

AGREEMENT  
BETWEEN  
THE CITY BOARD OF EDUCATION  
OF THE CITY OF TRUSSVILLE, ALABAMA  
AND  
THE COUNTY BOARD OF EDUCATION  
OF JEFFERSON COUNTY, ALABAMA

This agreement is made by and between the County Board of Education of Jefferson County, Alabama ("COUNTY BOARD) (a/k/a The Jefferson County Board of Education), on the one hand, and on the other, the City Board of Education of the City of Trussville, Alabama ("CITY BOARD")(a/k/a The Trussville City Board of Education).

I. FACTS, CONSIDERATION, AND DEFINITIONS.

A. Facts.

1. The City of Trussville, Alabama (hereinafter the "City") lies principally within Jefferson County (hereinafter "Jefferson County") and includes a small area in St. Clair County, Alabama.

2. The COUNTY BOARD has historically exercised general administration and supervision of the public schools lying within the City, as well as all other schools in Jefferson County, Alabama, except for those school systems situated within the following cities: Bessemer, Birmingham, Fairfield, Hoover, Homewood, Leeds, Midfield, Mountain Brook, Tarrant, and Vestavia Hills.

3. The laws of Alabama authorize and enable a "city" (defined as a municipality with 5,000 or more inhabitants) to form a municipal school system and a city board of education under ALA. CODE § 16-11-1.

4. ALA. CODE § 16-11-2 vests in a city board of education all powers necessary or proper for the administration and management of the public schools within such city and territory adjacent to the city which has been annexed as a part of the school district.

5. On May 25, 2004, the City adopted Resolution No. 2004-013 by which it established the CITY BOARD.

6. The COUNTY BOARD is authorized by Alabama law to enter into an agreement with the CITY BOARD upon the formation of the CITY BOARD with reference to the matters of existing indebtedness and the provision of educational facilities and programs for students served by the CITY BOARD and the COUNTY BOARD.

7. The CITY BOARD and COUNTY BOARD desire to establish attendance zones and attendance policies which will balance the interests of the CITY BOARD and COUNTY BOARD and the students attending Trussville Schools, particularly with regard to attendance by students residing outside the City.

8. The COUNTY BOARD and the CITY BOARD desire to enter into an agreement that will address and provide for the educational interests of students and residents of the Jefferson County School District and the City, the disposition of the schools and property held in trust by the COUNTY BOARD, and the employment of personnel affected by the formation of the CITY BOARD.

B. Consideration.

The mutual promises and covenants of the COUNTY BOARD and the CITY BOARD as stated in this Agreement, serve as its agreed consideration. Each party agrees to bind itself and its successors to the terms of this Agreement based on the exchange of consideration expressed herein.

C. Definitions.

As used in this Agreement, the terms set forth below shall have the following meanings:

1. Students. School age children eligible to attend public schools in grades K-12, including students who are eligible to attend public school to age 21 under applicable state and/or federal law.

2. Trussville Students. Those students residing within the corporate limits of the City.

3. County Students. Students residing in Jefferson County other than (i) Trussville Students and (ii) Students residing in any other municipality in Jefferson County that has formed a city board of education.

4. Trussville Schools. The following schools, all of which are located within the corporate limits of the City of Trussville: Hewitt-Trussville High School; Hewitt-Trussville Middle School; Paine Intermediate School; and Paine Primary School.

5. County Schools. Those schools under the general administration and supervision of the COUNTY BOARD for the 2004-2005 school year other than the Trussville Schools as listed in Section C.4 above.

6. County Attendance Zone (CAZ) for Trussville Schools. The court-approved attendance zone that is served on the date of this Agreement by the Trussville Schools identified in paragraph 4, above, which, for certain purposes hereunder, shall include students assigned to said Trussville Schools during the 2004-2005 school year, and which from time to time shall be designated or referred to herein as "CAZ/2004-2005."

7. Trussville Interdistrict Transfer Policy ("Trussville I.T.P."). The policy to be established by the CITY BOARD on the basis of which applications for admission to Trussville Schools by students who reside outside the City, and whose admission is not otherwise specifically governed by the terms of this Agreement, will be considered by the CITY BOARD; said policy to be referred from time to time herein as the "Trussville I.T.P."

8. Equity Agreement. That certain agreement between the COUNTY BOARD and the City of Trussville, Alabama dated April 20, 2001 as amended by the Agreement between the COUNTY BOARD and the City of Trussville dated August 19, 2003.

## II. SUBSTANTIVE PROVISIONS.

A. General Administration and Supervision of Trussville Schools. The CITY BOARD shall assume responsibility for the general administration and supervision of

Trussville Schools and the education interests of the CITY effective July 1, 2005, subject to the terms and conditions of this Agreement.

B. Statutory Compliance: In accordance with ALA. CODE § 16-8-1, *et seq.*, and ALA. CODE § 16-11-1, *et seq.*, the CITY BOARD and COUNTY BOARD have structured this agreement to facilitate a fair and equitable transition for those Jefferson County Students living outside the city limits of Trussville but who attended Trussville Schools for the 2004-2005 school year. The CITY BOARD and COUNTY BOARD have agreed to a phase-through attendance plan, as explained hereinafter, that will minimize academic disruption and that will enable the COUNTY BOARD to formulate and implement facilities plans for County Students in subsequent years.

