

WITHDRAWAL AGREEMENT

THIS AGREEMENT is entered into pursuant to the provisions of the previous 16 V.S.A. § 724(c) and relevant statutory provisions which were in effect as of the May 18, 2022 State Board of Education Order on withdrawal of the Town of Lincoln from the Mount Abraham Unified Union School District and is between LINCOLN SCHOOL DISTRICT ("Lincoln") and MOUNT ABRAHAM UNIFIED SCHOOL DISTRICT ("MAUSD");

WHEREAS, the Town of Lincoln was a member of MAUSD, a unified union school district under 16 V.S.A. § 722 and whose establishment and existence have been certified in accordance with 16 V.S.A. 706g; and

WHEREAS, on July 1, 2018, MAUSD assumed bonded debt through the Vermont Municipal Bond Bank, VMBB Bond Series 2011 S3: Loan #390, with a maturity date of November 2027, pursuant to the MAUSD Articles of Agreement; and

WHEREAS, at a special meeting duly called, noticed, and held on August 24, 2021, pursuant to 16 V.S.A. § 724(a) and (b) the voters of the Town of Lincoln voted to withdraw from the MAUSD Unified School District; and

WHEREAS, on August 26, 2021, pursuant to 16 V.S.A. § 724(b), the Lincoln Town Clerk certified the foregoing vote to the Vermont Secretary of State and provided notice of the vote to the other towns in MAUSD; and

WHEREAS, on March 1, 2022, each of the remaining towns in MAUSD voted in the affirmative to approve the withdrawal of the Town of Lincoln from MAUSD; and

WHEREAS, pursuant to 16 V.S.A. § 724(c) the MAUSD Unified School District Clerk notified the Secretary of Education on March 9, 2022, of the affirmative vote by the remaining towns approving Town of Lincoln's withdrawal; and

WHEREAS, pursuant to 16 V.S.A. § 724(c) on May 18, 2022, the State Board of Education approved the Town of Lincoln's withdrawal from MAUSD and the immediate reconstitution of the Lincoln School District, with the Lincoln School District to become fully operational July 1, 2023; and

WHEREAS, pursuant to Title 16 of the Vermont Statutes Annotated, the Board of Directors of the Lincoln School District and MAUSD have reached agreement regarding a proposed "Withdrawal Agreement" for presentation to the legal voters of MAUSD (Towns of Bristol, New Haven, Monkton, and Starksboro) for approval which resolves Lincoln's financial obligations as required pursuant to the provisions of 16 V.S.A. § 724(c); and

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, and in consideration of the mutual covenants, representations and agreements set forth herein, Lincoln and MAUSD agree to the following terms for presentation to the MAUSD electorate as follows:

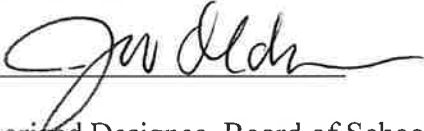
1. On or before June 30, 2023, or at such other date as may be determined by the State Board of Education, Lincoln shall relinquish, release, and abandon all its right, title, claim and interest, be it legal, beneficial, or equitable, in all tangible and intangible assets, property, claims, entitlements and credits now or hereafter owned or acquired by MAUSD and its forming school districts.
2. On or about June 30, 2023, MAUSD shall convey to the Lincoln School District for the sum of One Dollar (\$ 1.00) such real property, including land, buildings, and contents, subject to deed restrictions and encumbrances, that it acquired from Lincoln on or about June 30, 2018. Transfer of such real property shall be contingent upon the Lincoln School District perfecting assumption of the VMBB Bond referenced in term #3 below.
3. MAUSD shall continue to make all payments on VMBB Bond Series 2011 S3: Loan #390 until June 30, 2023. On July 1, 2023, Lincoln shall assume responsibility for VMBB Bond Series 2011 S3: Loan #390 and shall be responsible for making all remaining payments on the balance remaining as of that date. Lincoln shall also be responsible for fees and costs associated with assuming legal and financial responsibility for the remaining debt. In the event that, Lincoln School District does not , assume the bonded indebtedness from MAUSD, Lincoln agrees that it shall assume full financial responsibility for the semiannual payments, including principal and interest, to the Vermont Municipal Bond Bank and, to the fullest extent permitted by law unconditionally and irrevocably pledges the full faith and credit of the Lincoln School District for the payment of the same in accordance with the terms thereof. The obligation to make such payments shall be subject to specific enforcement and, to the extent permitted by federal law, Lincoln agrees not to attempt to abrogate its obligations hereunder through any utilization of the United States Bankruptcy Code. Lincoln School District shall be responsible for the payment of any expenses, including but not limited to, insurance coverage, utilities, and maintenance of the physical structure as of July 1, 2023.
4. On or before July 1, 2023, MAUSD shall transfer funds to the LSD in the amount of \$74,753.40 from the Education Reserve Fund.
5. On or before June 30, 2023, MAUSD shall transfer to the Lincoln School District any and all assets and accounts specific to the Lincoln School district, including any endowments and any restricted accounts including the "Lincoln Trust Fund" and the "Lincoln Student Activities Fund".
6. LSD will assumed responsibility for the LSD prorated share of the MAUSD and Canon, Inc. Master Lease which represents the cost of the photocopier/printer currently located at of the Lincoln Community School. LSD will assume responsibility for payments on or before July 1, 2023:
7. As between Lincoln and MAUSD, on and after July 1, 2023, each school district shall be exonerated, released discharged, indemnified, and held harmless from any liability from any and all liabilities, including debt service payments of the other outstanding as of such date with the exception of the VMBB Bond Series and assumption of expenses associated with the

real property referenced in Terms #2 and #3 above in the event Lincoln School District is unable to perfect assumption of the bond.

8. In the event any MAUSD member town does not vote to approve this Agreement as provided in 16 V.S.A. §724(c), this Agreement shall be null and void.
9. This Agreement shall inure to the benefit of and be binding upon the parties hereto and to their respective successors and assigns.

IN WITNESS WHEREOF, Lincoln School District has caused this agreement to be signed this 21 day of February, 2023 by the Chair of its Board of School Directors, duly authorized at a meeting held on January ____, 2023 and MAUSD Unified School District has caused this agreement to be signed this ___ day of February 2023 by the Chair of its Board of School Directors, duly authorized at a meeting held on January 30, 2023.

Lincoln School District:

By: 

Authorized Designee, Board of School Directors

Mount Abraham Unified School District:

By: 

Authorized Designee, Board of School Directors

