

MERGER AGREEMENT

THIS MERGER AGREEMENT, made and to become effective as of the date or dates hereinafter specified, by and between the WAYNE COUNTY BOARD OF EDUCATION and the MONTICELLO INDEPENDENT BOARD OF EDUCATION,

WITNESSETH

WHEREAS, this Agreement shall be effective upon its approval by a majority vote of the WAYNE COUNTY BOARD OF EDUCATION and the MONTICELLO INDEPENDENT BOARD OF EDUCATION acting by and through the Kentucky Commissioner of Education ("Commissioner") pursuant to state management under KRS 158.785, as evidenced by their respective signatures made pursuant to resolutions duly adopted and approved by the parties hereto;

WHEREAS, the Wayne County Board of Education and the Monticello Independent Board of Education, representing each of the respective school districts, desire to furnish the best possible school facilities and educational opportunities to children residing in their school districts;

WHEREAS, the school facilities and educational opportunities can be best furnished and more efficiently operated by the establishment of a merged school district;

WHEREAS, it is the firm belief of each of the respective boards of education that merger shall provide improved facilities and expanded and improved educational opportunities which shall be in the best interest of all the children residing in those districts; and

WHEREAS, it is the belief of the respective boards of education that merger shall serve as a unifying force for all citizens of Wayne County;

NOW THEREFORE, the Wayne County Board of Education and the Monticello Independent Board of Education acting by and through the Commissioner pursuant to state management under KRS 158.785, in consideration of the mutual covenants, agreements, and stipulations set forth herein, agree as follows:

1. **MERGED SCHOOL DISTRICT:** a merged school district, comprising elementary and secondary grades, and such additional schools or departments as are necessary for the education of all the residents of Wayne County, is hereby established and shall be maintained by the Merged Board of Education which shall be known and designated as the WAYNE COUNTY BOARD OF EDUCATION, in accordance with the terms and provisions of this Agreement.
2. **PLAN OF ORGANIZATION:**
 - A. **REPORTING:** Beginning July 1, 2013, there shall be one state school district number [581]. From the date of execution of this Agreement through June 30, 2013, for administrative and financial purposes, each district shall report its activities under its

old school district number: Monticello Independent School District [436] and Wayne County District [581].

- B. **SCHOOL FACILITIES:** Beginning July 1, 2013 there shall be one state district number [581] that includes multiple school facilities to serve as the centers for grades P – 12. The Central Office facility is located at 1025 South Main Street, Monticello, Kentucky. The colors and mascot for schools in the merged district shall be chosen through a process created by the merged board, if they so choose.
 - C. **ALL EXISTING FACILITIES** of the parties hereto, **including the Monticello School campus**, shall be utilized by the Merged Board as permanent centers for grades as described in the attachment "Wayne County/Monticello Schools Configuration Proposal" dated April 10, 2013. Any new additions, renovations, or acquisitions (including portable classrooms) shall be developed in accordance with a KDE-approved Merged District Facility Plan, pursuant to KRS 157.420, 157.620, 157.622, and 702 KAR 4:180. A Merged District Local Planning Committee shall develop and submit to the Kentucky Department of Education a comprehensive Facility Plan no later than December 2013.
 - D. **REAL ESTATE:** The titles to all real estate owned by Monticello School District, including any appurtenances thereto, shall be transferred to Wayne County School District by July 1, 2013. It will be the responsibility of the Wayne County School District to satisfy any or all restrictions or covenants contained in the deeds.
 - E. **DEBT:** All outstanding debt obligations of Monticello Independent Board of Education shall become the responsibility of the Merged Board. Accordingly, Monticello's Capital Outlay and FSPK funds will become revenue available to the Merged Board for the 2013-2014 school year and beyond. The liabilities transferred to Wayne County upon merger shall not include the \$1.1M loan from KDE to Monticello Independent.
3. **COMPOSITION OF BOARD MEMBERS ON MERGED BOARD:** The composition of the Merged Board shall include the members of the existing Wayne County Board of Education and the existing Monticello Independent Board of Education, pursuant to KRS 160.040. Monticello Independent Board Members shall continue to serve on the Merged Board until the expiration of their respective terms of office, pursuant to KRS 160.040. Should any of the former Monticello Independent Board Member positions become vacant during their respective terms of office, the position(s) shall remain vacant and cease to exist, pursuant to KRS 160.042(2). Pursuant to KRS 160.210, the merged Wayne County Board of Education shall redistrict in a timely manner for the board member election to be conducted in November of 2014. The board will then return to a five (5) member board no later than the first Monday in January, 2017, pursuant to KRS 160.200(2). The merged board shall transact business and take action in the manner described in KRS 160.270.