C. Student Attendance.

1. County Students Eligible To Attend Trussville Schools.

(a) Current Students. County Students who reside in CAZ/2004-2005 and are enrolled in Trussville Schools as of the end of the 2004-2005 school year (May 27, 2005) shall be entitled to remain in Trussville Schools through their graduation or through completion of their public school educational program if and to the extent required under applicable state and/or federal law; provided, however, that such County Students who withdraw, transfer, move out of or no longer reside in CAZ/2004-2005, or who otherwise cease attending Trussville Schools after the 2004-2005 school year (ending May 27, 2005) will no longer be eligible to attend Trussville Schools unless admitted in accordance with and subject to the Trussville I.T.P.

Except for kindergarten students who are eligible to enroll in Trussville Schools under the terms of paragraph C.1.(b) below, students who do not meet the criteria set forth in the preceding paragraph will not be eligible to attend Trussville Schools unless admitted in accordance with and subject to the Trussville I.T.P. and will be assigned to attend the appropriate County School.

(b) Kindergarten Age County Students. County Students who reside in CAZ/2004-2005 and who are eligible to enroll in public school kindergarten for the 2005-2006 school year<sup>1</sup> may enroll in Trussville Schools and remain therein through the end of the 2007-2008 school year subject to the following conditions: (1) the students must continue to reside in CAZ/2004-2005; and (2) at the end of the 2007-2008 school year (or at the election of the COUNTY BOARD, an earlier date), the students shall be assigned to attend the appropriate County School.<sup>2</sup>

After the 2007-2008 school year (or earlier at the election of the County Board) these County Students will be eligible to attend Trussville Schools only in accordance with and subject to the Trussville, I.T.P.

2. Trussville Students Eligible To Attend County Schools. Trussville Students who are enrolled in the County Board's International Baccalaureate School or the Shades Valley Technical Academy, as of the end of the 2004-2005 school year, and

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<sup>1</sup> Ala. Code 16-28-24(b) and (c): children who are age five (5) on or before September 1 are entitled to enroll in public school kindergarten.

<sup>2</sup> Siblings of County Students too young to enroll as students at the start of the 2005-2006 school year will be assigned to attend the appropriate County School, and will not be eligible to attend Trussville School except in accordance with and subject to the Trussville I.T.P.

Trussville Students who will be in the 9<sup>th</sup> grade for the 2005-2006 school year who meet otherwise applicable eligibility requirements, shall be eligible to enroll and continue to attend these County Schools through graduation; provided, however, that, if such students withdraw or transfer from these schools or County Schools, they shall be eligible to re-enroll in County Schools only in accordance with such then-effective district transfer policies as may have been adopted by the County Board.

Trussville Students who are enrolled in Shades Valley High School, Clay Elementary School, Clay-Chalkville Middle School or Clay-Chalkville High School as of the end of the 2004-2005 school year shall be entitled to remain enrolled in these County Schools through their graduation or through completion of their public educational program if and to the extent required under applicable state and/or federal law; provided, however, that, if such students withdraw or transfer from the County Schools, they shall be eligible to re-enroll in County Schools in accordance with such then-effective district transfer policies as may have been adopted by the County Board.

The following chart depicts the chronology for student attendance previously described through the school year 2016-2017.<sup>3</sup>

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<sup>3</sup> Subject to provisions of state and federal law extending eligibility for attendance beyond the traditional K-12 grade structure.

**GRADES INCLUDED FOR TRUSSVILLE SCHOOL ATTENDANCE BY  
IDENTIFIED JEFFERSON COUNTY STUDENTS**

School Year	For Students Enrolled in the Trussville Schools During the 2004-2005 School Year	For Kindergarten Students Enrolled in the Trussville Schools Beginning with the 2005-06 School Year
2005-06	1-12	K
2006-07	2-12	1
2007-08	3-12	2
2008-09	4-12	-
2009-10	5-12	-
2010-11	6-12	-
2011-12	7-12	-
2012-13	8-12	-
2013-14	9-12	-
2014-15	10-12	-
2015-16	11-12	-
2016-17	12	-

3. Consideration of Hardship Cases; Special Circumstances.

Consideration, including but not limited to cost sharing agreements, may be given by both Boards on an individualized basis to cases involving hardship or special circumstances.

4. State Reporting for Student Attendance. Students will be reported for

State Department of Education attendance/membership purposes at the school they attend regardless of whether they are County Students or City Students, except that for Trussville Students attending the Shades Valley Technical Academy pursuant to the terms hereof, the



CITY BOARD agrees to pay to the COUNTY BOARD the per pupil expenditure derived from the cost associated with operating the Shades Valley Technical Academy<sup>4</sup>

5. Federal Court Orders. All provisions of this Agreement regarding student attendance must yield to and be consistent with any applicable federal court orders respecting such matters.

D. Conveyance Of School Facilities And Other Property: Assumption Of Indebtedness.

1. Real Property. The COUNTY BOARD shall convey to the CITY BOARD, on or before July 1, 2005, all of its right, title and interest in and to Trussville Schools, and fixtures and improvements associated with those schools and real property upon which those schools, fixtures, and improvements are located, subject to the assumption of debt, as explained hereinafter by the CITY BOARD. This conveyance shall be by appropriate deed.

