating costs to be apportioned equals the sum of the member town RLMC.
3. If the sum of all member town RLMC **is less than** the district adjusted operating costs, the district adjusted operating costs to be apportioned will be apportioned to each member town by first subtracting the sum of the member town RLMC from the adjusted operating costs to be apportioned **following the statutory method**.
4. The **remaining adjusted operating costs to be apportioned**, will then be divided between the towns by applying the RLMCF.
5. Next, each town's **RMLC** and **each town's share of the remaining adjusted operating costs** are added.
6. For each town, these sums (the preliminary adjusted operating assessments) **are calculated as a percent of the town's CEY** for the fiscal year under consideration.
7. **If the difference is less than or equal to 20%, no changes are made to the remaining adjusted operating costs apportioned to the towns.**
8. **If the difference between the two towns' assessment as a percent of their CEY exceeds 20 percentage points**, each town's preliminary adjusted operating assessments will be redistributed. Reassignment of the remaining adjusted operating budget assessment will transfer in equal increments from the town with the *higher percent* of CEY to the town with the lower percent of CEY until a difference of 20 percentage points is achieved. Shifts of adjusted operating assessment are not to bring the town with the higher CEY percent below the town with the lower CEY percent.

Under no circumstances will the calculation of apportionment result in a member town having adjusted operating costs apportioned at an amount less than **the town's** DESE-identified RLMC.

Every five years, the School Committee will review the apportionment method. **The method used to apportion costs among its member towns may be updated by a 2/3 vote.** Additionally, the School Committee may also request a review of the apportionment method whenever state or town generated data supports adjustments.

## **SECTION V - BUDGET.**

***RAAC Reviewed & Approved: 6/20/2024***

***School Committee Modified & Approved: 9/9/2024***

(A) Tentative Maintenance **(vs. Capital?)** and Operating Budget.

The Committee shall in each year prepare a tentative operating and maintenance **(vs. capital?)** budget for the next fiscal year **for the period of July 1 to June 30**, including therein provision for any installment of principal or interest to become due in such fiscal year on any bonds, notes or other evidences of indebtedness of the District and all other costs to be apportioned to the Member Towns for such fiscal year. The budget shall be in reasonable detail, including the amounts payable under the following classifications of expenses or such other reasonably detailed classifications as the Committee may determine to be necessary, including but not limited to:

1. Administration
2. Instruction
3. Other School Services
4. Operation and Maintenance of Plant
5. Fixed Charges
6. Community Services
7. Acquisition of Fixed Assets
8. Debt Service and Debt Retirement
9. Programs with Other Districts



Copies of such tentative budget shall be mailed to the chairperson of the finance or advisory committee and the chairperson of the Select Board of each Member Town at least fourteen days before the date on which the final budget is adopted by the Committee. A public hearing shall be held on the tentative budget within the time required by law.

(B) Final Maintenance **(vs. Capital?)** and Operating Budget.

**Following the public hearing on the tentative budget, the Committee may make any such modifications to its proposed budget as it may deem necessary or desirable. The Committee shall adopt an annual maintenance and operating budget by a two-thirds vote of all of its members for the ensuing fiscal year (M.G.L. c. 71, § 16B) not later than forty-five days prior to the earliest date on which the business session of the annual town meeting in any member town is to be held, (M.G.L. c. 71 § 16 (m)) but in no event later than a date required by applicable Massachusetts Laws and Regulations, provided that said budget need not be adopted earlier than February 1. Said annual maintenance and operating budget shall include debt and interest and any other capital costs, and the said Committee shall apportion the amounts necessary to be raised in order to meet the said budget in accordance with the provisions of Sections V, D and V, E (align with respective sections in Sect. 4). The amounts so apportioned to each member town shall be certified by the District Treasurer to the treasurers of the member towns within thirty days from the date on which the annual maintenance and operating budget is adopted by the Committee, and each member town shall call a vote, at the next annual town meeting, to appropriate the amounts so certified to it. The District budget, as adopted by a vote of the Committee, is subject to both member towns voting to approve the budget (MGL Ch 71, § 16B). If a budget is not approved by the member towns, the District shall follow the process to approve a final budget as stated in M.G.L. Chapter 71, Section 16B, as amended.**

## **SECTION VI - TRANSPORTATION.**

***RAAC Reviewed & Approved: 6/20/2024***

***School Committee Modified & Approved: 9/9/2024***

**Transportation to and from school shall be provided by the District to enrolled K-12 students in accordance with Massachusetts General Law and School Committee policy.**

**SECTION VII - AMENDMENTS.**

**RAAC Reviewed**

***School Committee Modified & Approved: 9/9/2024***

(A) Limitations.

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 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 and the reapportionment accordingly of capital costs of the District represented by the principal of and interest on bonds or notes of the District then outstanding.

(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 IX), may be initiated by a vote of a majority of all the members of the Committee or by a petition signed by ten percent (10%) of the registered voters of any one of the Member Towns.

In the latter case, the 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 appear to be the names of registered voters of said town.

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 Select Board of each Member Town 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 Select Board of each Member Town shall include in the warrant for the next annual or a special town meeting called for the purpose, an article stating the proposal.

Such amendment shall take effect upon its acceptance by all of the Member Towns, acceptance by each town to be by majority vote at a town meeting **and approval by the Commissioner of the Department of Elementary and Secondary Education.**

### SECTION VIII - **ADMISSION OF ADDITIONAL TOWNS.**

By an amendment of this agreement adopted under and in accordance with Section VII above, any other town or towns may be admitted to the District upon adoption as therein provided of such amendment, and upon acceptance by the town or towns seeking admission of the agreement as so amended and also upon compliance with such provisions of law as may be applicable and such terms as may be set forth in such amendment. Addition of member towns shall require approval of the Commissioner by December 31<sup>st</sup> for amendment to be in effect by July 1.

