



TOWN OF BERLIN, VERMONT 2014 SCHOOL DISTRICT ANNUAL REPORT



PLEASE BRING THIS REPORT WITH YOU TO TOWN MEETING

AT BERLIN ELEMENTARY SCHOOL

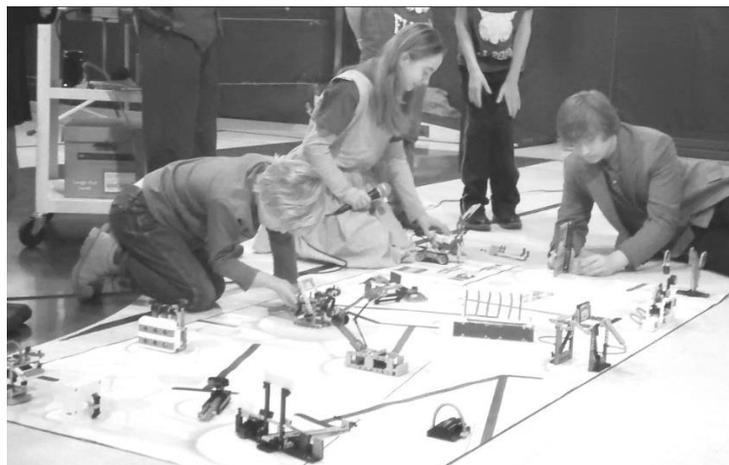
TUESDAY, MARCH 3RD, 2015 at 10am

Pre Town Meeting will be on Monday, March 2nd at 6pm at Berlin Elementary School

(SEE REVERSE FOR TOWN REPORT)

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Above photograph and cover photographs provided by Carol Amos

BERLIN TOWN SCHOOL DISTRICT WARNING

BERLIN TOWN SCHOOL DISTRICT WARNING

The legal voters of the Berlin Town School District are hereby noticed and warned to meet at the Berlin Elementary School at 372 Paine Turnpike North on Tuesday, March 3, 2015 at 10 A.M. to act on the following business not involving Australian ballot:

- ARTICLE 1.** To elect a Moderator for the year ensuing.
- ARTICLE 2.** To hear and act upon the report of the Town School Directors.
- ARTICLE 3.** Shall the School District authorize the Board of School Directors to hold any audited fund balance as of June 30, 2015 in a reserve fund to be expended under the control and direction of the Board of School Directors for the purpose of operating the school?
- ARTICLE 4.** Shall the School District authorize the Board of School Directors to borrow money in anticipation of the receipt of revenues for the 2015-2016 school year?
- ARTICLE 5.** To transact any other business that may legally come before the meeting.

Articles to be voted by Australian Ballot Polling Times – 10:00 A.M. Through 7:00 P.M.

- ARTICLE 6.** To elect the following School Directors:
 - One (1) School Director Two (2) Year Term
 - One (1) School Director Three (3) Year Term
 - One (1) U-32 Director Three (3) Year Term
- ARTICLE 7.** Will the School District adopt a budget not to exceed \$3,369,186 for the operation of the school for the ensuing year?

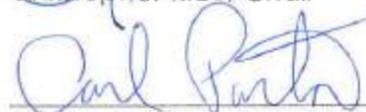
A public hearing will be held at the Berlin Elementary School on Monday, March 2, 2015 at 6:00 P.M. to provide information on articles to be voted by Australian ballot at Town Meeting.

The legal voters of Berlin Town School District are further notified that voter qualification, registration, and absentee voting relative to said annual meeting shall be as provided in Section 553 of Title 16, and Chapters 43, 51 and 55 of Title 17, Vermont Statutes Annotated.

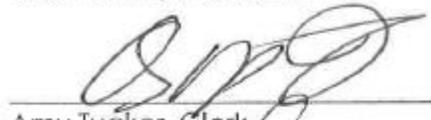
SCHOOL DIRECTORS



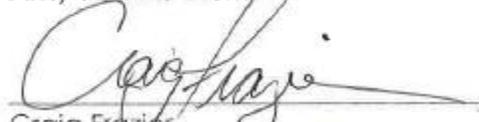
Christopher Rice, Chair



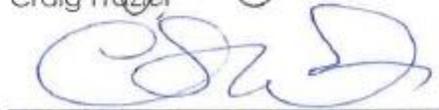
Carl Parton, Vice Chair



Amy Tucker, Clerk



Craig Frazier



Christopher Winters

BERLIN ELEMENTARY SCHOOL REPORT FROM THE BOARD OF DIRECTORS

Fellow Community Members,

During the past year the School Board set four primary goals. In our continued effort to always put the needs of students first, we made it our priority to oversee student performance including implementation for the school's Continuous Improvement Plan. In doing this, we worked with the current budget, and in our planning for the next fiscal year, to provide the resources necessary for our students to meet high academic and social expectations.

Additionally, we have another goal to improve community engagement with the school and the development of the school budget. We have increased our communications via electronic media and held two budget forums that brought out more citizens than we have seen in previous years. Also we partnered with the school staff and PTNA to bring more people into the school, and have seen some of the biggest attendance we have seen at school activities over the past few years. With our budget work, we aim to be transparent with long-range planning and strike a balance between being student-centered and fiscally responsible. Our Board works to be mission-driven and to use data to provide feedback about the implementation of our work. We have begun to explore various ways to collaborate with other WCSU Schools and Washington Central in developing policies, purchasing, and maintaining our facilities.

The Board worked together with the Superintendent, Business Administrator, Principal and staff to create the proposed budget. We looked at a range of budget versions to determine what would best meet the needs of students while being fiscally responsible. This proposed budget is a 1.9 % increase for the Berlin Elementary School, and a 0.42% increase for U-32. For the Berlin Residential Property Tax Rate proposed budgets for Berlin Elementary (0.2 cent decrease) and U-32 (4.6 cent increase) combined would result in a 4.4 cent increase (\$44 per \$100,000 in property value).

B.E.S. celebrates having a hard-working, skilled and dedicated faculty and staff. We would like to thank them for their commitment to the children of Berlin and their profession. We encourage you to read the Principal's Report on the following pages to learn more about the school's progress toward goals and specific initiatives.

There are many opportunities to become part of Berlin Elementary's success. Individual classroom volunteers often practice math and literacy skills with students. Our school's A-Team (the A is short for acceleration!), is comprised of volunteers who read with children one to two times per week. This program always needs more participants. Our library, garden program, and other initiatives rely on participation from the community and we encourage you to contact the school to learn more. We welcome you to have lunch with your child or grandchild, attend a PTNA meeting, share a hobby or interest, read a story to a class, and so on. The

possibilities are endless. There are also many one-time and off-hours opportunities to be part of the school community. Please consider contacting the school to learn more.

We encourage your involvement in our meetings, which take place on the second Monday of each month, at 6:15 p.m., in the school's Learning Center. Thank you for your continued support of our school.

Chris Rice
Carl Parton
Amy Tucker
Craig Frazier
Chris Winters



Amy Tucker, Craig Frazier, Chris Winters, Carl Parton, and Chris Rice

BERLIN ELEMENTARY SCHOOL PRINCIPAL'S ANNUAL REPORT

2014-2015

Carol Amos, Principal

Principal's Message
Berlin Elementary School
To the Berlin Community:

How fortunate Berlin is to have Berlin Elementary School in the heart of its community. This is a very special school, remarkable due to the dedicated staff, parents and community volunteers and, most importantly, the students. This year staff has been working hard in the areas of academics, student social emotional growth, and facilities upkeep.

In the area of academics, the new Lucy Calkins writing curriculum is being fully implemented this year. The program was purchased last year, but each teacher only piloted one unit in an effort to become familiar with the program. The result of this work is very evident when looking at student writing, which is more organized and richer in content. The program aligns directly with the district's "Non Negotiable for Writing document. This document synthesizes down the state's Common Core State Standards into a specific list of standards which every student should master by a certain grade level. This document can be found on the Berlin Elementary School website: www.berlinschool.org.

A "Non Negotiable" document has also been written for mathematics. Through involvement in summer professional development offered by the district, and working closely with our mathematics interventionist, teachers are using a variety of resources and materials in an effort to assure that all students meet these standards by the end of the year. To further support this effort, a new schedule was created which allows the reading and mathematics interventionists to work with every teacher and her students during an intervention time. The focus of the work completed during these times is based upon the analysis of data created by the multiple local and classrooms assessments that are administered regularly throughout the school year.

The implementation of Positive Behavioral Interventions and Supports (PBIS) is continuing for a 2nd year of supporting student social and emotional growth. Establishing a Safe, Respectful, and Ready environment has been the focus of the PBIS team, along with support from Berlin's new Behavioral Analyst. This focus is helping to move the student body towards appropriate behaviors and interactions that support student success. Community meetings, schoolwide and classroom celebrations, and individual acknowledgments through the Principal's "Top 100" acknowledge this success.

The success of the school gardens combines academics and social growth in a unique and wonderful way. Students and staff created and cultivated one of the most successful school gardens I have seen. Along with the science, art, writing, reading, and math lessons which have been created in conjunction with the gardens, students also created tasty pesto and salsa for the community pot luck during Open House.

Our school building is very special, and Gary Delphia and his crew have been working very hard to keep it running. Working with Efficiency Vermont, new lighting was installed in the gym during the holiday break, and it is hoped that all the lighting will be replaced throughout the building. With grant funding from Efficiency Vermont and the savings on the electric bills, the project will pay for itself in a couple years. Along with the excellent cleaning the maintenance staff completes daily, they have also painted hallways, installed new black baseboard in hallways, replaced the vent motor for the kiln, installed new lighting outside the main entrance, serviced all heaters in the classrooms, installed new sink counters in all the classrooms, and installed new water supply lines to all sinks. Although there is still a lot more work to do, the building is in good hands.

If you have not visited the school lately, please try to do so. You can also keep up to date by visiting the school's web site at www.berlinschool.org. I also encourage you to sign up to volunteer. Presently we have a handful of very dedicated and hardworking individuals who provide countless hours of volunteer time in all areas to support our students and staff. We are ALWAYS in need of extra hands to make the workload easier for all.

Thank you for giving me the opportunity to be part of your wonderful community. It is a daily honor to work with the staff, students, and families that make up Berlin Elementary School.



Photograph provided by Carol Amos

BERLIN ELEMENTARY SCHOOL BUDGET 2015 - 2016

**BERLIN ELEMENTARY SCHOOL
BUDGET 2015-2016**

<u>DESCRIPTION</u>	Actual 2014	BUDGET 2015	PROJECTED 2015	Final BUDGET 2016
REVENUES				
EARNINGS ON INVESTMENTS	\$25,794	\$21,475	\$24,475	\$21,475
MISCELLANEOUS INC-PURCH DISC	\$1,113	\$1,000	\$1,142	\$1,000
MISC INCOME-ERATE	\$4,700	\$4,700	\$4,700	\$4,700
MISC INCOME-OTHER	\$17,832	\$2,000	\$3,900	\$2,000
EDUC. SPENDING REVENUES FROM STATE	\$2,624,849	\$2,750,142	\$2,750,142	\$2,812,154
STATE AID TRANSPORTATION	\$42,694	\$46,710	\$46,710	\$47,688
ARRA JOBS FUND	\$0	\$0	\$0	\$0
MISCELLANEOUS INCOME-SPED	\$7,900	\$0	\$0	\$0
MAINSTREAM BLOCK GRANT	\$66,998	\$65,410	\$65,410	\$67,016
SPED EXPENDITURE REIMBURSEMENT	\$298,498	\$329,507	\$308,384	\$331,571
SPED EXTRAORDINARY REIMBURSEMENT	\$0	\$19,885	\$62,185	\$56,802
EEE GRANT	\$23,952	\$24,141	\$24,141	\$24,780
SUBTOTAL REVENUES	\$3,114,330	\$3,264,970	\$3,291,189	\$3,369,186
FUND BALANCE	\$39,000	\$0	\$0	\$0
TOTAL REVENUES	\$3,153,330	\$3,264,970	\$3,291,189	\$3,369,186
EXPENSES				
INSTRUCTIONAL SERVICES				
SALARIES-REGULAR-PROFESS.	\$783,740	\$790,609	\$799,882	\$811,262
SALARIES-REGULAR-TECH.	\$38,958	\$35,487	\$15,352	\$15,889
SALARIES-TEMPORARY-SUBSTITUTES	\$44,774	\$25,000	\$25,000	\$30,000
SALARIES-TEMPORARY-MENTORS	\$0	\$4,000	\$4,000	\$4,000
SALARIES-TEMPORARY-HOMEWORK CLUB	\$3,275	\$4,000	\$4,000	\$4,000
HEALTH BENEFITS	\$158,034	\$164,223	\$159,715	\$167,020
SOCIAL SECURITY/MEDICARE	\$63,339	\$63,588	\$62,818	\$64,017
OPEB ASSESSMENT	\$0	\$0	\$0	\$5,600
RETIREMENT BENEFITS	\$1,237	\$1,593	\$740	\$919
SECTION 125 BENEFIT	\$750	\$847	\$847	\$831
WORKMENS COMPENSATION	\$6,713	\$7,079	\$5,546	\$7,068
UNEMPLOYMENT COMPENSATION	\$4,421	\$5,289	\$4,474	\$5,327
TUITION REIMBURSEMENT	\$29,808	\$25,000	\$25,000	\$25,000
DENTAL BENEFITS	\$5,875	\$6,800	\$6,483	\$6,433
DISABILITY BENEFITS	\$2,096	\$3,240	\$3,198	\$3,214
PROFESSIONAL EDUC SVCS-FIELD TRIPS	\$790	\$5,000	\$5,000	\$5,000
OTHER PROFESSIONAL SVCS & PLP	\$1,587	\$4,500	\$4,500	\$4,500
RENTALS & LEASES-COPIER	\$2,800	\$2,000	\$2,000	\$2,000
GENERAL SUPPLIES-INSTR. & SPORTS	\$33,860	\$33,163	\$33,163	\$25,525
GENERAL SUPPLIES-TESTING & DATA WAREHSE	\$0	\$2,400	\$2,400	\$2,400
BOOKS AND PERIODICALS	\$10,201	\$17,535	\$17,535	\$17,535
DUES & FEES	\$160	\$0	\$0	\$0
TOTAL INSTRUCTIONAL SERVICES	\$1,192,418	\$1,201,353	\$1,181,653	\$1,207,540
PRESCHOOL PROGRAM				
SALARIES-REGULAR-PROFESS.	\$64,507	\$40,059	\$27,473	\$35,573
SALARIES-REGULAR-TECH.	\$18,668	\$12,524	\$13,028	\$15,731
HEALTH BENEFITS	\$0	\$0	\$10,828	\$13,201
SOCIAL SECURITY/MEDICARE	\$6,363	\$4,023	\$2,958	\$3,754
RETIREMENT BENEFITS	\$0	\$0	\$651	\$944
SECTION 125 BENEFIT	\$50	\$55	\$55	\$124
WORKMENS COMPENSATION	\$602	\$420	\$420	\$382
UNEMPLOYMENT COMPENSATION	\$142	\$330	\$330	\$302
TUITION REIMBURSEMENT	\$1,392	\$800	\$800	\$800
DENTAL BENEFITS	\$0	\$316	\$632	\$784
DISABILITY BENEFITS	\$238	\$162	\$154	\$195
TUITION	\$0	\$0	\$0	\$0
GENERAL SUPPLIES	\$444	\$1,050	\$1,050	\$900
TOTAL PRESCHOOL PROGRAM	\$92,406	\$59,739	\$58,379	\$72,690