By July 1, 2005, the COUNTY BOARD will also provide to the CITY BOARD copies of any existing land surveys or plats or building drawings or blueprints related to any property transferred pursuant to this provision and records related to repair and maintenance of same.

2. Materials, Equipment and Supplies. No later than July 1, 2005, all portable classrooms, furniture, equipment, materials, supplies, and other personal property located at Paine Primary School, Paine Intermediate School, Hewitt-Trussville Middle

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<sup>4</sup> For reference purposes, the amount of per pupil expenditure for fiscal year 2003-2004 was \$1,454.97.

School, and Hewitt-Trussville High School as of the date of this Agreement shall be conveyed to the CITY BOARD; provided, however, that specialized equipment provided to comply with a particular special education student's Individualized Education Plan (IEP) will remain with the system in which the Student will attend school for the upcoming school year; further provided that in the event the student for whose benefit the equipment was acquired leaves the school system, the equipment shall be returned to the system purchasing said equipment if the equipment is no longer in active use by the school system. The CITY BOARD shall assume all responsibilities associated with the operation of Trussville Schools and property transferred under this Agreement. The COUNTY BOARD may terminate all existing contracts, licensing, and leases pertaining to the operation of Trussville schools, but shall cooperate with the CITY BOARD with regard to renewal and/or renegotiation thereof. Originals (if possible) or executed copies of all such leases or contracts shall be provided to the CITY BOARD by April 30, 2005.

3. Transfer of Debt Obligation to CITY BOARD. From and after July 1, 2005, the only indebtedness referable to school buildings located within the corporate limits of the City (other than the indebtedness heretofore incurred by the City in connection with the construction of the Paine Intermediate School) for which the CITY BOARD shall be responsible is the "leveraged obligation" originally incurred by the COUNTY BOARD pertaining to the Paine Primary School and the Hewitt-Trussville Middle School; provided that this obligation shall be offset dollar-for-dollar to the extent of the \$3,000,000 credit available to the CITY BOARD under the Equity Agreement between the City of Trussville and the COUNTY BOARD; the payment schedule for said leveraged obligation reflecting

the agreed upon application of said credit being attached hereto as Appendix A. Both parties hereto recognize, acknowledge and agree that the CITY BOARD, through operation of the said Equity Agreement, has satisfied in full any responsibility with reference to the leasehold obligations (or any other obligation or commitment) of the COUNTY BOARD in connection with the issuance by Jefferson County of its \$45,210,000 principal amount of Limited Obligation School Warrants, Series 2000, dated July 15, 2000, and that the aforesaid provisions fully satisfy the COUNTY BOARD's obligation, under the said Equity Agreement, as amended.

4. Jefferson County Borrowing for Capital School Purposes. The COUNTY BOARD will take whatever steps are reasonably necessary and legally permissible to arrange for the allocation to the benefit of the CITY BOARD, from the share allocated to the COUNTY BOARD of the proceeds of Jefferson County's (i) \$650,000,000 aggregate principal amount of Limited Obligation School Warrants, Series 2004-A, dated December 1, 2004 (the "2004-A Warrants"), (ii) \$200,000,000 aggregate principal amount of Limited Obligation School Warrants, Series 2005-A, dated February 2, 2005 (the "2005-A Warrants") and (iii) \$200,000,000 aggregate principal amount of Limited Obligation School Warrants, Series 2005-B, dated February 2, 2005 (the "2005-B Warrants") (the 2004-A Warrants, 2005-A Warrants and 2005-B Warrants referred to herein collectively as the "Jefferson County School Warrants"), of a sum to be determined as follows: the amount to be made available to the CITY BOARD shall include a pro rata share referable to (i) the number of City residents who attended public schools located in the City (calculated as of the determination date and by the method used to determine the number of COUNTY BOARD students for purposes of

the formula used by the Jefferson County Commission to determine the portion of the proceeds of the Jefferson County School Warrants received by the COUNTY BOARD) plus (ii) the number of students who resided in the City and attended COUNTY BOARD schools (those schools located outside the corporate limits of the City) during the 2004-2005 school year but who are residing in the City and are attending CITY BOARD schools on the ADM determination date in October, 2005 (provided, however, that such Students will not be counted if they were included in the calculation described in the preceding clause (i)).

The COUNTY BOARD agrees in good faith to use its best efforts to implement the provisions of the foregoing paragraph, subject to the proviso that nothing herein shall be construed to require an allocation and distribution of such proceeds described in the foregoing paragraph to the CITY BOARD that is contrary to or prohibited by law, court order, or other controlling resolution, ordinance, agreement, or provision; further provided that the CITY BOARD shall accept any distribution hereunder subject to the same terms, conditions, and limitations that apply to the COUNTY BOARD and that, in the event of any legal challenge relating to the distribution contemplated hereby, the CITY BOARD agrees to assume any liability, costs and expenses arising out of or relating to the distribution contemplated hereby, if any.