4. **EFFECTIVE DATE OF MERGER:** Merger is and shall be effective as of 12:01 a.m. July 1, 2013, limited to the terms and conditions hereof.
- A. There shall be a transition period from the signing of this Agreement until June 30, 2013. During such period, all programs, activities, records, and personnel will be maintained and reported separately. During this period, students and staff will remain in place, where they were when the 2012-2013 school year began. The Wayne County Superintendent of Schools and Monticello Independent State Manager will maintain full authority for the administration of all programs in their respective school districts during this transition period.
 - B. Likewise during said transition period, the Monticello Independent students shall remain in the Monticello Independent School District [436] and, where applicable, students graduating shall do so under the Monticello Independent School District's criteria.
 - C. Finally, during said transition period, each facility shall maintain its own insurance. The Merged Board shall be responsible for providing all lines of insurance effective 12:01 a.m. July 1, 2013.
5. **CONTRACTUAL OBLIGATIONS:** The Merged Wayne County Board of Education shall assume any required contractual obligations in order to continue services, including but not limited to MUNIS and Infinite Campus. Additionally, the Merged Board will assume responsibility for all utility and security services on the facilities acquired through this merger. It is specifically understood and agreed that upon the execution hereof, each of the respective Boards of Education immediately authorizes its chief Administrator and proper administrative personnel to proceed as follows:
- A. Personnel from the Monticello Independent School District and the dedicated personnel from the Kentucky Department of Education will cooperate fully with Wayne County School District personnel in the preparation of budgetary information, transfer of property and financial records, and an orderly transfer of all contractual obligations, if any, to the Merged Board and District.
 - B. Nothing to the contrary herein withstanding, it is understood that while every effort shall be made by the Merged Board to assimilate all personnel into the Merged District, ultimate decisions as to the number, placement and status of existing administrative personnel, teachers and all employees shall be and remain the province of the Merged Board's Chief Administrative Officer (Superintendent), in accordance with current Kentucky Revised Statutes, KRS Chapter 161 generally and KRS 161.800 and 161.810 specifically. It is agreed that current employees of both districts who are to be employed by the Merged District for the 2013-2014 school year shall be issued contracts by the Merged District no later than April 30, 2013. In the event of

subsequent vacancies, the Merged District shall adhere to the Right of Recall for both districts' non-renewed personnel pursuant to KRS 161.011 and 161.750.

6. **UNIFORM TAX RATE:** Effective for the school fiscal year, 2013-2014, the tax rate for the Merged District shall be equalized, and there shall be a uniform rate in the areas formerly subject to the taxes set by the Monticello Independent Board of Education and in the areas which were already in the Wayne County School District. Such uniform tax rate shall be levied by the Wayne County Board of Education as the Merged Board of Education tax rate, as certified by the Kentucky Department of Education from the Kentucky Revenue Cabinet assessment certification.
7. **PRESERVATION OF HISTORY:** All items of historical significance related to the Monticello Independent School District shall be preserved and protected by the Wayne County School District in a manner consistent with historical memorabilia from Wayne County School District. These items include but are not limited to trophies, plaques, banners, pictures, photographs, and the like. At least 300 cubic feet of display space will be dedicated to Monticello Independent memorabilia in the Merged District. Any items which are not publicly displayed within the school buildings shall be made available to the following entities in the following order: (1) Wayne County Historical Museum, (2) Wayne County Board of Education, (3) Wayne County residents based upon criteria established by the merged Wayne County Board of Education.
8. **CURRICULUM AND INSTRUCTION:**
 - A. Special Education: It is agreed that the Special Education Director of Monticello Independent School will complete her contract within a few days of the conclusion of student attendance days the 2012-2013 school year and that additional time is required to complete the Admissions and Release Committee (ARC) meetings to determine the least restrictive environment for students changing placement. The Merged District will be responsible for completion of these responsibilities prior to the first day of school in the 2013-2014 school year.
 - B. English Language Learners Support: The test results from January 2013 will be transferred to the Merged School District.
 - C. Related Arts: Every effort will be made to maintain current programs of both districts after merger. All Program Review documents from the Monticello Independent School District will be transferred to the Merged School District.
 - D. Foreign Languages: Every effort will be made to maintain current programs of both districts after merger.
 - E. Federal Programs: It will be the responsibility of the Merged School District to submit all required applications, budgets, and reports for the 2013-2014 fiscal year and beyond. Any transferred 2012-2013 grant funds from Monticello Independent School District are to be included in this requirement and shall be used appropriately.
 - F. Academic Extra Curricular Programs: Every effort will be made to maintain current programs of both districts after merger.