**BERLIN ELEMENTARY SCHOOL
BUDGET 2015-2016**

DESCRIPTION	Actual 2014	BUDGET 2015	PROJECTED 2015	Final BUDGET 2016
GUIDANCE SERVICES				
SALARIES-REGULAR-PROFESS.	\$56,484	\$58,461	\$59,298	\$61,371
HEALTH BENEFITS	\$17,200	\$18,046	\$18,046	\$18,858
SOCIAL SECURITY/MEDICARE	\$4,029	\$4,238	\$4,302	\$4,450
SECTION 125 BENEFIT	\$50	\$55	\$55	\$62
WORKMENS COMPENSATION	\$407	\$491	\$491	\$516
UNEMPLOYMENT COMPENSATION	\$96	\$367	\$367	\$388
TUITION REIMBURSEMENT	\$882	\$1,300	\$1,300	\$1,300
DENTAL BENEFITS	\$509	\$527	\$527	\$541
DISABILITY BENEFITS	\$152	\$237	\$241	\$249
GENERAL SUPPLIES	\$215	\$600	\$600	\$130
BOOKS AND PERIODICALS	\$0	\$250	\$250	\$0
TOTAL GUIDANCE SERVICES	\$80,024	\$84,572	\$85,475	\$87,863
HEALTH SERVICES				
SALARIES-REGULAR-PROF.OTH	\$68,753	\$54,861	\$54,262	\$56,162
HEALTH INSURANCE	\$17,273	\$14,437	\$14,437	\$15,088
SOCIAL SECURITY/MEDICARE	\$4,878	\$4,010	\$3,984	\$4,101
SECTION 125 BENEFIT	\$50	\$55	\$55	\$62
WORKMENS COMPENSATION	\$483	\$450	\$450	\$461
UNEMPLOYMENT COMPENSATION	\$114	\$345	\$345	\$353
TUITION REIMBURSEMENT	\$79	\$1,300	\$1,300	\$1,300
DENTAL BENEFITS	\$511	\$422	\$422	\$432
DISABILITY BENEFITS	\$181	\$223	\$220	\$228
REPAIRS AND MAINTENANCE	\$178	\$500	\$500	\$40
GENERAL SUPPLIES	\$1,471	\$2,400	\$2,400	\$1,975
BOOKS AND PERIODICALS	\$83	\$100	\$100	\$88
TOTAL HEALTH SERVICES	\$94,054	\$79,103	\$78,455	\$80,288
CURRICULUM SERVICES				
SUPERVISORY UN SERVICES-CURRIC	\$18,360	\$21,918	\$21,918	\$17,854
TOTAL CURRICULUM SERVICES	\$18,360	\$21,918	\$21,918	\$17,854
LIBRARY SERVICES				
SALARIES-REGULAR-PROFESS.	\$35,393	\$36,670	\$35,799	\$37,092
SOCIAL SECURITY/MEDICARE	\$2,707	\$2,805	\$2,739	\$2,838
SECTION 125 BENEFIT	\$50	\$55	\$55	\$62
WORKMENS COMPENSATION	\$230	\$274	\$274	\$276
UNEMPLOYMENT COMPENSATION	\$54	\$205	\$205	\$208
TUITION REIMBURSEMENT	\$974	\$1,300	\$1,300	\$1,300
DENTAL BENEFITS	\$307	\$316	\$316	\$324
DISABILITY BENEFITS	\$88	\$132	\$129	\$133
REPAIRS AND MAINTENANCE	\$0	\$300	\$300	\$0
GENERAL SUPPLIES	\$734	\$880	\$880	\$880
BOOKS AND PERIODICALS	\$6,582	\$4,750	\$4,750	\$4,750
AUDIOVISUAL MATERIALS/SOFTWARE	\$137	\$350	\$350	\$0
TOTAL LIBRARY SERVICES	\$47,256	\$48,037	\$47,097	\$47,861
TECHNOLOGY SERVICES				
SALARIES-REGULAR-PROFESS.	\$21,004	\$21,739	\$21,158	\$21,899
SOCIAL SECURITY/MEDICARE	\$1,607	\$1,683	\$1,619	\$1,675
WORKMENS COMPENSATION	\$153	\$183	\$183	\$184
UNEMPLOYMENT COMPENSATION	\$36	\$137	\$137	\$138
TUITION REIMBURSEMENT	\$5	\$200	\$200	\$200
DENTAL BENEFITS	\$205	\$211	\$211	\$216
DISABILITY BENEFITS	\$59	\$88	\$88	\$89
PROFESSIONAL SERVICES	\$0	\$2,100	\$2,100	\$2,100
SUPERV UNION SERVICES	\$9,013	\$48,881	\$48,881	\$45,705

BERLIN ELEMENTARY SCHOOL
BUDGET 2015-2016

<u>DESCRIPTION</u>	Actual 2014	BUDGET 2015	PROJECTED 2015	Final BUDGET 2016
SUPERV UNION SERVICES-NETWORK SUPPORT	\$27,434	\$0	\$0	\$0
REPAIRS & MAINTENANCE	\$0	\$8,114	\$511	\$1,000
COMMUNICATIONS-TELEPHONE/WAN	\$12,364	\$13,499	\$13,849	\$13,500
GENERAL SUPPLIES	\$4,613	\$2,000	\$4,000	\$5,000
COMPUTER SOFTWARE	\$8,661	\$3,747	\$9,000	\$10,300
EQUIPMENT	\$17,826	\$19,468	\$19,468	\$29,750
TOTAL TECHNOLOGY SERVICES	\$102,980	\$122,030	\$121,403	\$131,756
BOARD OF EDUCATION SVCS.				
SALARIES-TEMPORARY-CLERICAL	\$1,045	\$750	\$750	\$750
SOCIAL SECURITY/MEDICARE	\$33	\$58	\$58	\$58
LEGAL SERVICES	\$6,984	\$1,500	\$1,500	\$1,500
ADVERTISING	\$1,110	\$2,000	\$2,000	\$2,000
TRAVEL	\$0	\$100	\$100	\$100
GENERAL SUPPLIES	\$2,678	\$400	\$400	\$400
DUES & FEES	\$1,530	\$1,750	\$1,750	\$1,750
TOTAL BOARD OF EDUCATION SVCS.	\$13,380	\$6,558	\$6,558	\$6,558
OFFICE OF SUPERINTENDENT				
SUPERVISORY UN SERVICES-SUPT	\$54,603	\$56,630	\$56,630	\$53,109
SUPERVISORY UN SERVICES-CRIMINAL REGISTR	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL OFFICE OF SUPERINTENDENT	\$55,603	\$57,630	\$57,630	\$54,109
OFFICE OF THE PRINCIPAL				
SALARIES-REGULAR-ADMIN.	\$91,818	\$91,166	\$82,000	\$84,870
SALARIES-REGULAR-CLERICAL	\$69,174	\$71,655	\$71,808	\$57,026
SALARIES-TEMPORARY	\$1,750	\$3,500	\$3,500	\$3,500
HEALTH BENEFITS	\$29,936	\$31,302	\$37,490	\$32,020
SOCIAL SECURITY/MEDICARE	\$11,947	\$12,317	\$11,548	\$10,707
RETIREMENT BENEFITS	\$2,688	\$3,583	\$3,590	\$2,384
SECTION 125 BENEFIT	\$150	\$165	\$165	\$124
WORKMENS COMPENSATION	\$1,164	\$1,397	\$1,397	\$1,221
UNEMPLOYMENT COMPENSATION	\$7,653	\$1,045	\$1,045	\$914
TUITION REIMBURSEMENT	\$1,235	\$2,000	\$2,000	\$2,000
DENTAL BENEFITS	\$1,532	\$1,581	\$1,581	\$1,081
DISABILITY BENEFITS	\$436	\$680	\$624	\$505
OTHER PROFESSIONAL SVCS	\$0	\$0	\$4,000	\$0
REPAIRS AND MAINTENANCE	\$359	\$1,000	\$1,000	\$1,000
RENTALS & LEASES-COPIER	\$0	\$0	\$0	\$0
COMMUNICATIONS-POSTAGE	\$2,815	\$2,500	\$2,500	\$2,500
TRAVEL	\$988	\$400	\$400	\$400
GENERAL SUPPLIES	\$3,188	\$5,000	\$5,000	\$4,000
DUES & FEES	\$845	\$525	\$525	\$525
TOTAL OFFICE OF THE PRINCIPAL	\$227,678	\$229,796	\$230,173	\$204,777
FISCAL SERVICES				
SUPERVISORY UN SERVICES	\$38,402	\$41,965	\$41,965	\$39,659
TOTAL FISCAL SERVICES	\$38,402	\$41,965	\$41,965	\$39,659
INTEREST EXPENSE				
INTEREST EXPENSE-REVENUE ANTICIPATION	\$22,893	\$31,475	\$30,199	\$31,475
TOTAL INTEREST EXPENSE	\$22,893	\$31,475	\$30,199	\$31,475
AUDITING SERVICES				
AUDIT SERVICES	\$3,200	\$3,500	\$4,550	\$4,550
TOTAL AUDITING SERVICES	\$3,200	\$3,500	\$4,550	\$4,550

BERLIN ELEMENTARY SCHOOL
BUDGET 2015-2016

<u>DESCRIPTION</u>	Actual 2014	BUDGET 2015	PROJECTED 2015	Final BUDGET 2016
OPERATION AND MAINT.PLANT				
SALARIES-REGULAR-SERVICE	\$102,404	\$105,059	\$102,666	\$105,613
SALARIES-TEMPORARY	\$5,985	\$7,508	\$7,508	\$10,000
HEALTH BENEFITS	\$32,109	\$33,772	\$28,261	\$28,381
SOCIAL SECURITY/MEDICARE	\$7,801	\$8,173	\$8,062	\$8,478
RETIREMENT BENEFIT	\$1,097	\$1,505	\$1,505	\$1,870
SECTION 125 BENEFIT	\$150	\$165	\$220	\$188
WORKMENS COMPENSATION	\$807	\$946	\$946	\$971
UNEMPLOYMENT COMPENSATION	\$190	\$707	\$707	\$727
DENTAL BENEFITS	\$1,527	\$1,581	\$1,581	\$1,622
DISABILITY BENEFITS	\$301	\$428	\$428	\$428
OTHER PROFESSIONAL SVCS	\$0	\$0	\$0	\$0
SU SHARED SVCS-ASBESTOS	\$1,212	\$750	\$1,000	\$1,000
WATER & SEWER	\$5,992	\$7,500	\$7,500	\$7,500
DISPOSAL SERVICES	\$2,972	\$2,650	\$2,650	\$2,650
SNOW PLOWING	\$2,900	\$3,200	\$3,200	\$3,200
REPAIRS AND MAINTENANCE	\$18,627	\$20,000	\$20,000	\$20,000
REPAIRS AND MAIN-GRDS	\$438	\$1,000	\$1,000	\$1,000
REPAIRS & MAINTEN-FURNACE	\$3,250	\$5,000	\$5,000	\$5,000
INSURANCE	\$7,125	\$7,553	\$8,025	\$8,053
TRAVEL	\$579	\$800	\$800	\$800
GENERAL SUPPLIES	\$12,507	\$10,000	\$10,000	\$10,000
ELECTRICITY	\$34,731	\$36,000	\$36,000	\$37,000
OIL	\$62,888	\$55,000	\$55,000	\$61,000
OTHER ENERGY - WOOD CHIPS	\$0	\$0	\$0	\$0
EQUIPMENT	\$3,066	\$4,000	\$4,000	\$4,000
TOTAL OPER. AND MAINT.PLANT	\$308,658	\$313,295	\$306,057	\$319,477
STUDENT TRANSPORTATION SV				
STUDENT TRANSPORTATION SV	\$111,781	\$114,714	\$114,714	\$117,202
STUDENT TRANS-FIELD TRIPS	\$1,816	\$6,000	\$6,000	\$3,000
TOTAL STUDENT TRANSP. SV	\$113,597	\$120,714	\$120,714	\$120,202
DEBT SERVICE				
INTEREST	\$5,000	\$5,000	\$5,000	\$5,000
INTEREST-WATER LOAN	\$0	\$2,208	\$0	\$9,000
PRINCIPAL	\$26,000	\$26,000	\$26,000	\$26,000
PRINCIPAL-WATER LOAN	\$0	\$0	\$0	\$0
TOTAL DEBT SERVICE	\$31,000	\$33,208	\$31,000	\$40,000
TRANSFER TO OTHER FUNDS				
FOOD SERVICE	\$62,276	\$51,336	\$51,336	\$40,000
PLAYGROUND	\$0	\$0	\$0	\$0
TOTAL TRANSFER TO OTHER FUNDS	\$62,276	\$51,336	\$51,336	\$40,000
INSTRUCTIONAL SVC-SP ED.				
SALARIES-REGULAR-PROFESS.	\$167,802	\$183,426	\$183,447	\$189,188
SALARIES-REGULAR-TECH.	\$138,029	\$158,468	\$148,568	\$159,682
SALARIES-TEMPORARY	\$3,777	\$5,800	\$5,800	\$5,800
HEALTH BENEFITS	\$102,303	\$107,800	\$98,190	\$90,069
SOCIAL SECURITY/MEDICARE	\$20,810	\$25,200	\$23,194	\$24,434
RETIREMENT BENEFITS	\$4,502	\$7,486	\$5,720	\$7,105
SECTION 125 BENEFIT	\$550	\$550	\$550	\$558
WORKMENS COMPENSATION	\$2,745	\$2,844	\$2,844	\$2,722
UNEMPLOYMENT COMPENSATION	\$577	\$2,128	\$2,128	\$2,036
TUITION REIMBURSEMENT	\$3,927	\$4,000	\$4,000	\$4,000
DENTAL BENEFITS	\$4,132	\$5,060	\$4,375	\$4,487
DISABILITY BENEFITS	\$897	\$1,350	\$1,189	\$1,237
OTHER PROFESSIONAL SVCS & WCMH	\$47,843	\$68,000	\$185,000	\$125,000