Notwithstanding any other provision of this Agreement, the COUNTY BOARD shall have no obligation to allocate or distribute to or for the benefit of the CITY BOARD any portion of the proceeds of the Jefferson County School Warrants allocated and distributed to the COUNTY BOARD if (i) the Jefferson County Commission or any court expressly provides for the allocation and distribution by Jefferson County of a portion of the

proceeds of the Jefferson County School Warrants to the CITY BOARD, (ii) the Jefferson County Commission or any court expressly prohibits the allocation and distribution by the COUNTY BOARD of a portion of the COUNTY BOARD's share of the proceeds of the Jefferson County School Warrants to the CITY BOARD, (iii) the Jefferson County Commission or any court imposes any terms or conditions on the COUNTY BOARD's use of the proceeds of the Jefferson County School Warrants allocated and distributed to the COUNTY BOARD by the Jefferson County Commission that prohibits, or effectively prohibits, the COUNTY BOARD from making an allocation and distribution of a portion of the COUNTY BOARD's share of the proceeds of the Jefferson County School Warrants to the CITY BOARD or (iv) the Jefferson County Commission bases the allocation and distribution of the proceeds of the Jefferson County School Warrants to the COUNTY BOARD on a number of Students attending COUNTY BOARD schools which does not include the Students attending Trussville Schools. Further, the COUNTY BOARD shall have no obligation (of any nature) to the CITY BOARD under this Section C.4. if Jefferson County fails to allocate and distribute a portion of the proceeds of the Jefferson County School Warrants to the COUNTY BOARD. The CITY BOARD shall have no recourse against the COUNTY BOARD if the COUNTY BOARD is unable to allocate and distribute part or all of the amount determined under the first paragraph of this Section C.4. for any of the reasons set forth above, including, without limitation, no right or claim to any payment from the COUNTY BOARD in lieu of such allocation and distribution from any other assets of the COUNTY BOARD.

The CITY BOARD agrees that the COUNTY BOARD shall not be obligated to use any portion of the amount the COUNTY BOARD may receive from the Jefferson County School Warrants to retire any outstanding bonds, warrants, notes, or other obligations of the COUNTY BOARD.

E. Maintenance, Management, And Operation Of Trussville Schools.

The COUNTY BOARD will maintain, manage, and operate the Trussville Schools from the date hereof through June 30, 2005 in a manner equivalent to the COUNTY BOARD's prior management of the premises. The COUNTY BOARD will cooperate with the CITY BOARD, its Superintendent, and other central office personnel with respect to all activities undertaken by the CITY BOARD to assume administration and responsibility for Trussville Schools as of July 1, 2005, and use its best efforts to effect the transactions contemplated by this Agreement. This cooperation shall include, but not be limited to, providing full access to and cooperation of faculty and staff of Trussville Schools (through each school's Principal).

F. Transportation Equipment And Other Vehicles; Transportation Routes.

1. Transfer of Vehicles. On July 1, 2005 the COUNTY BOARD shall assign, transfer, and convey to the CITY BOARD, the buses identified on Appendix B in exchange for the payment by the CITY BOARD to the COUNTY BOARD the sum of \$427,149.40, which sum takes into account the outstanding debt on said buses. The two drivers education vehicles assigned to Hewitt-Trussville High School and one maintenance service truck shall be transferred to the CITY BOARD. The COUNTY BOARD shall maintain all of these vehicles in operational condition until the date of transfer. In the event

that any of these vehicles becomes inoperable or is damaged prior to the date of transfer, the COUNTY BOARD shall repair the vehicle on or before that date. In addition, the COUNTY BOARD will permit all vehicles that are to be transferred to the CITY BOARD to be inspected by the State Department of Education prior to July 1, 2005 for the purpose of confirming that said buses meet operational and safety standards established by the State Department of Education.

2. Transportation Routes. Beginning with the 2005-2006 school year, the CITY BOARD will operate all bus routes into or through the Jefferson County portion of CAZ/2004-2005 and pick up all students attending both County and City schools. County Students will be transported to one of several drop off points<sup>5</sup> at which they will be transferred to County buses. This arrangement will continue for six school years through the end of the 2010-2011 school year. Beginning with the 2011-2012 school year the COUNTY BOARD will operate all bus routes into or through the Jefferson County portion of CAZ/2004-2005 and pick up all students attending both County and City schools. City students will be transported to one of several drop off points at which they will be transferred to City buses. This arrangement will continue for six school years through the end of the 2016-2017 school year, which is the end of the transition period. The COUNTY BOARD and CITY BOARD will adopt mutual agreements and/or procedures relating to assumption of supervisory responsibilities and application of disciplinary policies with respect to the joint school bus operations contemplated hereby.

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<sup>5</sup> The drop off points will be determined by the COUNTY BOARD and CITY BOARD in good faith and by mutual agreement, or with the assistance or by directive of the State Superintendent or his designee if the parties hereto do not agree.

G. Condition Of Premises And Property Conveyed.

The parties understand and agree, except as otherwise specifically provided herein, that all schools and property of any kind transferred under this Agreement shall be conveyed in an "as-is" condition as of the date of transfer, and that the COUNTY BOARD assumes no obligation whatsoever to repair or to maintain property accepted as of the transfer date.