- G. **Gifted and Talented:** Wayne County School District will follow the process to identify students, and services will be provided to identified students based upon their Gifted Service Plan.
 - H. **Technology:** All equipment purchased by Monticello School District will be inventoried and remain where located.
 - I. **Kindergarten:** The program provided by the Merged School District shall be full day.
 - J. **Preschool:** The Merged School District shall continue the community-wide process (Child Plus Fair) of recruiting and providing early childhood services to eligible children.
 - K. **Vocational Education:** The Merged School District shall maintain offerings at the current level provided by the Wayne County Area Technical Center.
 - L. **Research-Based Data-Driven Instruction:** Interim assessment data shall be analyzed and action plans shall be developed within Professional Learning Communities.
 - M. **Assessment:** All assessment data shall be analyzed and action plans shall be developed within Professional Learning Communities to improve student achievement.
 - N. **Accountability:** Wayne County will work directly with the Kentucky Department of Education Office of Assessment and Accountability to transition and incorporate the Monticello Independent accountability information into the Merged District.
9. **Media Center:** All books, equipment and supplies purchased by the Monticello Independent School District will be inventoried prior to June 30, 2013 and will remain where located.
10. **Athletics:** All athletic equipment and supplies purchased by Monticello Independent School District will become the property of Wayne County School District on July 1, 2013 and will remain where located. Every effort will be made to maintain the current programs of both districts after merger. Teams will be established and maintained in accordance with state and federal requirements.
11. **Band:** All Monticello Independent owned band equipment will become the property of merged Wayne County and will remain where located.
12. **Food Service:** Monticello Independent School District will complete an end-of-year inventory of cold and dry storage food items, kitchen equipment and tools. All items will remain where located. Monticello Independent School District personnel will cooperate with Wayne County personnel to expedite ordering of commodities for the 2013-2014 school year and arranging for acceptance of stored commodities for the 2012-2013 school year. It is agreed that Wayne County School district will bear the cost of hauling of all commodities for its use. Monticello Independent School District will transfer all records by June 30, 2013.
13. **Transportation:** All Monticello Independent School District fleet titles will be transferred to Wayne County School District by July 1, 2013. Up-to-date vehicle maintenance records, major

tools and equipment, and all remaining vehicle fluids and supplies will become the property of Wayne County and remain where located.

14. **Maintenance:** Not later than June 30, 2013, Monticello Independent School District will make available to Wayne County School District all available blueprints, as-built drawings, warranty information, lock schematics, and filter sizes. Equipment and supplies will be inventoried as of June 30, 2013, and transferred to the Merged District.

15. **Finance:**
 - A. Monticello Independent School District will complete all reports due prior to June 30, 2013. A portion (\$27,000.00) of the balance of funds transferred from Monticello Independent to the merged district will be designated to retain the services of Bill Boyd, at his KTRS Daily Wage Threshold, and Brenda Burton, at a salary on the Wayne County Central Office Support Staff Salary Schedule commensurate with her experience level to complete the Annual Financial Report, CERS and KTRS Annual Reports, Annual Independent Audit including MD&A, Annual Project Budget (grant) Reports, final reconciliation of payroll and quarterly payroll tax reports.
 - B. All FSPK and technology escrowed funds assigned to the Monticello Independent School District shall become options available to the Merged District.

16. **Pupil Personnel/Attendance/Infinite Campus:**
 - a. Monticello Independent School District will be responsible to make available all historical student records to Wayne County School District. Wayne County will be responsible for making arrangements with Infinite Campus to upload the Monticello Independent records into Wayne County's database, if so desired. Monticello Independent School District will complete all student records required to end the 2012-2013 school year.

17. **STATEMENT OF GOAL:** It is the aim and purpose of this Merger Agreement to provide for the best range of educational opportunities and options to each and every one of the students enrolled in the Merged District. Nothing inconsistent with this overall goal shall be condoned. A schedule will be established to transition all students into a uniform set of graduation requirements that does not penalize any student.

RECOMMEND APPROVAL TO COMMISSIONER HOLLIDAY BY MONTICELLO INDEPENDENT BOARD OF EDUCATION: Following motion to recommend approval of this Merger Agreement and second thereto, there was open discussion thereof after which the roll of the members was called by the Chairperson and the members in favor of said motion voted "yes" and those opposed to said motion voted "no: said vote being as follows:

Jerry Lair

voted YES

Sheila Stephenson

voted YES

Nancy Duncan

voted YES

Michelle Flynn

voted ABSENT

Bill Denney

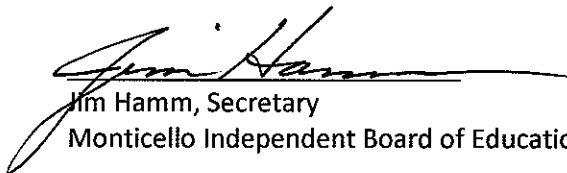
voted YES

The Chairperson declared that the motion was approved by a vote of 4 to 0 and it is hereby so resolved by the Monticello Independent Board of Education.