**BERLIN ELEMENTARY SCHOOL
BUDGET 2015-2016**

DESCRIPTION	Actual 2014	BUDGET 2015	PROJECTED 2015	Final BUDGET 2016
COMMUNICATIONS	\$2,000	\$2,000	\$2,000	\$2,000
TUITION TO OTHERS	\$0	\$0	\$0	\$77,000
GENERAL SUPPLIES	\$492	\$4,000	\$4,000	\$3,000
EQUIPMENT	\$996	\$1,500	\$1,500	\$1,500
TOTAL INSTRUCTIONAL SVC-SP ED.	\$501,182	\$579,592	\$640,503	\$679,818
SUPPORT PROGRAM				
SHARED SU SERVICES	\$52,574	\$0	\$0	\$0
TOTAL SUPPORT PROGRAMS	\$52,574	\$0	\$0	\$0
SPEECH SERVICES				
SALARIES-REGULAR-PROFESS.	\$57,752	\$81,439	\$62,278	\$63,940
SALARIES-REGULAR-TECH.	\$0	\$0	\$0	\$0
HEALTH BENEFITS	\$17,273	\$18,048	\$18,048	\$18,858
SOCIAL SECURITY/MEDICARE	\$4,121	\$4,488	\$4,492	\$4,647
RETIREMENT BENEFITS	\$0	\$0	\$0	\$0
SECTION 125 BENEFIT	\$50	\$55	\$55	\$62
WORKMENS COMPENSATION	\$575	\$518	\$518	\$537
UNEMPLOYMENT COMPENSATION	\$138	\$388	\$388	\$402
TUITION REIMBURSEMENT	\$0	\$1,000	\$1,000	\$1,000
DENTAL BENEFITS	\$511	\$527	\$527	\$541
DISABILITY BENEFITS	\$160	\$249	\$251	\$259
OTHER PROFESSIONAL SVCS	\$2,970	\$8,000	\$8,000	\$8,000
TOTAL SPEECH SERVICES	\$83,548	\$94,684	\$95,551	\$98,246
PHYSICAL THERARY SERVICES				
OTHER PROFESSIONAL SERVICES	\$340	\$5,000	\$5,000	\$5,000
TOTAL PHYSICAL THERAPY SERVICES	\$340	\$5,000	\$5,000	\$5,000
SPECIAL EDUCATION TRANSPORTATION				
STUDENT TRANSPORTATION SV	\$526	\$5,000	\$5,000	\$5,000
TOTAL SPECIAL EDUCATION TRANSP	\$526	\$5,000	\$5,000	\$5,000
SU ASSESSMENTS				
SUPERVISORY UN SERV-SPED	\$20,062	\$65,843	\$65,843	\$59,247
SUPERVISORY UN SERV-EARLY ED PROG	\$10,107	\$8,622	\$8,622	\$7,360
TOTAL SU ASSESSMENTS	\$30,169	\$74,465	\$74,465	\$66,607
ENGLISH LANGUAGE LEARNER				
SALARIES-TEMPORARY-ESL	\$0	\$0	\$0	\$7,200
SOCIAL SECURITY/MEDICARE	\$0	\$0	\$0	\$551
WORKMENS COMPENSATION	\$0	\$0	\$0	\$80
UNEMPLOYMENT COMPENSATION	\$0	\$0	\$0	\$45
TRAVEL	\$0	\$0	\$0	\$0
ENGLISH LANGUAGE LEARNER	\$0	\$0	\$0	\$7,856
TOTAL EXPENSES	\$3,172,524 (\$19,194)	\$3,264,970 \$0	\$3,295,081 (\$3,892)	\$3,369,186 \$0

BERLIN ELEMENTARY SCHOOL SUMMARY OF CHANGES BUDGET

Berlin Elementary School
Summary of Changes Budget 2016 vs. 2015

	<u>Final</u>	<u>Entire Budget</u> <u>% Change</u>	
Staffing Changes:			
<u>Negotiated Items</u>			
Salary Increases	\$70,302	2.15%	
Health Insurance Inflation(4.5%) & Coverage Changes	\$5,359	0.16%	
Other Benefit Changes	\$7,763	0.24%	
Subtotal Negotiated Items	\$83,424	2.56%	
<u>Staffing Changes</u>			
Staffing Turnover & changes(Salary & Benefits) FY14-15	(\$20,919)	-0.64%	
Professional Staff Addl .2 FTE(FY 14-15)	\$12,884	0.39%	
Special Education, Regular Education & ELL Staffing	(\$51,147)	-1.57%	See Revenues
Vermont Healthcare Assessment- Teachers 4 FTE's@ \$1400	\$5,600	0.17%	
Staffing Reduction	(\$43,112)	-1.32%	
Subtotal Staffing Changes	(\$96,694)	-2.96%	
			Budget FY 15
Total Staffing Change	(\$13,270)	-0.41%	\$2,355,334
			Budget FY 16
			\$2,342,064
<u>Nonsalary changes:</u>			
School-wide-Book & Supply Savings	(\$11,055)	-0.34%	
Technology Services-Per Tech Plan-Communications & Equipment	\$12,722	0.39%	
WCSU Assessments-Final	(\$20,925)	-0.64%	
Board of Education-Supplies & Audit Services	\$1,050	0.03%	
Opn of Plant Svcs-Electricity, Oil,Insurance, Electricity, Asbestos	\$7,750	0.24%	
Student Transportation Svcs-new contract less Savings	(\$512)	-0.02%	
Other Fund Transfers-Food Services	(\$11,336)	-0.35%	
Other Fund Transfers-Water Loan-Estimate	\$6,792	0.21%	
Special Services Program Costs-Tuition & Other Professional Services	\$133,000	4.07%	See Revenues
			Budget FY 15
Total Nonsalary	\$117,486	3.60%	\$909,636
			Budget FY 16
			\$1,027,122
Total Expense Budget Change	\$104,216	3.19%	\$3,264,970
			\$3,369,186
Revenue Changes Related to Budget Increases:			
Projected Special Educ. Reimbursement for Eligible Costs	\$41,226	1.26%	
Student Transportation Aid ,Erate.Miscellaneous & Office Rental Revenue	\$978	0.03%	
Subtotal Budget Change Including Revenues	\$62,012	1.90%	
Other Revenue Changes:			
Fund Balance Used To Reduce Taxes Draft #1 @ \$0		0.00%	
Total Budget Change Including Revenues	\$62,012	1.90%	

BERLIN ELEMENTARY SCHOOL DISTRICT SALARY & BENEFIT PROJECTION

**Berlin Elementary School District
Salary & Benefit Projection
As of December 7, 2014**

Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.

	<u>Projected Salaries</u>	<u>Total Salary & Benefits</u>	FTE	Position
Amos Carol	\$82,000	\$102,824	1.00	Principal
Anderson Debra	\$20,034	\$36,813	1.00	Food Service Worker
Audet Lisa	\$22,136	\$43,744	1.00	Paraeducator
Blodgett Diane	\$10,813	\$11,799	0.60	Paraeducator
Boucher Jane	\$64,099	\$88,071	1.00	Classroom Teacher
Burke Lucia	\$21,277	\$28,229	1.00	Paraeducator
Caswell Jane	\$32,439	\$38,033	0.50	SPED Teacher
Clark Marcia	\$57,393	\$75,347	0.90	Classroom Teacher
Clifton Cally	\$33,419	\$45,614	1.00	Administrative Assistant
Cykon Cynthia	\$25,036	\$30,393	0.60	Classroom Teacher
Dawkins Margaret	\$61,778	\$86,056	1.00	Speech Teacher
Delphia Gary	\$43,013	\$60,979	1.00	Maintenance Worker
Dessureau Amber	\$52,895	\$76,327	1.00	Classroom Teacher
Dutton-Renaud Lori	\$38,389	\$62,358	1.00	Administrative Assistant
Farone Kimberly	\$61,778	\$75,003	1.00	Classroom Teacher
Gauthier Cynthia	\$66,078	\$86,240	1.00	Classroom Teacher
Gregoire Deborah	\$21,713	\$43,260	1.00	Paraeducator
Grenier Kathy	\$23,020	\$44,757	1.00	Paraeducator
Heinz Jessica	\$59,296	\$83,337	1.00	Guidance Counselor
Hood Janice	\$26,465	\$37,650	1.00	Paraeducator
Jakubauskas Lynne	\$54,262	\$74,145	0.80	Nurse
Jones-Susmann Julie	\$52,895	\$62,360	1.00	Classroom Teacher
Matthews Gregory	\$23,918	\$34,733	1.00	Food Service Worker
McHugh Kay	\$52,895	\$71,802	1.00	Classroom Teacher
Nichols-Fleming James	\$66,078	\$90,765	1.00	SPED Teacher
Panciera Timothy	\$6,608	\$9,594	1.00	Maintenance Worker
Paquet Hilary	\$60,058	\$84,172	1.00	Classroom Teacher
Paquet Louis	\$30,109	\$41,824	1.00	Maintenance Worker
Paquet Travis	\$58,338	\$64,463	1.00	Classroom Teacher
Pellegrini Rebecca	\$23,968	\$31,311	1.00	Paraeducator
Piro Cynthia	\$63,332	\$83,242	1.00	Classroom Teacher
Rogers Sarah	\$49,934	\$73,084	1.00	Classroom Teacher
Rosenblum Rachel	\$23,335	\$25,823	0.40	Classroom Teacher
Shedd Navia	\$22,936	\$31,248	0.80	Maintenance Worker
Smith Ashlyn	\$49,172	\$58,810	1.00	Classroom Teacher
Spencer Lynn	\$31,737	\$37,740	0.60	Classroom Teacher
Tetreault Cheryl	\$17,254	\$26,239	1.00	Paraeducator
Turcotte Michelle	\$52,895	\$76,327	1.00	Classroom Teacher
VanDerlip Elizabeth	\$62,899	\$87,283	1.00	SPED Teacher
Wagner Lynn	\$66,078	\$90,710	1.00	Classroom Teacher
Young Amy	\$52,895	\$62,887	1.00	Librarian
Total	\$ 1,744,667	\$2,375,396		

TOWN OF BERLIN ESTIMATED TAX CALCULATIONS

Town of Berlin
 Estimated Tax Calculations
 As of January 5, 2015

NOTE: Includes Berlin Elementary and U32 Proposed Budgets.

	Education Spending Per Eq Pupil	Base Ed Spending Amt	District Spending Adjustment	Equalized Pupils	TAX RATES:		
					Equalized Homestead	Actual Homestead	Actual Nonresidential
	\$15,915	\$9,459	168.26%	406.84	\$1,683	\$1,614	\$1,535
Projected Budget 15-16	\$15,188	\$9,285	163.58%	406.31	\$1,603	\$1,522	\$1,515
Budget 14-15	4.79%	1.87%		0.13%			

	Common Level of		Actual Homestead	Actual Nonresidential
	Appraisal	Homestead		
FY08-09	113.00%	\$1,146	\$1,204	\$1,473
FY09-10	104.48%	\$1,246	\$1,292	\$1,473
FY10-11	102.55%	\$1,277	\$1,318	\$1,473
FY11-12	102.23%	\$1,354	\$1,330	\$1,473
FY12-13	103.53%	\$1,375	\$1,333	\$1,473
FY13-14	101.88%	\$1,454	\$1,412	\$1,473
FY14-15	105.33%	\$1,522	\$1,438	\$1,473
FY15-16	104.23%	\$1,614	\$1,473	\$1,473

Local Tax Impact-Increase(Decrease)	\$0.092
Impact on a \$100,000 property	\$92

TAX RATES:			
	Current	Common	Appraised at 100%
	Level of	Appraisal	Equalized
FY15-16			
Elementary Tax Rate		(\$0.03)	\$0.73
U32 Tax Rate		(\$0.04)	\$0.95
TOTAL Tax Rate		(\$0.07)	\$1.68

**Note: the tax rate is allocated as follows:

Excess Spending Per Educ Spending Per	
Equalized Pupil	Equalized Pupil
\$17,103	\$17,103
State Penalty Amount	\$15,915
Amount Per Town	\$15,422
Elementary	\$15,895
U32	\$18,097

Prepared by: Lori T. Bibeau, WCSU Business Administrator

U-32 SCHOOL DISTRICT - WARNING

U-32 SCHOOL DISTRICT WARNING

The legal voters of the Union High School District No. 32 ("U-32"), a municipal corporation consisting of the Town School Districts of Berlin, Calais, East Montpelier, Middlesex, and Worcester, Vermont, are hereby notified and warned to meet in their respective towns on Tuesday, March 3, 2015, to vote by Australian ballot on Articles 1 through 6 as outlined below.

Polling Places and Times:

Berlin Elementary School in Berlin Corner – 10:00 A.M. - 7:00 PM

Calais Elementary School in Calais – 7:00 A.M. - 7:00 PM

East Montpelier Elementary School in East Montpelier – 7:00 A.M. – 7:00 PM

Rumney Memorial School in Middlesex – 10:00 A.M. – 7:00 PM

Doty Memorial School in Worcester – 10:00 A.M. – 7:00 PM

A public hearing will take place at U-32, Room 131 at 6:00 P.M. on Monday, March 2, 2015 to provide information on the articles to be voted by Australian Ballot at the municipalities' respective Town Meetings on Tuesday, March 3, 2015.

The legal voters of U-32 are further notified that voter qualification, registration, and absentee voting relative to said annual meeting shall be as provided in Sections 553 and 706(u) of Title 16, and Chapters 43, 51 and 55 of Title 17, Vermont Statutes Annotated.

ARTICLE 1. To elect a Clerk for a term of one (1) year.

ARTICLE 2. To elect a Treasurer for a term of one (1) year.

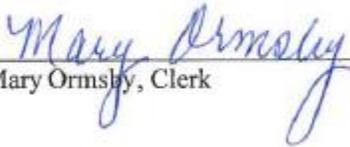
ARTICLE 3. To fix the annual compensation of the Union School District officers.

Clerk	\$500.00
Directors	\$850.00 each
Chair	\$875.00
Treasurer	\$1,500.00

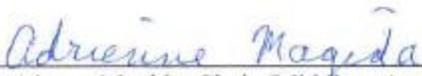
ARTICLE 4. Shall the Union High School District No. 32 adopt a budget of \$14,915,715.00 for the 2015-2016 school year?

ARTICLE 5. Shall the School District authorize the Board of School Directors of Union District No. 32 to hold any audited fund balance as of June 30, 2015 in a reserve fund to be expended under the control and direction of the Board of School Directors for the purpose of operating the school?

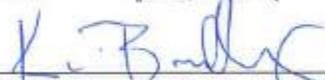
ARTICLE 6. Shall the School District authorize the Board of School Directors to borrow money by issuance of bonds and notes, not in excess of anticipated revenue for the school year?


Mary Ormsby, Clerk

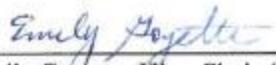
SCHOOL DIRECTORS

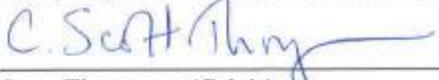

Adrienne Magida, Chair (Middlesex)

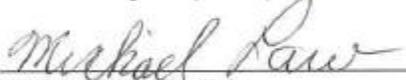

Katie Winkeljohn, Clerk (Worcester)


Kari Bradley (East Montpelier)


Jonathan Goddard (Berlin)


Emily Goyette, Vice Chair (East Montpelier)


Scott Thompson (Calais)


Michael Law (Berlin)