### IX - **WITHDRAWAL TL MODIFIED incorp raac Draft TLv2**

#### A. Limitations and Provisions

The withdrawal of a Member Town from the District may be affected by an amendment to this Agreement in the manner hereinafter provided by this section. Any Member Town seeking to withdraw shall, by vote at an annual or special town meeting, request the Committee to draw up an amendment to this agreement setting forth the terms by which such town may withdraw from the District. As the complete withdrawal (all grades) of one Member Town from a two-town district would represent the dissolution of the regional school district, terms would minimally include the following:

- 1. The Committee must request a Needs Conference with the Department of Elementary and Secondary Education. (603 CMR 41.02 (1))**

2. The regional agreement must be amended and receive positive (SPECIFY: Simple Majority?) votes of both towns and approval of the Commissioner.
3. Terms shall include a plan for how assets and liabilities will be divided between the two Member Towns.
4. Towns shall remain liable to the District for its share of the indebtedness of the District 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; unless other terms are provided in the plan above.
5. Both towns must propose to the Commissioner of Education a long-range educational plan for the school-age residents of the town. Such plans would require approval prior to December 1 of the year preceding the withdrawal.
6. A timeline will be proposed identifying the effective date of withdrawal. All approvals, including the commissioner's approval of long-range plans, must occur by December 31 for amendment to be in effect the following July 1. (See 603 CMS 41.03(2)(a)).
7. New School Committees shall be established in each town and if a town intends to operate its own school district, a superintendent will need to be appointed.

#### B. Procedure.

The town clerk from the Member Town seeking to withdraw shall notify the Committee in writing that such town has voted to request the Committee to draw up an amendment to the agreement (enclosing a certified copy of such vote). Thereupon, the Committee shall draw up an amendment to the agreement setting forth such terms of withdrawal as it deems advisable, subject to the limitations contained in subsection VII(A) and subsection IX(A). The secretary of the Committee shall mail or deliver a notice in writing to the Select Board of each Member Town that the Committee has drawn up an amendment to the agreement providing for the withdrawal of a Member Town (enclosing a copy of such amendment). The Select Board of each Member Town shall include in the warrant for the next annual town meeting or a special town meeting called for the purpose, an article stating the amendment or the substance thereof. Such amendment shall take effect upon its acceptance by all the Member Towns, acceptance by each town to be by a majority vote at a town meeting as aforesaid.

C. Cessation of Terms of Office of Withdrawing Town's Members.

Upon the effective date of withdrawal the terms of office of all members serving on the Committee from the withdrawing town shall terminate and the total membership of the Committee shall be decreased accordingly. If the withdrawal of one town causes the dissolution of the regional school district, the Committee may appoint a committee, comprised of representatives of Member Towns, to execute the terms and oversee matters related to transition.

D. Payments of Certain Capital Costs made by the Withdrawing Town.

Money received by the District from the withdrawing town for payment of funded indebtedness or interest thereon, post employment benefits and other liabilities shall be used only for such purpose and until so used shall be deposited in trust in the name of the District with a Massachusetts bank or trust company having a combined capital and surplus of not less than \$10,000,000.

**SECTION X - NOTICE TO MEMBER TOWNS OF AUTHORIZATION TO INCUR DEBT. (Not reviewed by RAAC)**

Within seven days after the date on which the Committee authorizes the incurring of debt, other than temporary debt in anticipation of revenue to be received from Member Towns, the Committee shall cause written notice of the date of the authorization and the amount and general purposes of the authorized debt to be given to the Select Board of each Member Town, in accordance with M.G.L. Chapter 71, Section 16(d).

**SECTION XI ADMISSION OF PUPILS RESIDING OUTSIDE THE DISTRICT.**

**Not reviewed by RAAC, TL Note**

The Committee may accept for enrollment in the District schools, (Make singular) pupils from towns other than the Member Towns on a tuition basis and upon such terms as it may determine. Income received by the District from tuition pupils shall be deducted from the total operating

costs in the next annual budget to be prepared after the receipt thereof, prior to apportionment to the Member Towns

## **SECTION XII - TRANSITION.** TL note CL/MG edits

### **Not reviewed by RAAC**

This agreement shall take full effect in accordance with its terms upon the affirmative votes of the towns of Otis and Sandisfield at town meetings held in each such town and following approval of the Commissioner.

DELETE?: All obligations under contracts and agreements binding upon the Member Towns with respect to their schools, including without limitation collective bargaining agreements, shall be assumed and carried out by the Committee on and after January 1, 1992 to the extent that such obligations would be paid from sums included in the District budget for the fiscal year commencing on that date or thereafter. The Committee is hereby authorized to make arrangements with the current school administrations and other officers of the Member Towns to continue to perform such functions for the District for the balance of the fiscal year in which the District is established as may be agreed upon. DELETE Highlighted

## **SECTION XIII - PERIODIC REVIEW (New)**

This agreement shall be reviewed by the parties to it every five years or as necessitated by circumstances or statute. Any town that is a party to this agreement may request an interim review.

The review of the agreement shall include, but not be limited to, consideration of the following:

- Compliance with changes in local, state, or federal laws
- Accuracy in apportionment of school committee members
- Apportionment of all costs, and the effect on district sustainability