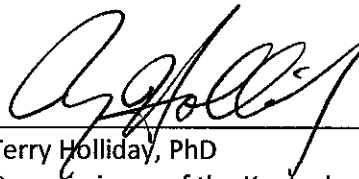
Jerry Lair, Chairperson
Monticello Independent Board of
Education

ATTEST:



Jim Hamm, Secretary
Monticello Independent Board of Education

Approved:



Terry Holliday, PhD
Commissioner of the Kentucky
Department of Education

4-29-13

Date

18. **APPROVAL BY WAYNE COUNTY BOARD OF EDUCATION:** Following motion to approve this Merger Agreement and second thereto, there was open discussion thereof after which the roll of the members was called by the Chairperson and the members in favor of said motion votes "yes" and those opposed to said motion vote "no", said vote being as follows:

Patty Roberts

voted YES

Donna Blevins

voted YES

Larry Muse

voted YES

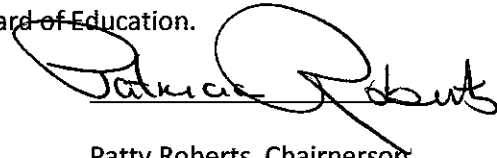
Melissa Upchurch

voted YES

Perry Elam

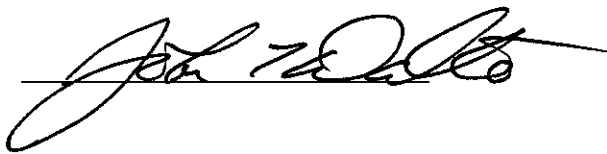
voted YES

The Chairperson declared that the motion to merge was approved by a vote of 5 to 0 and it is hereby so resolved by the Wayne County Board of Education.



Patty Roberts, Chairperson
Wayne County Board of Education,

ATTEST:



John T. Dalton, Secretary
Wayne County Board of Education

Motion by Wayne County board chairperson Patricia Roberts:

As recommended by the superintendent I recommend the board approve the request for merger from the Monticello Independent Board as written with the following previously agreed upon terms:

All non-renewal letters be sent to non-tenured certified and classified employees.

All reduction in responsibility and salary letters be sent to affected employees.

Any demotion letters to administrators be written and delivered.

Vote yes was unanimous.

Wayne County/Monticello Schools Configuration Proposal

April 10, 2013

Walker Elementary Site	Preschool - Population	Kindergarten-Population
Wayne County	165	181
Monticello	40	67
Total	205	248
Roll Over 2013-2014	? Projection Same 205	205
Funding Formula	Preschool Funded 20:1	Full Time 24:1
Principal-Director/ Counselor/Media Specialist/3 Clerical/3 Janitorial/PE/Arts-Humanities	Instructional Assistant Per Class	Instructional Assistant Per Class
Special Education		
RTI		
Wrap Around Tuition Based Child Care @ Monticello Elem.		Total Students using Space at Walker Site 410

Bell Elementary Site	Grade 1	Grade 2
Wayne County	190	183
Monticello	68	41
Total	258	224
Roll Over 2013-2014	248	258
Funding Formula	24:1	24:1
Principal/Assistant-Counselor/Media Specialist/3 Clerical/3 Janitorial /Arts-Humanities/PL-Voc/PE		
Special Education		
RTI		
HS Students (150) using Wing for Annex		Total students using space at Bell Elementary Site including HS Annex 656

Monticello Elementary Site	Grade 3	Grade 4	Grade 5
Wayne County	213	198	188
Monticello	48	59	59
Total	261	257	247
Roll Over 2013-2014	224	261	257
Funding Formula	24:1	28:1	29:1
Principal/Assistant/Counselor/Media Specialist/ Clerical/(?)Janitorial/ Arts-Humanities/PL-Voc/PE			
Special Education			
RTI			
Wrap Around Tuition Based Child Care for Pre-school	120 Students		
ROTC	100 Students		Total Students using Space at Monticello Elementary 962

WC Middle School Site	Grade 6	Grade 7	Grade 8
Wayne County	189	190	200
Monticello	59	52	56
Total	241	246	259
Roll Over 2013-2014	247	241	246
Funding Formula	25:1	25:1	25:1
Principal/Assistant/Counselor/Media Specialist/3 Clerical/3 Janitorial			
Special Education			
RTI			
Use Modular Unit at Walker for Annex (100 students)			Total Students using Middle School plus Annex (@ Walker) 734

WC High School Site	Grade 9	Grade 10	Grade 11	Grade 12
Wayne County	188	194	166	153
Monticello	55	52	61	48
Total	243	246	227	201
Roll Over 2013-2014	259	243	246	227
Funding Formula	25:1	25:1	25:1	25:1
Principal/Assistant/Counselor/Media Specialist/3 Clerical/3 Janitorial				
Special Education				
RTI				
Use Wing at Bell Elementary for Annex (150 Students)				Total Students using High School and Annex (@Bell) 975