U-32 BUDGET SUMMARY

U-32 BUDGET SUMMARY	ACTUAL 2013-2014	BUDGET 2014-2015	PROJECTED 2014-2015	BUDGET 2015-2016
REVENUES				
TUITION	966,100	1,033,300	868,914	800,016
INVESTMENT INCOME	143,573	152,106	171,970	172,106
EDUCATION SPENDING REVENUES	11,114,177	11,569,668	11,569,668	12,189,961
MISCELLANEOUS INCOME	162,729	115,926	101,926	122,526
STATE REVENUES-MISC	223,545	252,011	252,011	252,784
EDUCATION JOBS FUND ARRA	92,337	0	0	0
SPED MAINSTREAM BLOCK GRANT	259,811	257,457	257,457	263,779
SPECIAL EDUCATION INCOME	1,169,639	1,252,995	1,356,921	1,114,544
FUND BALANCE	218,000	200,000	200,000	0
SUBTOTAL REVENUES	\$14,349,911	\$14,833,463	\$14,778,867	\$14,915,715
EXPENSES				
BUSINESS ED.	157,961	153,864	153,836	159,539
DRIVER ED.	57,159	60,535	61,434	63,862
ENGLISH	727,343	729,715	719,021	733,327
ACTING, DANCE & VISUAL ARTS	276,182	276,050	279,750	293,683
FOREIGN LANGUAGE	336,979	352,500	362,345	398,728
TECHNOLOGY ED.	169,170	175,996	175,697	183,053
LIVING ARTS	55,356	58,325	58,876	76,474
MUSIC	206,564	212,544	219,929	228,956
PHYSICAL ED.	354,575	366,424	373,052	392,602
MATHEMATICS	760,693	798,577	797,281	836,475
SCIENCE	1,035,185	1,021,559	945,316	957,112
SOCIAL STUDIES	552,285	592,721	602,674	625,817
INSTRUCTIONAL-SCHOOLWIDE	459,405	358,200	377,390	43,507
OTHER INSTRUCTION-504	21,363	2,836	2,836	5,800
OTHER INSTRUCTIONAL PROGRAMS	506,812	547,600	547,734	541,988
MIDDLESCHOOL PROGRAMS	16,252	19,305	18,626	17,480
GUIDANCE SERVICES	568,647	605,909	600,317	611,210
HEALTH SERVICES	131,918	138,506	138,891	142,459
CURRICULUM SERVICES	134,373	149,248	149,532	147,621
MEDIA SERVICE	86,752	100,007	99,182	98,741
SCHOOL LIBRARY SERVICES	267,486	276,432	272,286	265,990
TECHNOLOGY SERVICES	403,312	393,411	423,411	423,313
BOARD OF EDUCATION	42,697	56,602	55,320	52,700
OFFICE OF SUPERINTENDENT	190,210	188,628	188,628	200,017
OFFICE OF PRINCIPAL	834,952	874,259	875,756	908,726
FISCAL SERVICES	132,363	138,297	138,297	147,867
INTEREST EXPENSE	119,105	120,000	139,864	140,000
AUDITING SERVICES	4,700	5,200	6,950	6,950
OPERATION AND MAINTENANCE	1,237,820	1,249,087	1,250,552	1,280,944
STUDENT TRANSPORTATION SV	646,856	660,978	660,978	676,607
TRANSFERS TO OTHER FUNDS	895,068	979,981	979,981	1,081,085
SPECIAL EDUCATION PROGRAMS	1,738,114	1,870,367	2,029,338	1,841,021
SUPPORT PROGRAM	86,218	0	0	0
SPEECH SERVICES	111,872	116,220	115,528	119,682
OCCUPATIONAL THERAPY SERVICES	70,463	45,000	30,000	30,000
PHYSICAL THERAPY & OTHER SERVICES	2,048	20,235	3,000	3,000
SPECIAL EDUCATION ADMINISTRATION	138,646	144,182	144,402	149,749
SPECIAL EDUCATION TRANSPORTATION	47,016	40,000	26,100	23,200
SU ASSESSMENTS SPED	69,149	216,991	216,991	220,902
ENGLISH LANGUAGE LEARNERS	89	11,972	11,972	5,000
CO-CURRICULAR ACTIVITIES	650,633	705,200	689,038	780,528
TOTAL EXPENSES	\$14,303,791	\$14,833,463	\$14,942,111	\$14,915,715

U-32 SCHOOL DISTRICT SALARY & BENEFIT PROJECTION

U-32 School District
 Salary & Benefit Projection
 As of November 24, 2014

Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.

	<u>Projected Salaries</u>	<u>Total Salary & Benefits</u>
Abbiati Judy	\$64,099	\$77,053
Albee Brian	\$52,895	\$62,848
Allen Beth	\$19,974	\$21,701
Angel Laure	\$52,133	\$64,254
Antonucci John	\$54,615	\$78,016
Balch Stephen	\$41,447	\$63,640
Barewicz Jessica	\$50,792	\$60,403
Barrows Stephen	\$64,826	\$75,723
Bashaw Mary	\$22,472	\$31,874
Bazis David	\$49,934	\$72,906
Beanland Cairsten	\$47,169	\$65,362
Bennett Eric	\$43,339	\$54,867
Bickford Judy	\$66,078	\$86,005
Bird Alden	\$52,133	\$64,254
Blackburn Christopher	\$61,329	\$85,345
Blakely Xiomara	\$31,278	\$54,416
Blodgett Diane	\$10,927	\$11,872
Boulanger Chantal	\$31,905	\$55,138
Brown Ronald	\$62,020	\$86,099
Bruno Barbarann	\$23,494	\$34,399
Bushey Charles	\$65,776	\$92,474
Carey Bodo	\$69,295	\$94,042
Carpenter Kelly	\$19,253	\$28,987
Cate Weston III	\$27,691	\$39,232
Chaloux Sandra	\$49,934	\$59,467
Chaplin Mark	\$67,303	\$87,342
Chartrand Kristine	\$45,928	\$64,007
Chase Betty	\$20,840	\$30,816
Chouinard Bonnie	\$33,940	\$57,482
Christiana Kendra	\$20,003	\$24,342
Clark-Warner Heather	\$25,552	\$48,738
Collier Rachel	\$53,853	\$66,132
Cook George	\$60,820	\$71,350
Cook Vicki	\$23,008	\$40,366
Cooke Ellen	\$64,099	\$88,369
Crossett Paula	\$52,895	\$76,138
Cueto Linda	\$21,277	\$29,459
Cushman Kyle	\$12,107	\$13,146
Dalmasse Denise	\$68,884	\$80,153
David Beatrice	\$52,895	\$71,558
Davis Elizabeth	\$22,926	\$31,358
Dean Fletcher	\$22,571	\$39,864
Decker Anne	\$57,428	\$67,157
Deguzzman Jodi	\$19,253	\$29,515
Dentith Susan	\$66,078	\$79,477
Desch Marguerite	\$66,078	\$79,477
Devries Aanika	\$64,219	\$83,976
Divelbliss Brian	\$60,537	\$80,001
Downey Kevin	\$81,020	\$105,695
Dugger Lloyd	\$48,693	\$60,499
Dunn William	\$39,672	\$50,644
Dwire Jody	\$9,529	\$10,353
Dwyer Colleen	\$34,882	\$46,424
Dy Krista	\$52,133	\$70,762
Emerson Jody	\$74,520	\$94,666
Emery Paula	\$53,621	\$65,150
Falby Meaghan	\$52,895	\$76,615
Fair Patricia	\$31,516	\$43,695
Ferguson Kristie	\$43,034	\$56,903
Ferris Sheryl	\$37,212	\$48,967

U-32 School District
Salary & Benefit Projection
As of November 24, 2014

Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.

	<u>Projected Salaries</u>	<u>Total Salary & Benefits</u>
Fitch Lesley	\$49,313	\$75,187
Flynn Timothy	\$87,607	\$108,653
Fournier Dennis	\$46,333	\$60,702
French Adam	\$54,645	\$66,996
Gadapee Bonnie	\$59,579	\$78,910
Galligan-Baldwin Erin	\$52,896	\$75,872
Garand Laura	\$22,136	\$30,448
Garand Travis	\$19,644	\$27,578
Garcia Joan	\$26,936	\$44,891
Garity Leigh	\$0	\$6,848
Gilman Tina	\$16,048	\$17,436
Gora Peter	\$24,941	\$36,066
Grace Caroline	\$54,645	\$64,609
Greene Daniel	\$71,799	\$96,248
Griggs Janine	\$20,061	\$30,445
Grow Roger	\$49,934	\$72,906
Guiffre Catherine	\$58,338	\$82,080
Gunther Grant	\$46,862	\$61,783
Hannigan David	\$41,113	\$61,218
Harris Scott	\$50,892	\$62,899
Heintz Benjamin	\$58,338	\$82,080
Hendershot Daniel	\$28,513	\$40,288
Hilferty John	\$58,338	\$68,641
Hill MaryEllen	\$29,148	\$47,438
Hiller Johanna	\$49,651	\$61,544
Hoermann Tammy	\$26,850	\$49,316
Horowitz Michael	\$59,579	\$83,382
Houston Glenn	\$55,120	\$74,042
Hungerford Richard	\$54,018	\$69,118
Hurley Kevin	\$31,643	\$50,312
Ingersoll Jennifer	\$47,648	\$61,953
Jackson Sarah	\$47,437	\$55,749
Jarvis Katie	\$47,931	\$66,194
Jarvis Lucas	\$17,696	\$19,637
Jones Barrett Nicholas	\$49,934	\$68,381
Kalman Abbey	\$44,687	\$56,125
Keefe Brianne	\$41,247	\$52,370
Kelley Rebecca	\$23,584	\$25,679
Keys Margaret	\$55,856	\$74,791
Kiefer Julie	\$67,486	\$87,542
Koenigbauer Amy	\$51,862	\$63,958
Lahey John	\$40,653	\$60,689
Lahey Sam	\$33,847	\$39,562
Lamberti Sheryl	\$22,818	\$40,148
Lang Roderick	\$18,907	\$22,357
LaPlante Lisa	\$87,412	\$108,440
Leiberman Karen	\$26,067	\$30,961
Levine Judd	\$67,828	\$92,440
Magoon Heather	\$25,771	\$43,549
Martin Tracy	\$41,447	\$61,602
Mayette Sue Anne	\$66,078	\$86,005
McCann Katherine	\$65,028	\$89,331
McCord Denise	\$66,078	\$78,950
McGinnis Devan	\$28,898	\$40,623
McMahon William	\$31,905	\$44,085
McNaulty William	\$33,199	\$42,196
Mitchell Susan	\$20,458	\$28,515
Molina Amanda	\$79,610	\$98,592
Mooney Erin	\$59,296	\$83,126
Newcomb Sharon	\$70,250	\$90,560
Orellana Riena	\$28,334	\$38,273

U-32 School District
Salary & Benefit Projection
As of November 24, 2014

Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.

	<u>Projected Salaries</u>	<u>Total Salary & Benefits</u>
Palmer Victoria	\$52,894	\$78,138
Papineau Amy	\$23,750	\$32,307
Paris Maria	\$64,871	\$78,160
Parker Samantha	\$21,723	\$30,529
Pate Stephen	\$105,000	\$128,040
Perry Brittany	\$56,335	\$68,454
Pollock Pamela	\$21,277	\$42,898
Poplawski Virginia	\$23,968	\$34,944
Pryce Susan	\$25,428	\$36,626
Randall Nanci	\$26,465	\$44,349
Reichert Jason	\$60,537	\$84,481
Saxe Kenneth	\$66,078	\$77,091
Schaeffer Nicole	\$50,413	\$59,989
Simmons Mary Ellen	\$61,778	\$74,783
Singleton Dorothy	\$19,253	\$40,567
Skoglund Benjamin	\$57,656	\$67,896
Slade Jodie	\$20,061	\$41,497
Slopey Brian	\$66,603	\$86,578
St. Peter Hollis	\$60,553	\$71,059
Stevens Debra	\$21,277	\$29,459
Thomas Gillian	\$44,295	\$53,616
Towne Stephen	\$60,358	\$84,285
VanDeren Lauren	\$41,830	\$55,517
Verchereau-Staab Suzanne	\$39,317	\$52,095
Volinsky Sarah	\$67,336	\$78,465
Wade Adrian	\$44,208	\$55,602
Walker Katherine	\$67,828	\$79,001
Weiss Eric	\$25,428	\$28,342
Wendel Devin	\$39,674	\$61,705
Wheelock Ann	\$42,840	\$63,207
Wiese Kathy	\$67,828	\$87,915
Williams Christopher	\$60,820	\$71,350
Williams Dylan	\$52,612	\$64,777
Wolf Sara	\$20,668	\$28,758
Wourinen Jeffrey	\$23,105	\$27,704
	\$7,014,268	\$9,327,294

WCSU SUPERINTENDENT'S OFFICE REPORT

WASHINGTON CENTRAL SUPERVISORY UNION

Superintendent's Office Report

January 15, 2015

I am pleased to have this opportunity to report on the educational and financial status of Washington Central Supervisory Union (WCSU). WCSU is comprised of Berlin, Calais, Doty, East Montpelier, and Rumney Elementary Schools, as well as U-32 Middle and High School.

As a supervisory union, our primary goals are to provide quality educational opportunities for the 1,500 students we serve PreK through grade 12, and to ensure that we are preparing our students for their future. To meet this goal, we remain focused on: improving curriculum, instruction, assessment and professional development; providing high quality early education programs; special services; improving technology and financial services to our member schools; and recruiting and retaining high caliber staff. Below, I have highlighted some of our work and accomplishments over the past year.

Board Goals and Student Learning Outcomes

During the 2013 -2014 and the 2014-2015 school years the boards have been asking themselves: "What do our community's value that our students know and are able to do when they receive a U-32 diploma?" By tackling this question, the boards are determining their goals and work for this year. Every board in the supervisory union has set a goal to draft student outcomes that describe what the community wants to see in every student in Washington Central. By setting these outcomes it will determine the local accountability for each school and the supervisory union. Please stay tuned to each board as they seek feedback from the community to help them determine if they set the correct outcomes for the students and the schools.

Curriculum, Instruction, Assessment and Professional Development

Jen Miller-Arsenault, Director of Curriculum, Instruction and Assessment, oversees curriculum, instruction, assessment, and professional development for our school system. Ms. Miller-Arsenault works with administrators and teachers throughout our schools to review student assessment results, provide on-going professional development opportunities to improve teaching and learning, and coordinate curriculum development PreK-12. She has been instrumental in coordinating the Grades 4-8 mathematics lab school that we offered in July. Over 30 teachers and administrators participated in the lab school with Professor Mahesh Sharma. We served 16 WCSU students in our lab school, collaborating closely with the WCSU summer services program and Community Connections in order to meet student and family needs.

In addition to the summer math professional development, we have been able to secure a grant to fund a WCSU math coach this year and at least the following year. Ellen Dorsey, former U-32 middle and high school math teacher, is working as our part-time math coach focused on Grades 5-8. Ellen's work is directly impacting teaching and learning in these grades, and is strengthening the transition between our five elementary schools and the middle school. Ellen's work is anchored in the outcomes that WCSU has articulated for students in alignment with the Common Core State Standards. It also builds on other work in the supervisory union such as the summer math lab school and clinical rounds throughout the school year.

WCSU has six supervisory-union wide curriculum committees this year: the Curriculum Council, the Literacy Steering Committee, the Math Steering Committee, the Science Steering Committee, the Social Curriculum Steering Committee and the Social Studies Steering Committee. Comprised of teachers and administrators from all six of our schools, each committee has articulated a specific

focus for its work related to curriculum, instruction and assessment. In so doing, they are working toward improved outcomes for students and greater coordination across the supervisory union

Members of the Curriculum Council, the Literacy Steering Committee, the Math Steering Committee and the Washington Central Leadership Team have created a local comprehensive assessment plan for this year. The local data is being used to address individual student needs and larger areas for school and school system improvement.

Special Services

Kelly Bushey, Director of Special Services, works closely with administrators and case managers to oversee the continuum of services and supports for over 200 students with disabilities ages birth to 22, assuring compliance with state and federal laws. This includes managing contracted services for state placed students and out of district placements.

This year, we have reinstated two different special education work groups with representation from across the supervisory union. One group is working to develop a transition plan for students with special needs transitioning from the elementary schools to U-32. While U-32 has a comprehensive plan in place for all students transitioning to 7th grade, there are always a few special needs students that would benefit from additional transition activities.

The second work group focuses on the students with intensive needs. There are students with a high level of needs across the supervisory union. The challenge that we are faced with is that the special education teachers that support these students may be the only special education teacher in the building. The purpose of this group is for teachers to come together to talk about student programming, alternative assessments, assistive technology, etc. These meetings provide the special educators with an avenue to learn from one another and together at the same time.

We are currently in our second year of implementing the special education evaluation team. The purpose of this evaluation team is to allow the special education teachers in the schools more time for direct service with the students we serve. As of January 5th, this team has completed 14 re-evaluations and 21 new evaluations. As we move towards the next school year and the hiring season, we will be looking for a full time psychologist to support the work of this team. This additional .4FTE will be funded through grants.

Kelly is also the supervisory union coordinator for Positive Behavioral Interventions and Supports (PBIS) a school-wide approach to creating a positive and safe climate in which students can learn and grow. Throughout this school year (14'-15') and last school year (13'-14') all schools have implemented Phase 1 of PBIS. This is the universal level that focuses on every student school-wide. Each school continues to have a team that takes a leadership role to ensure implementation throughout the school. These teams also participate in professional development, continuing to move the implementation forward.