COUNTY BOARD disclaims any and all warranties of any kind, express or implied with regard to the condition or fitness of said property (real or personal) for its intended purpose or any other purpose, other than warranties of title.

H. Risk Of Loss.

The COUNTY BOARD agrees to maintain present levels of property insurance coverage in force on all property to be transferred under the terms of this Agreement, through June 30, 2005. In the event of an insured loss occurring prior to or on that date, the COUNTY BOARD shall transfer or assign any insurance proceeds to which it is entitled as a result of such loss to the CITY BOARD except to the extent costs have been incurred by the COUNTY BOARD to repair or replace insured property.

I. Personnel.

1. Employment. The CITY BOARD will employ, in positions comparable to those held in the 2004-2005 school year, all regular certified and non-certified COUNTY BOARD employees who worked exclusively at Trussville Schools through the end of the 2004-2005 school year, who are not transferred to a County School prior to the



end of the 2004-2005 school year, and whose contract is not terminated or non-renewed by the COUNTY BOARD at the end of the 2004-2005 school year.

2. Itinerant Teachers. Itinerant teachers and support staff who work at both Trussville Schools and County Schools through the end of the 2004-2005 school year, and whose contract is not terminated or non-renewed by the COUNTY BOARD, will remain employed by the COUNTY BOARD.

3. Continuing Service Status. The CITY BOARD will not jeopardize the continuing service status obtained by employees, certificated and/or non-certificated, while employed by the COUNTY BOARD because of the CITY BOARD's assumption of responsibility for Trussville Schools.

4. Transfers. No transfer into Trussville Schools from a County School will be allowed without the consent of the Trussville Superintendent.

5. Terms of Employment.

a. Salary Schedule. The CITY BOARD salary schedule will provide for compensation (salaries) at rates not less than those established for corresponding positions by the COUNTY BOARD salary schedule for the 2004-2005 school year, plus any increases provided by the State. However, after the 2005-2006 school year, the CITY BOARD reserves the right to adopt a salary schedule for all employees in accordance with State law and to pay its employees in accordance with its duly adopted salary schedule.

b. Pay Issues. The CITY BOARD shall assume personnel payroll obligations for all employees assigned to Trussville Schools effective as of their employment contract date for the 2005-2006 school year.

All employees of the COUNTY BOARD who are to become employees of the CITY BOARD, and/or those who have resigned or retired, but have worked in Trussville Schools shall receive pay from the COUNTY BOARD through the end of their current (2004-2005) contract<sup>6</sup>, provided that nothing herein shall be construed to obligate the COUNTY BOARD to compensate such employees for services rendered or performed after June 30, 2005 or on behalf of the CITY BOARD.

The CITY BOARD will reimburse the COUNTY BOARD for any PEEHIP allocation advance payment made by the COUNTY BOARD on behalf of COUNTY employees who are employed by the CITY BOARD pursuant to the terms of paragraph I.1.

c. Vacation and Leave Balances: All leave and vacation leave balances earned by COUNTY BOARD employees remaining with Trussville Schools shall be retained by said employees and assigned to and assumed by the CITY BOARD for administration.

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<sup>6</sup> Payments for 12-month employees ends June 30, 2005; payments for 10-month and 9-month employees end on August 31, 2005.

6. Personnel Files. On or before May 1, 2005 the COUNTY BOARD shall identify and make available to CITY BOARD for copying all personnel and payroll records of employees in Trussville Schools.

J. Local Taxes And Revenues.

1. County-wide Ad Valorem Taxes. Beginning October 1, 2005, the net proceeds of the following ad valorem taxes levied on a county-wide basis in Jefferson County shall be allocated, apportioned and distributed between the COUNTY BOARD and the CITY BOARD as directed by state law (at present, state law provides that the allocation, apportionment and distribution will be made on the same basis on which Foundation Program monies are allocated, apportioned and distributed within Jefferson County):

- (i) the county-wide ad valorem tax levied pursuant to Section 1 of Amendment No. 3 to the Constitution of Alabama of 1901, as amended (the "Alabama Constitution"), which is currently being levied at a rate of 5.4 mills;
- (ii) the county-wide ad valorem tax levied pursuant to Section 269 of the Alabama Constitution, as amended by Amendment No. 111 to the Alabama Constitution, which is currently being levied at a rate of 2.1 mills; and
- (iii) the county-wide ad valorem tax levied pursuant to Act No. 203 enacted at the 1890-1891 Session of the General

Assembly of Alabama, which is currently being levied at a rate of 0.7 mills.

2. District Ad Valorem Taxes – General. Beginning October 1, 2005, the net proceeds of the following ad valorem taxes levied on property situated within the City shall be allocated, apportioned and distributed to the CITY BOARD:

(i) the district ad valorem tax levied pursuant to Section 2 of Amendment No. 3 to the Alabama Constitution, which is currently being levied at a rate of 5.1 mills;

(ii) the district ad valorem tax levied pursuant to Amendment No. 82 to the Alabama Constitution, which is currently being levied at a rate of 8.8 mills;

(iii) the district ad valorem tax levied pursuant to Amendment No. 175 to the Alabama Constitution, as amended by Amendment Nos. 260 and 298 to the Alabama Constitution, which is currently being levied at a rate of 5 mills; and

(iv) the district ad valorem tax levied pursuant to Amendment No. 382 to the Alabama Constitution, which is currently being levied at a rate of 3 mills.