Each elementary school uses a School Wide Information System (SWIS) to document the daily behaviors that occur for every student, in all environments throughout each school day. When comparing the data from last year until January 1 of this year, there has been a significant decrease in behavioral infractions across all five elementary schools.

The PBIS leadership teams continue to participate in professional development opportunities, learning ways to support students who continue to have repeated challenging behaviors. When we start looking at students that have multiple behavior infractions, we begin to ask questions as to why they are happening. Our teams within the schools provide action steps that can be taken to support the student, by finding ways to communicate their needs in a more appropriate way.

The costs that are associated with this continue to be funded through a grant from the Agency of Education.

Early Education Programs

Helping our youngest learners to be ready for kindergarten is an important step in assuring school success. Each of our five WCSU elementary schools have pre-kindergarten program that serves 3 and 4 year olds from their towns. All of the programs have met high STARS accreditation scores. WCSU currently serves 100 students in our pre-kindergarten programs. These programs are funded by a combination of funds from the local school budget and state supports. This past year the Vermont legislature passed a new Universal Pre-kindergarten law that is providing access to high-quality pre-kindergarten for all students. In this coming year we will be working on implementing this new statute and we will be ensuring that all parents who want their children enrolled in pre-kindergarten will have the support. Prior to this new law, we have had to limit the enrollments at some of our programs.

In addition, WCSU provides programs and supports for our pre-kindergarten children with disabilities and our youngest students (birth to 5) who are at risk of school failure across our five towns.

Teacher Supervision and Evaluation System

A committee comprised of teachers and administrators met extensively last year per our teacher agreement, in order to enhance and improve our teacher supervision and evaluation system. Across the school system we have agreed to use Charlotte Danielson's 2013 Framework for Teaching to inform our practice. We are currently drafting the supervision and evaluation cycles that will align with the Framework.

Technology

This was another great year for the WCSU Technology Department. One of the biggest projects was centralizing most of the servers for all of the schools in the supervisory union at U-32. By bringing together all the servers into one location, we are able to provide better redundancy, security and back-up for all the information in the supervisory union. This also allowed us to give more "up time" for the students and staff.

Another big project was expanding our internet and wireless service throughout the buildings. Four of our locations are serviced by fiber optic internet service, which allows for some of the highest speed access in the state. At Rumney, Doty and Calais Elementary Schools, we were able to increase the internet service by 10 times to provide more educational resources to the students. Along with increasing the bandwidth, we have been able to upgrade our wireless technology at every school. This allows us to handle more devices using the network at the same time. For example, last year at U-32 we could have 1400 devices on the network by 8:30 in the morning. That includes both school technology and personal technology (ie. smart phones, tablets and computers). Having this type of access allows students to use information to build new knowledge and communicate it to others.

The greatest impact on student learning has been the implementation of a one-to-one computer-to-student project for grades 5 through 8. By using Google Chromebooks we have been able to dedicate a computing device to each student and teachers have been able to increase the integration of technology in their classes. This is allowing our students to expand and deepen the skills they will need in the 21st century.

Fiscal Services

Lori Bibeau, Business Administrator, manages and oversees all WCSU fiscal and business operations. Last year, the total funds processed through WCSU, including school budgets, grants, food programs, capital improvement funds and construction projects, totaled \$33.3 million. As required by law, each year WCSU conducts an outside audit of all schools, central office and fiscal operations. Annually, we receive accolades for our outstanding fiscal operations with either no or only minor audit findings.

For the past several years, most of our budgets have shown modest level or below level increases. In developing budgets for FY16, each school looked closely at their per pupil costs and reduced some staffing and other areas where they thought they could, while still continuing to meet the needs of our students. However, our school budgets, due to a variety of reasons, have come in slightly higher than other years. WCSU continues to look at ways to enhance efficiencies across the supervisory union and to collaborate with neighboring schools.

High Quality Staff and Parent and Community Involvement

Credit for the many accomplishments of our supervisory union goes to the efforts and commitment of our outstanding professional and support staff, as well as to our Leadership Team.

Parent and community involvement is vital to quality schools and school improvement. WCSU is fortunate to have so many parents, community and board members involved in our schools and the education of our students. On behalf of the students and staff, I wish to thank you for the continued support of our schools and students.

Respectfully submitted,

William Kimball
Superintendent of Schools



SUMMARY REPORT OF THE FINANCIAL CONDITION OF WCSU
**SUMMARY REPORT OF THE FINANCIAL CONDITION
OF
THE WASHINGTON CENTRAL SUPERVISORY UNION**

Submitted to the board for the school districts of Berlin, Calais, East Montpelier, Middlesex, Worcester and U-32.

On behalf of the Board of Directors of the Washington Central Supervisory Union, I hereby submit the following summary report of the financial operations of the supervisory union.

For the year ending June 30, 2014, the Washington Central Supervisory Union operated on approved general fund and special education budgets totaling \$1,804,571. The supervisory union ended fiscal year 2014 with a \$274,479 reserved fund balance. This fund balance is reserved as follows: \$150,274 operations, \$0 special education, \$67,965 office equipment and technology, \$40,086 building capital fund and \$ 16,154 administrative fiscal agent fees.

For fiscal year 2015, the supervisory union budgets total \$2,439,922 and it is anticipated that the year will end in balance.

For fiscal year 2016, it is anticipated that the supervisory union budgets will total \$2,449,302 which consists of \$1,749,302 for operations, and \$700,000 for state placed students.

William Kimball
Superintendent of Schools

**ATTENTION RESIDENTS OF BERLIN, CALAIS, EAST MONTPELIER, MIDDLESEX
AND WORCESTER**

Washington Central Supervisory Union (WCSU) offers special education services to eligible children three through twenty-one and early intervention for children birth to age three.

Eligible students with disabilities are entitled to receive a free, appropriate, public education.

WCSU may not be aware of all resident children and youth with a disability. If you know of a child who has a disability and is not in school, homeless, attending an independent school, enrolled in home study or not otherwise being educated at public expense, please notify us by contacting your local school principal or by calling or writing:

Kelly Bushey
Director of Special Services
Washington Central Supervisory Union
1130 Gallison Hill Road
Montpelier, VT 05602
802-229-0553 X 303

WCSU BUDGET

Washington Central Supervisory Union
Budget FY 2015-2016

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	Final FY 2016 Budget
REVENUES:				
Earnings on Investments	\$7,917	\$4,000	\$4,000	\$4,000
Administrative Assessment	\$406,732	\$404,377	\$404,377	\$416,643
Curriculum Assessment	\$136,760	\$156,511	\$156,511	\$140,067
Technology Service Assessment	\$67,138	\$349,042	\$349,042	\$358,553
Fiscal Service Assessments	\$286,045	\$299,656	\$299,656	\$311,123
Preschool Assessments	\$35,460	\$40,470	\$40,470	\$38,421
Special Services Assessments	\$149,436	\$470,166	\$470,166	\$464,795
Miscellaneous Income	\$5,423	\$700	\$700	\$700
Miscellaneous Income -Fund Transfers	\$15,000	\$15,000	\$15,000	\$15,000
Miscellaneous Income-SPED	\$26,831	\$0	\$0	\$0
State Placed Reimbursements	\$562,210	\$700,000	\$703,809	\$700,000
Other State Reimb-504 students	\$0	\$0	\$0	\$0
Case Management Revenue	\$0	\$0	\$0	\$0
Summer Program-Shared Svcs	\$0	\$0	\$0	\$0
Evaluation Team-Shared Svcs	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$1,698,952	\$2,439,922	\$2,443,731	\$2,449,302

EXPENDITURES:

Instruction Develop. Svc

Salaries	\$96,775	\$107,869	\$96,843	\$99,859
Health Insurance	\$12,021	\$26,473	\$12,879	\$19,448
Social Security/Medicare	\$7,235	\$7,913	\$7,215	\$7,392
Retirement Benefit	\$4,146	\$4,175	\$3,113	\$3,222
Section 125 Benefit	\$50	\$55	\$55	\$62
Workers' Compensation	\$731	\$863	\$563	\$669
Unemployment Insurance	\$80	\$431	\$100	\$382
Tuition Reimbursement	\$1,306	\$4,200	\$3,800	\$4,200
Dental Insurance	\$356	\$799	\$738	\$757
Disability Insurance	\$205	\$478	\$807	\$821
Professional Educ Svcs	\$0	\$0	\$0	\$0
Other Professional Services	\$275	\$200	\$0	\$200
Travel	\$1,074	\$2,160	\$2,160	\$2,160
Supplies	\$4,602	\$5,000	\$11,800	\$2,000
Books and Periodicals	\$951	\$620	\$3,620	\$3,620
Dues and Fees	\$294	\$1,000	\$1,000	\$1,000
Equipment	\$0	\$0	\$0	\$0
Total Instruction Develop. Svc	\$130,101	\$162,236	\$144,693	\$145,792

Technology Services

Salaries	\$21,878	\$253,945	\$244,570	\$270,021
Health Insurance	\$3,602	\$32,712	\$32,712	\$23,441
Social Security/Medicare	\$1,560	\$19,002	\$19,002	\$20,352
Retirement Benefits	\$1,494	\$16,946	\$16,946	\$17,875
Section 125 Benefit	\$0	\$242	\$242	\$273
Workers' Compensation	\$316	\$2,060	\$1,360	\$1,886
Unemployment Insurance	\$40	\$995	\$100	\$1,038
Tuition Reimbursement	\$0	\$5,000	\$5,000	\$5,000
Dental Insurance	\$110	\$1,792	\$1,792	\$2,271
Disability Insurance	\$54	\$1,103	\$1,103	\$1,151
Professional Services	\$1,928	\$688	\$10,063	\$688
Repairs & Maintenance	\$3,237	\$3,579	\$3,579	\$3,579
Telephone/WAN Line	\$3,157	\$4,500	\$3,500	\$4,500
Travel	\$63	\$2,000	\$1,800	\$2,000
Supplies	\$2,719	\$3,700	\$4,700	\$3,700
Software	\$5,297	\$778	\$3,629	\$778
Dues & Fees	\$0	\$0	\$0	\$0
Shared SU Technology Staff	\$0	\$0	\$0	\$0
Total Technology Services	\$45,455	\$349,042	\$350,098	\$358,553

Washington Central Supervisory Union
Budget FY 2015-2016

FY 2014
Actual

FY 2015
Budget

FY 2015
Projected

Final
FY 2016
Budget

Board of Education Svcs

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	Final FY 2016 Budget
Treasurer Services	\$1,069	\$1,093	\$1,093	\$1,131
Board Secretary	\$861	\$1,093	\$1,093	\$1,131
Social Security/Medicare	\$148	\$167	\$167	\$173
Retirement Benefits	\$6	\$70	\$70	\$70
Professional Educational Svcs	\$178	\$100	\$100	\$100
Other Prof Services-Efficiency Study	\$0	\$0	\$17,250	\$0
Supplies	\$744	\$345	\$650	\$745
Total Board of Education Svcs	\$3,006	\$2,868	\$20,423	\$3,350

Office of the Superintendent

Salaries	\$212,191	\$230,626	\$232,955	\$241,090
Health Insurance	\$35,135	\$34,515	\$34,515	\$36,068
Social Security/Medicare	\$15,333	\$16,584	\$17,373	\$17,975
Retirement	\$8,042	\$8,092	\$8,723	\$9,029
Section 125 Benefit	\$150	\$165	\$165	\$186
Workers' Compensation	\$1,746	\$1,851	\$1,165	\$1,696
Unemployment Insurance	\$184	\$944	\$87	\$985
Tuition Reimbursement	\$1,188	\$6,000	\$6,000	\$6,000
Dental Insurance	\$1,680	\$1,669	\$1,669	\$1,712
Disability Insurance	\$569	\$965	\$1,375	\$1,409
Professional Services & Strategic Plan	\$5,815	\$10,000	\$7,907	\$7,000
Professional Services-Mentor	\$2,375	\$0	\$0	\$0
Legal Services	\$1,178	\$3,500	\$3,500	\$3,500
Maintenance - Machines	\$0	\$1,000	\$1,000	\$0
Copier & Postage Lease	\$1,454	\$1,450	\$1,450	\$1,450
Insurance	\$1,517	\$2,165	\$2,165	\$2,165
Postage	\$2,473	\$4,000	\$4,000	\$3,000
Advertising	\$1,409	\$1,300	\$1,300	\$1,500
Printing	\$1,211	\$600	\$600	\$1,000
Travel	\$1,585	\$4,508	\$4,508	\$4,000
Supplies	\$5,404	\$7,000	\$7,000	\$6,400
Supplies-Employee Recognition Prog	\$1,083	\$1,500	\$1,500	\$1,500
Books and Periodicals	\$1,611	\$1,200	\$1,200	\$1,800
Equipment	\$258	\$0	\$1,378	\$0
Dues and Fees	\$5,985	\$4,900	\$4,900	\$5,900
Total Office of the Superintendent	\$309,576	\$344,534	\$346,435	\$355,365

Preschool & Early Ed Administration

Salaries	\$0	\$4,000	\$4,000	\$4,140
Health Insurance	\$0	\$0	\$0	\$0
Social Security/Medicare	\$0	\$400	\$400	\$411
Retirement Benefits	\$0	\$0	\$0	\$0
Section 125 Benefits	\$0	\$0	\$0	\$0
Worker's Compensation	\$0	\$0	\$0	\$0
Unemployment Compensation	\$0	\$0	\$0	\$0
Tuition Reimbursement	\$0	\$1,500	\$1,500	\$0
Dental Insurance	\$0	\$0	\$0	\$0
Disability Insurance	\$0	\$0	\$0	\$0
Oth Professl Svcs & Northstar	\$2,500	\$1,300	\$1,300	\$2,500
Rental & Leases Storage & Office	\$1,000	\$1,000	\$1,000	\$1,000
Communications-Postage	\$390	\$500	\$500	\$500
Advertising	\$0	\$300	\$300	\$0
Travel	\$0	\$1,500	\$1,500	\$0
Supplies	\$1,000	\$1,500	\$1,500	\$1,500
Utilities	\$1,000	\$1,000	\$1,000	\$1,000
Equipment	\$0	\$0	\$0	\$0
Dues & Fees	\$0	\$100	\$100	\$0
Total Preschool & Early Ed Prog	\$5,890	\$13,100	\$13,100	\$11,051

Washington Central Supervisory Union
Budget FY 2015-2016

FY 2014
Actual

FY 2015
Budget

FY 2015
Projected

Final
FY 2016
Budget

Fiscal Services

Salaries	\$199,329	\$213,119	\$214,438	\$221,246
Health Insurance	\$32,911	\$37,499	\$37,499	\$40,185
Social Security/Medicare	\$14,320	\$15,817	\$15,918	\$16,404
Retirement Benefits	\$14,277	\$15,857	\$15,962	\$16,656
Section 125 Benefit	\$200	\$220	\$220	\$248
Workers' Compensation	\$1,616	\$1,705	\$1,205	\$1,549
Unemployment Insurance	\$100	\$852	\$100	\$885
Tuition Reimbursement	\$1,336	\$5,500	\$5,500	\$4,000
Dental Insurance	\$1,620	\$1,761	\$1,761	\$1,851
Disability Insurance	\$451	\$926	\$1,432	\$1,449
Professional Services & FS Fees	\$969	\$750	\$750	\$1,500
Travel	\$973	\$2,700	\$2,595	\$2,200
Supplies	\$2,038	\$2,200	\$2,305	\$2,200
Equipment	\$0	\$0	\$0	\$0
Dues and Fees	\$615	\$750	\$750	\$750
Total Fiscal Services	\$270,755	\$299,656	\$300,435	\$311,123

Auditing Service

Audit	\$7,300	\$7,800	\$9,700	\$9,700
Total Auditing Services	\$7,300	\$7,800	\$9,700	\$9,700

Operation and Maint. of Bldg.

Other Contract Services	\$240	\$1,000	\$1,000	\$250
Water & Sewer	\$580	\$1,050	\$1,050	\$1,050
Cleaning Services	\$5,275	\$5,300	\$5,300	\$5,500
Disposal Services	\$276	\$275	\$275	\$275
Repairs and Maintenance	\$6,098	\$4,000	\$4,000	\$4,000
Rental and Leases	\$1,428	\$1,440	\$1,440	\$1,440
Building Insurance	\$400	\$450	\$450	\$450
Supplies	\$547	\$500	\$500	\$500
Electricity	\$3,916	\$4,620	\$4,620	\$4,620
Propane	\$1,722	\$3,000	\$3,000	\$3,000
Total Operation and Maint. of Bldg.	\$20,482	\$21,635	\$21,635	\$21,085

Debt Service

Interest	\$2,266	\$640	\$833	\$0
Principal	\$51,000	\$20,000	\$20,000	\$0
Total Fund Transfers	\$53,266	\$20,640	\$20,833	\$0

Fund Transfers

Capital Fund	\$60,195	\$10,000	\$10,000	\$15,000
SPED Fund Transfer to Schools	\$0	\$0	\$0	\$0
Building Fund	\$15,000	\$15,000	\$15,000	\$20,000
Total Fund Transfers	\$75,195	\$25,000	\$25,000	\$35,000

Special Education-Instructional & Support Services

State Placed Student Costs	\$477,849	\$700,000	\$703,809	\$700,000
State Placed 504 Students	\$0	\$0	\$0	\$0
Behavior Specialist Salary & Benefits	\$0	\$0	\$0	\$0
Case Management Services	\$110,308	\$0	\$0	\$0
Summer Program-Shared Svcs	\$0	\$80,000	\$80,037	\$82,606
Evaluation Team-Shared Svcs	\$0	\$233,015	\$232,496	\$239,152
Total SPED Instr & Support Svcs	\$588,157	\$1,013,015	\$1,016,342	\$1,021,758

Washington Central Supervisory Union
Budget FY 2015-2016

FY 2014
Actual

FY 2015
Budget

FY 2015
Projected

Final
FY 2016
Budget

Special Area Admin. Services

Salaries	\$124,390	\$122,329	\$124,970	\$121,719
Health Insurance	\$0	\$19,523	\$19,523	\$17,539
Social Security/Medicare	\$9,480	\$9,105	\$8,518	\$9,084
Retirement Benefits	\$2,580	\$2,653	\$2,653	\$2,197
Section 125 Benefit	\$100	\$110	\$110	\$124
Worker's Compensation	\$950	\$979	\$979	\$852
Unemployment Compensation	\$24	\$489	\$100	\$487
Tuition Reimbursement	\$973	\$4,500	\$4,500	\$3,000
Dental Insurance	\$891	\$922	\$922	\$865
Disability	\$311	\$542	\$1,050	\$1,039
Machine Maintenance	\$0	\$1,175	\$1,175	\$0
Insurance	\$1,745	\$2,744	\$1,449	\$2,744
Postage	\$2,800	\$1,800	\$2,700	\$2,800
Telephone	\$1,500	\$2,775	\$1,875	\$1,975
Advertising	\$0	\$1,100	\$1,100	\$1,100
Travel	\$268	\$2,000	\$2,000	\$2,000
Supplies	\$1,564	\$1,600	\$3,166	\$1,600
Supplies-Shared	\$3,758	\$3,700	\$3,700	\$3,700
Dues and Fees	\$477	\$750	\$750	\$600
Total Special Area Admin. Services	\$151,811	\$178,796	\$181,240	\$173,425

Special Education-Ineligible for Reimbursement

Ineligible ISP Services	\$0	\$0	\$0	\$0
Legal Services	\$4,526	\$1,600	\$1,600	\$3,100
Total Special Education-Ineligible for Rein	\$4,526	\$1,600	\$1,600	\$3,100

TOTAL EXPENDITURES	\$1,665,520	\$2,439,922	\$2,451,534	\$2,449,302
Fund Balance Increase (Decrease)	\$33,432	\$0	(\$7,803)	\$0

WCSU BUDGET SUMMARY

Washington Central Supervisory Union
Budget Summary

Final

A) OPERATIONS:

Anticipated Revenues:

	Actual 2014	Budget 2015	Projected 2015	Budget 2016	Increase (Decrease)
Assessments	\$1,081,571	\$1,407,207	\$1,407,207	\$1,407,844	\$637
Earnings on Investments	\$7,917	\$4,000	\$4,000	\$4,000	\$0
Miscellaneous Income	\$5,423	\$700	\$700	\$700	\$0
Subtotal	\$1,094,911	\$1,411,907	\$1,411,907	\$1,412,544	\$637
Fund Balance Usage	\$15,000	\$15,000	\$15,000	\$15,000	\$0
Total Operations Source of Funds	\$1,109,911	\$1,426,907	\$1,426,907	\$1,427,544	\$637

Expenditures:

Instruction Develop. Services	\$130,101	\$162,236	\$144,693	\$145,792	(\$16,444)
Technology Services	\$45,455	\$349,042	\$350,098	\$358,553	\$9,511
Superintendent's Office & Admin. Costs	\$312,582	\$347,402	\$366,858	\$358,715	\$11,313
Preschool Administration	\$5,890	\$13,100	\$13,100	\$11,051	(\$2,049)
Fiscal Services & Audit	\$278,055	\$307,456	\$310,135	\$320,823	\$13,367
Operation & Maintenance of Bldg.	\$20,482	\$21,635	\$21,635	\$21,085	(\$550)
Debt Service	\$53,266	\$20,640	\$20,833	\$0	(\$20,640)
Fund Transfers-Capital	\$75,195	\$25,000	\$25,000	\$35,000	\$10,000
Behavior Interventionist	\$0	\$0	\$0	\$0	\$0
Special Area Admin. Services	\$156,337	\$180,396	\$182,840	\$176,525	(\$3,871)
Total Operations Use of Funds	\$1,077,363	\$1,426,907	\$1,435,192	\$1,427,544	\$637

% INCREASE OPERATING BUDGET 0.04%

B) REIMBURSABLE PROGRAMS-STATE PLACED STUDENTS:

Anticipated Revenues:

State Placed Reimbursements	\$562,210	\$700,000	\$703,809	\$700,000	\$0
Miscellaneous Income-SPED	\$26,831	\$0	\$0	\$0	\$0
Total Special Ed Program Source of Funds	\$589,041	\$700,000	\$703,809	\$700,000	\$0

Expenditures:

Instructional Svcs-State Placed Students	\$588,157	\$700,000	\$703,809	\$700,000	\$0
Total Special Ed Program Use of Funds	\$588,157	\$700,000	\$703,809	\$700,000	\$0

% INCREASE 100% REIMBURSABLE FROM STATE 0.00%

C) SHARED SERVICES-SPECIAL EDUCATION:

Anticipated Revenues:

Shared Service Revenues-Special Education	\$0	\$313,015	\$313,015	\$0	(\$313,015)
Assessments	\$0	\$0	\$0	\$321,758	\$321,758
Total Shared Svcs- Source of Funds	\$0	\$313,015	\$313,015	\$321,758	\$8,743

Expenditures:

Shared Service Programs-SPED Summer & Eval Team	\$0	\$313,015	\$312,533	\$321,758	\$8,743
Total Shared Svcs- Use of Funds	\$0	\$313,015	\$312,533	\$321,758	\$8,743

% INCREASE SPED SVC BUDGET 2.79%

COMBINED TOTAL WCSU BUDGET (A+B+C) :

Total Source of Funds (A+B+C)	\$1,698,952	\$2,439,922	\$2,443,731	\$2,449,302	\$9,380
Total Use of Funds (A+B+C)	\$1,665,520	\$2,439,922	\$2,451,534	\$2,449,302	\$9,380

% INCREASE ENTIRE BUDGET 0.38%

SUMMARY OF SERVICES RECEIVED FROM WCSU CENTRAL OFFICE

WCSU Central Office Budget and Berlin Elementary School Share

The Central Office budget is paid for by all the member schools, and appears in each school's budget. Each school's share is determined by its enrollment. Using the enrollment, the allocation for Berlin Elementary School is 12.7% for FY2015-2016. The total assessment for Berlin Elementary is \$222,935 which is a decrease of \$20,924 over 2014-2015. The decrease of \$20,924 represents a .64% decrease to the Berlin budget. The full budget detail is available from the WCSU Central Office.

Summary of Services Received From WCSU Central Office:

Function & Services (not an exclusive list)

Administration Services- SU leadership, planning & coordination; background checks; contract administration; legal issues; legislation; school quality standards; SU calendar; oversight of teacher and principal evaluation. Berlin share is \$53,109

Curriculum Services- Curriculum planning, implementing and evaluating; technology integration; state and local assessments planning and results reporting; professional development across the SU; grant writing. Berlin share is \$17,854

Technology Services- Technology planning; supervision of tech staff, network administration and support; SU wide purchases; system development and implementation; and integration of technology into SU operations are included in this total. Berlin share is \$45,705

Fiscal Services- Budget development for all schools; monthly financial reports; accounts payable, purchase orders; payroll and benefits; SU wide bidding; investments and loans; bus contract; oversight of audits, food services, Community Connections and all grants. Berlin share is \$39,659

Student Special Services - Oversight, planning, implementation, tracking and funding of all students with disabilities PreK-12 plus homeschoolers, private school students and homeless students, special education summer programs and evaluation team are included in this total. Berlin share is \$59,247

Preschool Administration- Planning, coordination and implementation of the preschool program, systems, practices and support for all schools; preparation for accreditation. Berlin share is \$7,360

WCSU EXPLANATION OF TAX RATE CHANGES

Washington Central Supervisory Union

As of January 16, 2015

DRAFT Budgets-As of Report Date****

Explanation of Estimated Local Tax Rate Changes From Budget 2014-2015 to Budget 2015-2016

Part #1 Impact of Common Level of Appraisal on Tax Rates

	Budget 15-18		Budget 14-16		<u>Local Residential</u>		<u>Local Nonresidential</u>	
	December 2014		December 2013					
	Common Level Of Appraisal	Common Level Of Appraisal	Change					
Berlin	104.23%	105.33%	-1.10%	\$17	\$0.017	\$0.016	\$16	
Calais	86.30%	91.73%	-5.43%	\$113	\$0.113	\$0.106	\$106	
East Montpelier	94.10%	98.98%	-4.88%	\$99	\$0.099	\$0.080	\$80	
Middlesex	97.39%	95.61%	1.78%	(\$33)	(\$0.033)	(\$0.029)	(\$29)	
Worcester	103.36%	99.05%	4.31%	(\$67)	(\$0.067)	(\$0.065)	(\$65)	

Not Affected by School Spending

Part #2 Impact of State-wide Tax Rate-\$1.00 & \$1,535-Per Information 12/1/14-Incr \$.02 Residential \$.02 Nonresid.

	<u>Local Residential</u>		<u>Local Nonresidential</u>	
	Addl Tax #100K	Tax Rate Impact	Tax Rate Impact	Addl Tax #100K
Berlin	\$31	\$0.031	\$0.019	\$19
Calais	\$35	\$0.035	\$0.021	\$21
East Montpelier	\$38	\$0.038	\$0.020	\$20
Middlesex	\$36	\$0.036	\$0.020	\$20
Worcester	\$32	\$0.032	\$0.020	\$20

******Part #3 Impact of both Elementary & U32 Proposed FY 15-16 Budgets with Equalized Pupil Changes******

	Elementary		U32		<u>Local Residential</u>		<u>Local Nonresidential</u>	
	Addl Tax #100K	Tax Rate Impact	Addl Tax #100K	Tax Rate Impact	Tax Rate Impact	Addl Tax #100K	Tax Rate Impact	Addl Tax #100K
Berlin	(\$0.002)	\$0.046	\$44	\$0.044	\$0.000	\$0	\$0.000	\$0
Calais	(\$0.007)	\$0.022	\$15	\$0.015	\$0.000	\$0	\$0.000	\$0
East Montpelier	(\$0.013)	\$0.074	\$61	\$0.061	\$0.000	\$0	\$0.000	\$0
Middlesex	\$0.145	(\$0.006)	\$139	\$0.139	\$0.000	\$0	\$0.000	\$0
Worcester	\$0.058	(\$0.040)	\$18	\$0.018	\$0.000	\$0	\$0.000	\$0

Total Combined Impact on Tax Rates-Equals Part 1 + Part 2 + Part 3

	<u>Local Residential</u>		<u>Local Nonresidential</u>	
	Addl Tax #100K	Tax Rate Impact	Tax Rate Impact	Addl Tax #100K
Berlin	\$92	\$0.092	\$0.035	\$35
Calais	\$163	\$0.163	\$0.127	\$127
East Montpelier	\$198	\$0.198	\$0.100	\$100
Middlesex	\$142	\$0.142	(\$0.009)	(\$9)
Worcester	(\$17)	(\$0.017)	(\$0.045)	(\$45)

Prepared by: Lori T. Bibeau, WCSU Business Administrator

THREE YEARS COMPARISONS

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by AOE

ESTIMATE 8
ONLY

District: Berlin County: Washington		T019 Washington Central				9,459	1.00
		<small>Statutory calculation: See note at bottom of page.</small>				<small>Recommended homestead rate from Tax Commissioner. See note at bottom of page.</small>	
Expenditures		FY2013	FY2014	FY2015	FY2016		
1.	Budget (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$3,050,090	\$3,166,235	\$3,264,970	\$3,365,186	1.	
2.	plus Sum of separately warned articles passed at town meeting	-	-	-	-	2.	
3.	minus Act 144 Expenditures, to be excluded from Education Spending (increased & Voted Without only)	-	-	-	-	3.	
4.	Locally adopted or warned budget	\$3,050,090	\$3,166,235	\$3,264,970	\$3,365,186	4.	
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-	5.	
6.	plus Prior year deficit repayment of deficit	-	-	-	-	6.	
7.	Total Budget	\$3,050,090	\$3,166,235	\$3,264,970	\$3,365,186	7.	
8.	S.U. assessment (included in local budget) - informational data	-	-	-	-	8.	
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	-	-	-	9.	
Revenues							
10.	Offsetting revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$501,675	\$541,386	\$514,828	\$557,032	10.	
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-	11.	
12.	minus All Act 144 revenues, including local Act 144 tax revenues (increased & Voted Without only)	-	-	-	-	12.	
13.	Offsetting revenues	\$501,675	\$541,386	\$514,828	\$557,032	13.	
14.	Education Spending	\$2,548,415	\$2,624,849	\$2,750,142	\$2,812,154	14.	
15.	Equalized Pupil (Act 130 count is by school district)	186.77	183.84	185.16	179.29	15.	
Education Spending per Equalized Pupil		\$13,644.67	\$14,277.90	\$14,852.79	\$15,684.95		
17.	minus Less ALL net eligible construction costs (or P&I) per equalized pupil	\$175.11	\$180.64	\$179.35	\$223	17.	
18.	minus Less share of SpEd costs in excess of \$50,000 for an individual	-	-	-	\$5	18.	
19.	minus Less amount of deficit if deficit is SOLELY attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed	-	-	-	-	19.	
20.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils	-	-	-	-	20.	
21.	minus Estimated costs of new students after census period	-	-	-	-	21.	
22.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition	NA	-	-	-	22.	
23.	minus Less planning costs for merger of small schools	-	-	-	-	23.	
24.	minus Teacher retirement assessment for new members of Vermont State Teachers' Retirement System on or after July 1, 2015	NA	NA	NA	\$31	24.	
25.	plus Excess Spending per Equalized Pupil over threshold (if any)	-	-	-	-	25.	
26.	Per pupil figure used for calculating District Adjustment	\$15,645	\$14,278	\$14,953	\$16,388	26.	
27.	District spending adjustment (minimum of 100%) (\$16,886 / \$9,468)	156.422%	156.026%	159.955%	165.820%	27.	
Prorating the local tax rate							
28.	Anticipated district equalized homestead tax rate to be prorated (165.820% x \$1,000)	\$1,3922	\$1,4866	\$1,5677	\$1,6682	28.	
29.	Percent of Berlin equalized pupils not in a union school district	44.95%	45.06%	45.57%	44.07%	29.	
30.	Portion of district eq homestead rate to be assessed by town (44.07% x \$1.66)	\$0.6258	\$0.6808	\$0.7144	\$0.7308	30.	
31.	Common Level of Appraisal (CLA)	103.53%	101.96%	105.33%	104.23%	31.	
32.	Portion of actual district homestead rate to be assessed by town (\$0.7308 / 104.23%)	\$0.6045	\$0.5481	\$0.6782	\$0.7011	32.	
<div style="border: 1px solid black; padding: 5px; font-size: small;"> If the district belongs to a union school district, this is only a PARTIAL homestead tax rate. The tax rate shown represents the estimated portion of the final homestead tax rate due to spending for students who do not belong to a union school district. The same holds true for the income cap percentage. </div>							
33.	Anticipated income cap percent to be prorated (165.820% x 1.94%)	2.82%	2.81%	3.10%	3.22%	33.	
34.	Portion of district income cap percent applied by State (44.07% x 3.22%)	1.27%	1.27%	1.41%	1.42%	34.	
35.	Percent of equalized pupils at U-32 UHSD	55.05%	54.94%	54.43%	55.93%	35.	
36.		-	-	-	-	36.	