The district ad valorem taxes described in (i) through (iv) above, including any renewal or extension of any of such taxes, levied on property situated within the City shall collectively be referred to herein as the "City Board District Ad Valorem Taxes."

Beginning October 1, 2005, the net proceeds of the following ad valorem taxes levied on property situated within the COUNTY BOARD's school tax district (not to include any property situated within the corporate limits of the City) shall be allocated, apportioned and distributed to the COUNTY BOARD:

- (i) the district ad valorem tax levied pursuant to Section 2 of Amendment No. 3 to the Alabama Constitution, which is currently being levied at a rate of 5.1 mills;
- (ii) the district ad valorem tax levied pursuant to Amendment No. 82 to the Alabama Constitution, which is currently being levied at a rate of 8.8 mills;
- (iii) the district ad valorem tax levied pursuant to Amendment No. 175 to the Alabama Constitution, as amended by Amendment Nos. 260 and 298 to the Alabama Constitution, which is currently being levied at a rate of 5 mills; and
- (iv) the district ad valorem tax levied pursuant to Amendment No. 382 to the Alabama Constitution, which is currently being levied at a rate of 3 mills.

The district ad valorem taxes described in (i) through (iv) above, including any renewal or extension of any of such taxes, levied on property situated within the COUNTY BOARD'S school tax district (not to include any property situated within the corporate limits of the City) shall collectively be referred to herein as the "County Board District Ad Valorem Taxes."

3. District Ad Valorem Taxes – Adjustment for Out-of-District Students.

For each COUNTY STUDENT residing in the portion of CAZ/2004-2005 outside the corporate limits of the City who attends a school operated by the CITY BOARD (but not including any County Students who are attending Trussville Schools for the 2005-2006 school year, or any subsequent school year, as a result of a transfer granted under the Trussville I.T.P.), the COUNTY BOARD shall pay to the CITY BOARD an amount equal to the "County Board Per Student Amount," as defined below. For each Trussville Student who attends a school operated by the COUNTY BOARD (but not including any Trussville Students who are attending County Schools for the 2005-2006 school year, or any subsequent school year, as a result of a transfer granted under the COUNTY BOARD's interdistrict transfer policy), the CITY BOARD shall pay to the COUNTY BOARD an amount equal to the "City Board Per Student Amount," as defined below. The County Board Per Student Amount shall be determined by dividing the "County Board Total District Ad Valorem Taxes," as defined below, by the sum of (i) the County Students attending schools operated by the COUNTY BOARD and (ii) the County Students attending schools operated by the CITY BOARD (but not including any County Students who are attending Trussville Schools for the 2005-2006 school year, or any subsequent school year, as a result of a transfer granted under the

Trussville I.T.P.). The City Board Per Student Amount shall be determined by dividing the "City Board Total District Ad Valorem Taxes," as defined below, by the sum of (i) the Trussville Students attending schools operated by the CITY BOARD and (ii) the Trussville Students attending schools operated by the COUNTY BOARD (but not including any Trussville Students who are attending County Schools for the 2005-2006 school year, or any subsequent school year, as a result of a transfer granted under the COUNTY BOARD's interdistrict transfer policy). The payments required under this Section J.3. shall be made on the fifteenth day of each month, commencing November 15, 2005, and shall be based on actual receipts during the preceding month by the COUNTY BOARD and the CITY BOARD of the County Board Total District Ad Valorem Taxes and the City Board Total District Ad Valorem Taxes, respectively. All such payments between the COUNTY BOARD and the CITY BOARD shall be made on a net basis.

The County Board Total District Ad Valorem Taxes shall be the County Board District Ad Valorem Taxes allocated, apportioned and distributed to the COUNTY BOARD pursuant to Section J.2 of this Agreement plus the net proceeds of any other school district ad valorem taxes that may be levied after the date of this Agreement on property situated within the COUNTY BOARD's school tax district (not to include any property situated within the corporate limits of the City) which are allocated, apportioned and distributed to the COUNTY BOARD. The City Board Total District Ad Valorem Taxes shall be the City Board District Ad Valorem Taxes allocated, apportioned and distributed to the CITY BOARD pursuant to Section J.2. of this Agreement plus the net proceeds of any other school district ad valorem taxes that may be levied after the date of this Agreement on

property situated within the City which are allocated, apportioned and distributed to the CITY BOARD. For purposes of determining the County Board Per Student Amount and the City Board Per Student Amount, the number of County Students attending schools operated by the COUNTY BOARD, the number of Trussville Students attending schools operated by the CITY BOARD, the number of County Students attending schools operated by the CITY BOARD and the number of Trussville Students attending schools operated by the COUNTY BOARD shall be determined by the 40 day ADM of such Students for each school year. The payments under this Section J.3. (to the extent any such payments are from time-to-time required under the terms of this Section J.3.) shall cease with the payment to be made on October 15, 2017 (relating to District Ad Valorem Taxes received during September, 2017), except that such payments with respect to exceptional education Students and Students who are required to repeat a grade will continue for so long as such Students are eligible to attend public schools under state or federal law and are in fact attending County Schools (in the case of Trussville Students) or Trussville Schools (in the case of County Students).