- Following current statute, the base education amount is calculated to be \$9,459. The Tax Commissioner has recommended base tax rates of \$1.00 and \$1.535. The administration also has stated that tax rates could be lower than the recommendations if statewide education spending is held down.
 - Final figures will be set by the Legislature during the legislative session and approved by the Governor.
 - The base income percentage cap is 1.94%.

WCSU SALARY & BENEFIT PROJECTION

**Washington Central Supervisory Union
Salary & Benefit Projection
As of October 26, 2014**

Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.

	Projected Salaries	Total Salary & Benefits
Arey Jeffrey	\$3,000	\$3,252
Bibeau Lori	\$105,455	\$140,998
Blondin Patricia	\$52,325	\$75,015
Breer Virginia	\$58,825	\$88,152
Bushey Kelly	\$91,069	\$112,727
Carr Ann	\$46,753	\$62,280
Chevalier Candy	\$56,856	\$84,629
Cykon Cynthia	\$17,533	\$22,503
Dorsey Ellen	\$26,067	\$30,710
Doyle Shawn	\$42,971	\$54,310
Fair Renee	\$44,224	\$63,393
Groth Gail	\$31,968	\$40,375
Hartz Daniel	\$41,736	\$62,231
Kimball William	\$109,500	\$124,553
Kittredge Matthew	\$43,639	\$57,464
Ksepka Michelle	\$51,929	\$79,076
Mankoff Joanne	\$53,018	\$71,582
Marineau Craig	\$53,512	\$67,554
Meachum Michelle	\$11,186	\$13,384
McLane Megan	\$49,950	\$62,914
Mier Louise	\$53,286	\$69,217
Miller-Arsenault Jennifer	\$87,166	\$107,019
Moody Alicia	\$52,895	\$71,454
Newberry Holly	\$64,878	\$88,965
Pagel Heather	\$42,575	\$66,627
Powers Bess	\$66,490	\$91,937
Sokol Mary	\$37,066	\$45,094
Spino Rosetta	\$80,000	\$98,832
	\$1,475,872	\$1,956,247

NOTE: This information is not comparable from year to year as several positions listed above are paid by grants and other funding sources. These funding sources vary in amount on an annual basis.

BERLIN SCHOOL DISTRICT FINANCIAL STATEMENTS

Berlin School District Financial Statements

For The Year Ended June 30, 2014

Berlin School District
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For The Year Ended June 30, 2014

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INDEPENDENT AUDITOR'S REPORT

To the School Board
Berlin School District, Vermont

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of Berlin School District, Vermont, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and the aggregate remaining fund information of the Berlin School District, Vermont, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and other post-employment benefit information on pages 6, 38-44, and 28-29 and 32-34 respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Berlin School District, Vermont's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other

records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2014, on our consideration of the Berlin School District, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Berlin School District, Vermont's internal control over financial reporting and compliance.

Angolano & Company

Angolano & Company
Shelburne, Vermont
Firm Registration Number 92-0000141

October 20, 2014

**BERLIN SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2014**

Introduction

This discussion and analysis of Berlin School District's financial performance provides a narrative introduction and overview of the school District's financial activities for the fiscal year ending June 30, 2014 (FY 14). This document should be used in conjunction with the financial statements contained in the audit. The Management's Discussion and Analysis is an audit requirement under Governmental Accounting Standards Board Statement #34 (GASB34).

Financial Highlights

Balance Sheet

- The District's financial status increased during the past year. Government-wide net assets changed favorably by \$22,177 from \$483,301 to \$505,478.
- Government-wide assets totaled \$1,070,542 and government-wide liabilities totaled \$565,064.
- More detailed Balance Sheet Information can be found on Figure I on page 6D.

Operations

- The District's Elementary School general fund actual revenues were \$3,153,330 while the budgeted revenues were \$3,166,235, an unfavorable variance of \$12,905.
- The District's Elementary School general fund actual expenditures were \$3,172,524, while the budgeted expenditures were \$3,166,235, an unfavorable variance of \$6,289.
- More detailed Elementary School information can be found on Figure IV on page 6F.

Other Funds

- The Enterprise Fund represents the food program. The cumulative operating retained earnings had a balance of (\$8,399) from operations. The investment in net fixed assets was \$12,023, for a combined total of \$3,624.
- Agency Funds totaling \$8,769 are held in the District's accounts for various student activities and projects. The large decrease is due to a playground project that was completed in FY13-14.
- There are currently no Expendable Trust Funds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Berlin School District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements – The first two statements are government-wide financial statements that report information about the District as a whole using accrual accounting methods similar to those used by private sector companies.

The Statement of Net Assets presents information on all of the District assets and liabilities with the difference between the two reported as net assets. Over time increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing or related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and inter-governmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include programs and services such as instruction, support services, and building operation and maintenance. The business-type activities of the District include the Food Service Program.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories – governmental funds, proprietary and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four (4) governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Capital Project and Debt Service. Individual fund data for the Proprietary and Fiduciary Funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 7-8.

Proprietary Funds – The District maintains proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for its Food Program (hot lunch and breakfast) operation. The basic proprietary fund financial statements can be found on pages 13-14 of this report.

Fiduciary Funds – Fiduciary Funds are those for which the District serves as a trustee for the benefit of others, such as scholarship and student activities funds. The District is responsible for ensuring that assets in these funds are used for their intended purposes and cannot use these assets to finance the general operations of the District.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15-37.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information including Budget to Actual Reports for the General Fund, Capital Project Funds, Proprietary and Fiduciary Fund statements, and a Report on Compliance and Internal Control.

Government-Wide Financial Analysis

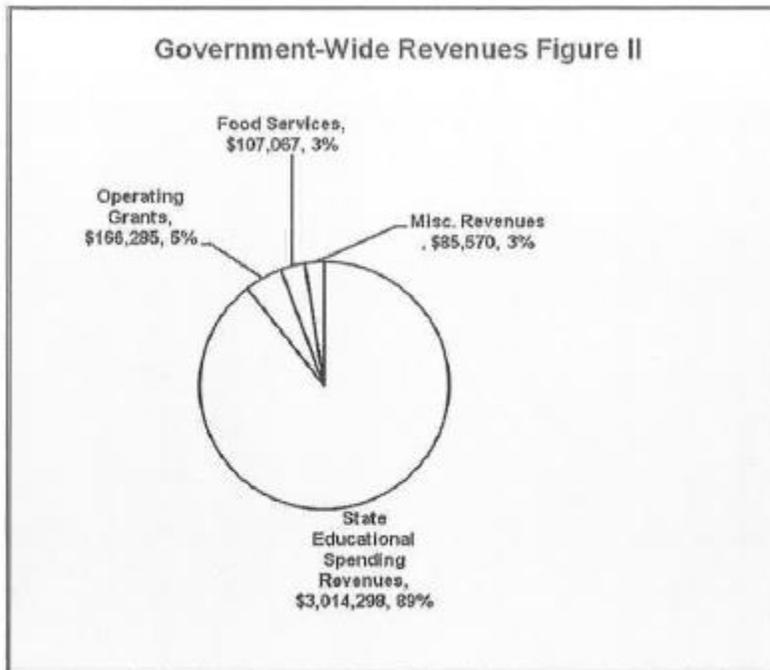
Our analysis of the District's major funds begins on Figure I. The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District's Board of Directors establish many other funds to help them control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain grants, and other money.

Amounts reported for governmental activities in this statement of net assets differ from the summary of financial operations because: capital (non-current) assets used in governmental activities are not financial resources and therefore, are deferred in the funds; non-current liabilities, consisting of bonds payable and a roof note payable, are not due and payable in the current period and therefore are not reported in the funds. Inter-fund receivables and payables are reported in the fund statements, but not included in the amounts reported for governmental activities.

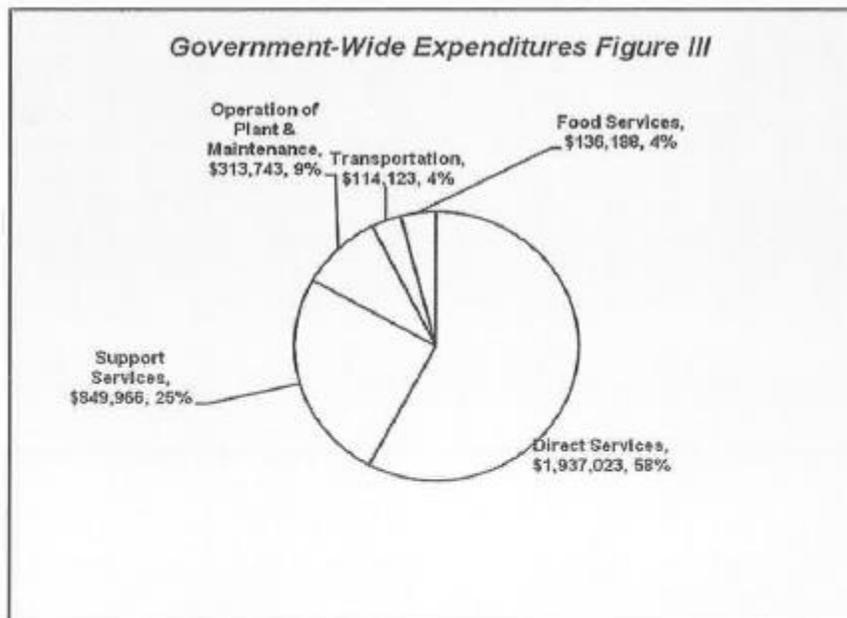
Berlin School District-Figure I
Statement of Net Assets-Government-Wide
June 30, 2014

	Governmental & Business Activities		Difference
	<u>As of June 30,</u> <u>2013</u>	<u>As of June 30, 2014</u>	<u>Increase(Decrease)</u>
ASSETS			
Current Assets:			
Cash & Investments	\$236,795	\$254,863	\$18,068
Accounts Receivable:			
Due From Other Funds	\$10,863	\$4,144	(\$6,719)
Intergovernmental & Other	\$23,180	\$10,991	(\$12,189)
State	\$0	\$0	\$0
Inventories	\$1,053	\$445	(\$608)
Total Current Assets	\$271,891	\$270,443	(\$1,448)
Non-Current Assets:			
Capital Assets:			
Land & Other Assets not being depreciated	\$0	\$0	\$0
Building & Equipment, net of Acc. Depreciation	\$801,407	\$800,099	(\$1,308)
Total Non-Current Assets	\$801,407	\$800,099	(\$1,308)
TOTAL ASSETS	\$1,073,298	\$1,070,542	(\$2,756)
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$2,864	\$34,288	\$31,424
Accrued Expenses	\$7,384	\$13,524	\$6,140
Accrued Interest Payable	\$1,704	\$0	(\$1,704)
Due To Other Funds	\$46,290	\$12,914	(\$33,376)
Deferred Revenue	\$5,892	\$4,338	(\$1,554)
Current Portion of Long-Term Debt	\$3,381	\$0	(\$3,381)
Total Current Liabilities	\$67,515	\$65,064	(\$2,451)
Non-Current Liabilities:			
Non-Current Portion of Long-Term Debt:			
Bonds Payable	\$522,482	\$500,000	(\$22,482)
Total Non-Current Liabilities	\$522,482	\$500,000	(\$22,482)
TOTAL LIABILITIES	\$589,997	\$565,064	(\$24,933)
NET ASSETS			
Investment in Capital Asset, net of Related Debt	\$277,817	\$300,099	\$22,282
Restricted	\$259,121	\$227,302	(\$31,819)
Unrestricted	(\$53,637)	(\$21,923)	\$31,714
TOTAL NET ASSETS	\$483,301	\$505,478	\$22,177
TOTAL LIABILITIES & NET ASSETS	\$1,073,298	\$1,070,542	(\$2,756)

6D



The total of Government-wide Revenues is \$3,373,220.

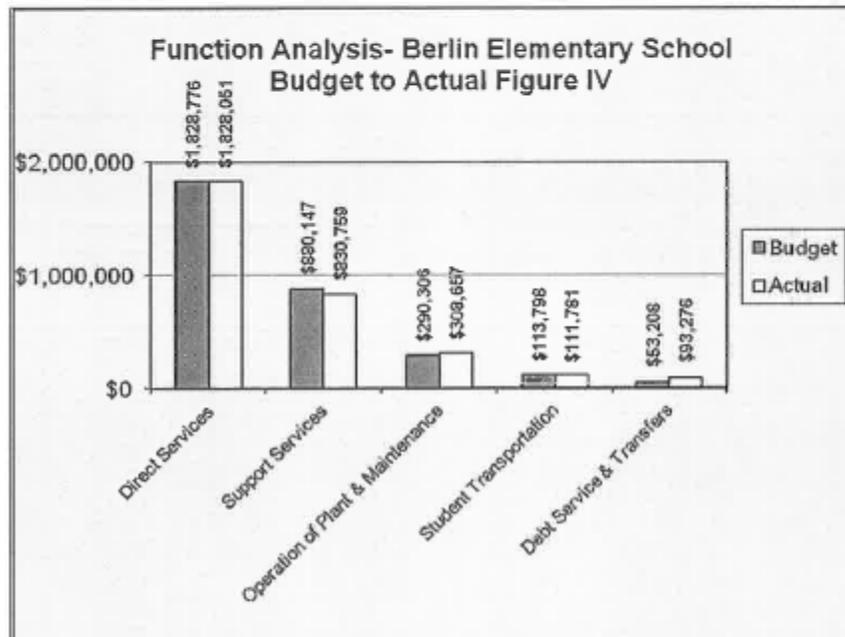


The total of Government-wide Expenses is \$3,351,043.