K. Miscellaneous.

1. Local School Account Fund Balances. The COUNTY BOARD agrees that actual local school account fund balances at individual Trussville Schools as of June 30, 2005 shall be transferred to the CITY BOARD by July 15, 2005.

2. Utility Payments. The COUNTY BOARD shall be responsible for payment of utility bills (telephone, electricity, water, natural gas) for utility services rendered to Trussville Schools through June 30, 2005.



3. Child Nutrition Program Account Balance. The Child Nutrition Program Account balance for each of the Trussville Schools as of June 30, 2005 (net of July and August indirect cost, July and August payroll, state pass through revenue, and City reimbursement of advance PEEHIP allocation payments) shall be transferred to the CITY BOARD.

4. Insurance. The COUNTY BOARD shall have no obligation to provide insurance coverage of any kind beyond June 30, 2005 on Trussville School property, but shall lend reasonable assistance and cooperation to the CITY BOARD in obtaining desired insurance coverage.

5. Textbooks. The CITY BOARD will receive a customary allotment of textbooks for the 2005-2006 school year based on the state allocation for such purposes.

6. Mutual Cooperation. The COUNTY BOARD and the CITY BOARD agree to cooperate in all matters required to implement and accomplish the terms and tenor of this Agreement.

7. Compliance with State and Federal Law. The COUNTY BOARD and the CITY BOARD acknowledge and agree that this Agreement has been designed to conform to the laws of Alabama and the United States of America.

8. Contracts or Agreements Related to Trussville Schools. By April 30, 2005, the COUNTY BOARD shall use its best efforts to identify and make available to the CITY BOARD for reproduction, executed copies of all contracts or agreements between the COUNTY BOARD and any third party under which Trussville Schools are bound. Unless prohibited by the terms thereof or by law, the COUNTY BOARD may terminate all such

contracts and agreements effective by July 1, 2005, but will reasonably cooperate with the CITY BOARD with regard to renewal or renegotiation thereof, if so requested by the CITY BOARD. If such agreements or contracts are not terminated, the CITY BOARD shall assume responsibility for compliance with the terms thereof.

9. Liability. The CITY BOARD shall have no liability or responsibility for any act, omission, accident, event, or occurrence in or related to Trussville Schools or the County School System, its property, employees, and agents that occurred before July 1, 2005. The COUNTY BOARD shall have no liability or responsibility for any act, omission, accident, event, or occurrence in or related to Trussville Schools or the City School system, its property, employees, and agents that occurred after June 30, 2005; provided further that the COUNTY BOARD shall have no responsibility or liability for functions, operations or activities of the CITY BOARD occurring on COUNTY BOARD property prior to the effective date hereof or thereafter.

### III. GENERAL PROVISIONS.

A. Entire Agreement. This Agreement contains the entire understanding and agreement of the parties upon the subject matter stated herein. This Agreement may not be modified or amended except by written agreement signed by both parties or upon order of a court of competent jurisdiction, except that the consent of the Trussville City Council shall be required for any modification to the provisions herein relating to the Equity Agreement of April 20, 2001 as amended by the agreement of August 19, 2003.

B. Binding Effect. The terms, provisions, and conditions stated herein shall extend to, be binding upon, and inure to the benefit of the parties hereto and their successors.

C. Dispute Resolution. During the term of this Agreement or any renewal thereof, the parties shall endeavor to resolve any dispute arising out of or related to this Agreement by mediation with the State Superintendent of Education and/or his designee.

D. Severability. If any clause, phrase, sentence, paragraph, or provision of this Agreement shall be invalidated by a court of competent jurisdiction, it is the intent of the parties hereto that such invalidation shall not affect the validity of any other clause, phrase, sentence, paragraph or provision thereof.

E. Approval of Trussville City Council Required. This Agreement and the obligations of the parties hereunder shall be subject to and conditioned upon the adoption of a resolution by the City Council of the City of Trussville expressly acknowledging that the COUNTY BOARD's obligations to the City of Trussville under the Equity Agreement as amended are fully satisfied by the terms hereof.

DATED this \_\_\_\_\_ day of April, 2005.

THE COUNTY BOARD OF EDUCATION  
OF JEFFERSON COUNTY, ALABAMA

BY: \_\_\_\_\_

Ronald A. Rhodes

ITS: President

ATTEST:

BY: \_\_\_\_\_

Phillip B. Hammonds

ITS: Superintendent

THE CITY BOARD OF EDUCATION  
OF THE CITY OF TRUSSVILLE,  
ALABAMA

BY: \_\_\_\_\_  
Dennis S. Hill  
ITS: President

ATTEST:

BY: \_\_\_\_\_  
Dr. Suzanne K. Freeman

ITS: Superintendent

**APPENDIX A  
TRUSSVILLE CITY SCHOOLS  
SHARE OF DEBT 1999D ISSUE<sup>(1)</sup>**

<u>FYE Sept.</u> <u>30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance of</u> <u>Equity Fund</u>	<u>Net Total</u>
2006	\$461,608.77	\$529,061.93	\$990,670.70	\$214,285.71	\$776,384.99
2007	485,762.74	504,827.46	990,590.20	214,285.71	776,304.49
2008	511,380.61	479,324.77	990,705.38	214,285.71	776,419.67
2009	538,218.17	452,477.55	990,695.72	214,285.71	776,410.01
2010	565,055.96	425,566.43	990,622.39	214,285.71	776,336.68
2011	597,505.41	393,075.63	990,581.04	214,285.71	776,295.33
2012	631,906.48	358,719.14	990,625.62	214,285.71	776,339.91
2013	668,259.43	322,384.52	990,643.95	214,285.71	776,358.24
2014	706,564.00	283,959.81	990,523.81	214,285.71	776,238.10
2015	749,016.31	241,565.96	990,582.27	214,285.71	776,296.56
2016	793,908.72	196,624.76	990,533.47	214,285.71	776,247.76
2017	839,532.58	150,975.13	990,507.71	214,285.71	776,222.00
2018	887,840.77	102,701.87	990,542.64	214,285.71	776,256.93
2019	936,880.42	53,870.79	990,751.21	214,285.77	776,465.44
	\$9,373,440.36	\$4,495,135.75	\$13,868,576.11	\$3,000,000.06	\$10,868,576.11

- (1) The parties hereto recognize and agree that State Capital Purchase Funds being allocated to the CITY BOARD for each of the years in question will likely increase as CITY BOARD enrollment increases. Even though such amount increases, the obligation of the COUNTY BOARD to make its payments (reflected in the column captioned "Balance of Equity Fund") shall remain constant and shall not be reduced by any increases in the State Capital Purchase Funds made available to the CITY BOARD, and the said increases to the CITY BOARD shall inure to the benefit of the CITY BOARD. If the CITY BOARD's State Capital Purchase Funds allocation is not adequate to meet the annual debt service reflected above, the CITY BOARD will be responsible for remitting the net difference per State Department of Education directives.

HEWITT TRUSSVILLE BUS LIST  
2005 TO 2006 SCHOOL YEAR

4/13/2005

	<u>Model Year</u> <u>Number</u>	<u>Route Type</u>	<u>Vehicle Number</u>		
1	1989-086	Regular Spare	1HVBAZRL1LH220545		
2	1989-101	Regular Spare	1HVBAZRL8LH220591		
3	1989-180	Regular Spare	1HVBAZRL4LH220670		
4	1990-010	Regular	1HVBAZRL1LH275089		
5	1993-003	Sp Ed TW	1HVBBPLL1PH504354		
6	1994-019	Sp Ed	1FDXJ75C7RVA32995		
7	1998-022	Sp Ed	1FDWB80CXWVA22477		
8	1998-058	Regular	1FDXB80C2WVA20159		
9	1998-061	Regular	1FDXB80C2WVA20162		
10	1998-062	Regular	1FDXB80C4WVA20163		
11	1998-063	Regular	1FDXB80C6WVA20164		
12	2001-012	Sp Ed	4UZAAXBVX1CH69980		
13	2001-022	Regular	4UZAAXBV81CG66427		
14	2001-027	Regular	4UZAAXBV31CH11855		
15	2001-034	Regular	4UZAAXBV01CH11862		
16	2001-055	Regular	4UZAAXBV81CH11883		
17	2001-077	Regular	4UZAAXBV31CH11905		
18	2001-080	Regular	4UZAAXBV91CH11908		
19	2001-099	Regular	4UZAAXBV21CH11927		
20	2001-159	Regular	4UZAAXBV01CH63587		
21	2001-162	Regular	4UZAAXBV01CH63590		
22	2001-182	Regular	4UZAAXBV21CH63610		
23	2001-185	Regular	4UZAAXBV81CH63613		
24	2001-186	Regular	4UZAAXBVX1CH63614		
25	2001-189	Regular	4UZAAXBV51CH63617		
26	2001-190	Regular	4UZAAXBV71CH63618		
27	2001-191	Regular	4UZAAXBV91CH63619		
28	2001-192	Regular	4UZAAXBV51CH63620		
29	2001-193	Regular	4UZAAXBV71CH63621		
30	2004-034	Regular	4UZAAXCS24CM31687		
31	2005-026	Regular	4UZAAXCS95CM95100	*	
32	2005-049	Regular	4UZAAXCSX5CM95123	*	
33	2005-064	Regular	4UZAAXCS55CM95109	*	
34	2005-069	Regular	4UZAAXCS55CM95143	*	
35	2005-093	Regular	4UZAAXCS85CM95167	*	
36	2005-101	Regular	4UZAAXCS75CM95175	*	
37	2005-106	Regular	4UZAAXCS05CM95180	*	
38	2005-107	Regular	4UZAAXCS25CM95181	*	
39	2005-108	Regular	4UZAAXCS45CM95182	*	
40	2005-122	Regular	4UZAAXCS65CM95197	*	

Trussville Totals Regular Buses 33 Sp Ed Buses 3  
Regular Spares 3 Sp Ed Transition To Work 1 Total Buses 40

\* Lease Purchase

Appendix B