The net increase in Government-wide Net Assets totaled \$21,177. Business-type activities (food program) realized an increase in net assets of \$34,538 primarily attributable to a fund transfer from the operating budget to reduce the deficit.

Fund Based Financial Analysis

- Governmental Fund Types:**
 General Fund actual elementary revenues were \$3,153,330 and actual expenditures were \$3,172,524. However, revenues were \$12,905 below budgeted amounts which were largely attributable to special education revenues. Expenses were \$6,289 more than budgeted amounts which was largely attributable to an additional transfer to the food service program offset by savings in miscellaneous expense accounts.



- Capital Project Fund:**
 The Capital Project Fund had a reserved balance of \$10,550 at the end of the fiscal year.
- Proprietary Fund Type:**
 Food service programs are offered to the students for hot lunch and breakfast. This program recognized a net operating loss of \$8,399 during the past year. A transfer from the operating budget of \$42,276 was used to reduce the cumulative deficit. The program had a retained earnings balance of \$3,624 at the end of the fiscal year.
- Fiduciary Fund Types:**
 Agency funds of \$8,769 were being held at the end of the year for student activities and projects. The prior year balance was \$35,427 for similar accounts.

 There are currently no Expendable Trust Funds.

Capital Assets

As required under GASB34 the District is reporting its capital assets as part of the financial statements. The District has researched and documented the historical costs of the various assets owned by the District and applied appropriate charges against the cost to record depreciation. Capital assets are capitalized and depreciated with a cost of \$5,000.

Figure V summarizes the state of the District's capital assets.

Berlin School District-Figure V			
Capital Assets			
June 30, 2014			
	Cost	Accumulated Depreciation	Net Value
Governmental Activities:			
Land & Site work & Construction in Progress	\$25,190	\$2,016	\$23,174
Building and Improvement	\$1,270,412	\$627,088	\$643,324
Furniture and Equipment	\$236,222	\$114,644	\$121,578
Vehicles	\$0	\$0	\$0
Total	\$1,531,824	\$743,748	\$788,076
Business Type activities:			
Building and Improvements	\$24,588	\$24,588	\$0
Furniture and Equipment	\$33,113	\$21,090	\$12,023
Total	\$57,701	\$45,678	\$12,023
Grand Total	\$1,589,525	\$789,426	\$800,099

Long-Term Debt

The District has one bond obligation. At the end of the fiscal year, the District had \$565,000 in outstanding principal and interest. Both principal and interest are being paid from the General Fund. The final payment for the bond is due in FY2027.

Current & Subsequent Issues

- The Teacher Union contract has been settled for FY13-FY16.
- The WCSU Educational Support Personnel contract has been settled for FY 14-FY17.
- The WCSU Transportation Contract was awarded to First Student, Inc. for FY13-FY15. It is a 3 year contract with the option to extend 2 additional years.
- There has been a significant increase in heating fuel oil costs and gasoline for student transportation.

Contact for Further Information

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Lori Bibeau, Business Administrator, Washington Central Supervisory Union, 1130 Gallison Hill Road, Montpelier, Vermont 05602 or at 802-229-0553.

Berlin School District
District-Wide Statement of Net Position
June 30, 2014

EXHIBIT I

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 146,406		\$ 146,406
Investments	108,457		108,457
Interfund Cash	4,144		4,144
Accounts Receivable - Other LEAs		4,160	4,160
Accounts Receivable - Other	5,257	1,574	6,831
Inventory		445	445
Capital Assets, net of depreciation	<u>788,076</u>	<u>12,023</u>	<u>800,099</u>
TOTAL ASSETS	<u>\$ 1,052,340</u>	<u>\$ 18,202</u>	<u>\$ 1,070,542</u>
LIABILITIES			
Interfund Cash		12,914	12,914
Accounts Payable - State	23,970		23,970
Accounts Payable - Other	10,318		10,318
Accrued Expenses	13,524		13,524
Long-Term Liabilities:			
Due Within 1 Year	-		-
Due in More Than 1 Year	<u>500,000</u>	<u>-</u>	<u>500,000</u>
TOTAL LIABILITIES	<u>547,812</u>	<u>12,914</u>	<u>560,726</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned Revenues	<u>2,674</u>	<u>1,664</u>	<u>4,338</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,674</u>	<u>1,664</u>	<u>4,338</u>
NET POSITION			
Net Investment in Capital Assets	288,076	12,023	300,099
Restricted For:			
Capital Projects	10,550		10,550
Debt Services	108,457		108,457
Other Purposes	108,295		108,295
Unrestricted (Deficit)	<u>(13,524)</u>	<u>(8,399)</u>	<u>(21,923)</u>
TOTAL NET POSITION	<u>501,854</u>	<u>3,624</u>	<u>505,478</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 1,052,340</u>	<u>\$ 18,202</u>	<u>\$ 1,070,542</u>

The accompanying notes are an integral part of these financial statements

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EXHIBIT II

Berlin School District
District-Wide Statement of Activities
For The Year Ended June 30, 2014

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Business-Type Activities	Total
Governmental Activities:						
Direct Services	\$ 1,937,023		\$ 104,531		\$ (1,832,492)	\$ (1,832,492)
Support Services:						
Student Services	269,439				(269,439)	(269,439)
Instructional Staff Services	163,898				(163,898)	(163,898)
General Administrative Services	68,703				(68,703)	(68,703)
Area Administrative Services	263,546				(263,546)	(263,546)
Fiscal Services	64,495				(64,495)	(64,495)
Building Operations and Maintenance	313,743				(313,743)	(313,743)
Transportation	114,123		42,694		(71,429)	(71,429)
Other Support Services	19,885		19,060		(825)	(825)
Total Governmental Activities	3,214,855		166,285		(3,048,570)	(3,048,570)
Business-Type Activities:						
Food Service	136,188	107,067			(29,121)	(29,121)
Total Business-Type Activities	136,188	107,067			(29,121)	(29,121)
General Revenues:						
State Revenues not Restricted to Specific Programs				3,014,298		3,014,298
Federal Revenues not Restricted to Specific Programs				27,246		27,246
Private Revenues not Restricted to Specific Programs				4,700		4,700
Investment Earnings				26,995		26,995
Rentals				1,107		1,107
Miscellaneous				25,522		25,522
Transfers				(63,659)	63,659	-
Total General Revenues				3,036,209	63,659	3,099,868
Change in Net Position				(12,361)	34,538	22,177
Net Position - Beginning of Year				514,215	(30,914)	483,301
Net Position - Ending of Year				\$ 501,854	\$ 3,624	\$ 505,478

The accompanying notes are an integral part of these financial statements

EXHIBIT III

Berlin School District
 Combined Balance Sheet
 All Fund Types - Fund Base
 June 30, 2014

	Governmental Fund Types				Proprietary Fund Type		Fiduciary Fund Type	Totals
	General Fund	Special Revenue Fund	Capital Project Fund	Bond Sinking Fund	Enterprise Fund	Agency Fund	(Memorandum Only)	
ASSETS:								
Current Assets:								
Cash	\$ 146,406			\$ 108,457				\$ 146,406
Investments		\$ 2,783	\$ 10,550			\$ 8,769		108,457
Due From Other Funds					\$ 4,160			22,102
Accounts Receivable - Supervisory Union					1,574			4,160
Accounts Receivable - Other	5,257				445			6,831
Inventory								445
Total Current Assets	<u>151,663</u>	<u>2,783</u>	<u>10,550</u>	<u>108,457</u>	<u>6,179</u>	<u>8,769</u>		<u>288,401</u>
Other Assets:								
Fixed Assets - net					12,023			12,023
Total Other Assets					12,023			12,023
TOTAL ASSETS	<u>\$ 151,663</u>	<u>\$ 2,783</u>	<u>\$ 10,550</u>	<u>\$ 108,457</u>	<u>\$ 18,202</u>	<u>\$ 8,769</u>		<u>\$ 300,424</u>
LIABILITIES & FUND EQUITY:								
Liabilities:								
Due To Other Funds	\$ 9,189				\$ 12,914			\$ 22,103
Accounts Payable - State	23,970							23,970
Accounts Payable - Other	10,208	\$ 109			1,664			10,318
Deferred Revenue		2,674						4,338
Amount Held for Agency Funds						\$ 8,769		8,769
Total Liabilities	<u>43,368</u>	<u>2,783</u>			<u>14,578</u>	<u>8,769</u>		<u>69,498</u>
Fund Equity:								
Fund Balances:								
Committed	108,295		10,550	108,457				227,302
Retained Earnings					3,624			3,624
Total Fund Equity	<u>108,295</u>		<u>10,550</u>	<u>108,457</u>	<u>3,624</u>			<u>230,926</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$ 151,663</u>	<u>\$ 2,783</u>	<u>\$ 10,550</u>	<u>\$ 108,457</u>	<u>\$ 18,202</u>	<u>\$ 8,769</u>		<u>\$ 300,424</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
 Reconciliation of the Balance Sheet to the Statement of Net Assets
 Governmental Funds
 June 30, 2014

Fund Balances – total governmental funds	\$ 227,302
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Governmental capital assets	1,531,824
Less accumulated depreciation	(743,748)
Bonds payable and contractual obligations have not been included in the governmental fund financial statements.	
Bonds Payable	(500,000)
Accrued liabilities have not been reflected in the governmental fund financial statements:	
Vested Vacation Payable	<u>(13,524)</u>
Net Assets of Governmental Activities	<u>\$ 501,854</u>

Berlin School District
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances
 All Governmental Fund Types - Fund Base
 For The Year Ended June 30, 2014

EXHIBIT IV

	General Fund	Special Revenue Fund	Capital Project Fund	Bond Sinking Fund	Totals (Memorandum Only)
REVENUES:					
Earnings on Investments	\$ 25,794			\$ 981	\$ 26,775
Gains (Losses) on Investments				220	220
Rental Income	1,107				1,107
Miscellaneous	25,738				25,738
Private/Local	4,700	\$ 2,411			7,111
State	3,056,992	8,339			3,065,331
Federal	-	114,224	-	-	114,224
TOTAL REVENUES	<u>3,114,331</u>	<u>124,974</u>	<u>\$ -</u>	<u>1,201</u>	<u>3,240,506</u>
EXPENDITURES:					
Direct Services	1,828,051	104,531			1,932,582
Support Services:					
Students	268,777				268,777
Instructional Staff	168,597				168,597
General Administration	68,703				68,703
Area Administration	257,847				257,847
Fiscal Services	64,495				64,495
Operation and Maintenance of Building	308,657				308,657
Transportation	114,123				114,123
Food Services		19,060			19,060
Debt Services	5,000				5,000
Other Outlays	-	-	-	825	825
TOTAL EXPENDITURES	<u>3,084,250</u>	<u>123,591</u>	<u>-</u>	<u>825</u>	<u>3,208,666</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	30,081	1,383	-	376	31,840
OTHER FINANCING SOURCES (USES):					
Transfers In				26,000	26,000
Transfers Out	(88,276)	(1,383)	-	-	(89,659)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(58,195)	-	-	26,376	(31,819)
FUND BALANCE, JULY 1, 2013	<u>166,490</u>	<u>-</u>	<u>10,550</u>	<u>82,081</u>	<u>259,121</u>
FUND BALANCE JUNE 30, 2014	<u>\$ 108,295</u>	<u>\$ -</u>	<u>\$ 10,550</u>	<u>\$ 108,457</u>	<u>\$ 227,302</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities
 For The Year Ended June 30, 2014

Net Changes in fund Balances – total governmental funds	\$(31,819)
Amount reported for governmental activities in the Statement of Activities are different because:	
<p style="margin-left: 40px;">Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:</p>	
Expenditures for capital assets	38,655
Less current year depreciation	(40,408)
<p style="margin-left: 40px;">Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.</p>	
Repayment of long-term debt	25,863
Repayment of capital lease obligations	1,704
<p style="margin-left: 40px;">Expense reported in the Statement of Activities does not require the use of current financial resources and is therefore not reported as expenditures in governmental funds:</p>	
Vested Vacation Payable Change	(6,140)
<p style="margin-left: 40px;">When recognizing the sale of capital assets, the governmental funds report the total proceeds of the sale. Only the gain or loss on the sale is reported on the Statement of Net Assets.</p>	
	(216)
Change in Net Assets of Governmental Funds	<u>\$(12,361)</u>

Berlin School District
Statement of Revenues, Expenses and Changes
in Retained Earnings - Proprietary Fund Type
Enterprise Fund - Food Program
For The Year Ended June 30, 2014

EXHIBIT V

Operating Revenue:		
Sales	\$ 32,868	
Miscellaneous	<u>7,836</u>	
Total Operating Revenue		\$ 40,704
Operating Expenses:		
Salaries and Benefits	72,214	
Property Services	4,805	
Supplies and Food	53,390	
Commodities	4,520	
Utilities	598	
Depreciation	<u>661</u>	
Total Operating Expenses		<u>136,188</u>
Operating Income (Loss)		(95,484)
Non-Operating Revenue (Loss)		
Private Sources:		
Restricted Grants		
Zero Waste Grant	1,853	
State Sources:		
Restricted Grants		
Lunch Match	998	
Child Nutrition Breakfast	376	
Child Nutrition Other	302	
Reduced Lunch Initiative	927	
Federal Sources:		
Restricted Grants		
School Breakfast Program	15,417	
School Lunch Program	41,970	
Commodities	<u>4,520</u>	
Total Non-Operating Revenue		<u>66,363</u>
Income (Loss) Before Transfers		(29,121)
Operating Transfers In (Out)		<u>63,659</u>
Net Income (Loss)		34,538
Retained Earnings, July 1, 2013		<u>(30,914)</u>
Retained Earnings, June 30, 2014		<u>\$ 3,624</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Cash Flows
Proprietary Fund Type - Enterprise Fund
Food Program
For The Year Ended June 30, 2014

EXHIBIT VI

Cash Flows From Operating Activities:		
Received From Customers	\$ 40,259	
Payments To Employees and Fringe Benefits	(72,214)	
Payments To Vendors and Supplies	<u>(62,705)</u>	
Net Cash Used By Operating Activities		\$ (94,660)
Cash Flows From Noncapital Financing Activities:		
Private Aid Received	1,853	
State Aid Received	63,846	
Support of General Fund	<u>30,283</u>	
Net Cash Used By Noncapital Financing Activities		95,982
Cash Flows From Capital and Related Financing Activities:		
Purchase of Fixed Assets	(1,570)	
Disposal of Fixed Assets	<u>248</u>	
Net Cash Used By Capital and Related Financing Activities		(1,322)
Cash Flows From Investing Activities:		
None		<u>-</u>
Net Increase (Decrease) in Cash		-
Cash, July 1, 2013		<u>-</u>
Cash, June 30, 2014		<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Used By Operating Activities:		
Cash Provided From Operating Activities:		
Operating Income (Loss)		\$ (95,484)
Adjustments to Reconcile Net Income to Cash Provided (Used) By Operating Activities:		
Depreciation	\$ 661	
(Increase) Decrease in Accts Receivable - Other	170	
(Increase) Decrease in Inventory	608	
Increase (Decrease) in Deferred Revenue	<u>(615)</u>	
Total Adjustments		<u>824</u>
Net Cash Provided (Used) By Operating Activities		<u>\$ (94,660)</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
Notes to Financial Statements
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Berlin School District ("School District") is organized as a public educational district under the applicable laws and regulations of the State of Vermont. It is governed by a Board of School Directors elected by registered voters of the District to provide public education to the residents of the Town. Except where noted, the accounting policies conform to generally accepted accounting principles, as applicable to governmental units.

The School District financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the School District are discussed below. School District also complies with the requirements of the Vermont Department of Education's Handbook for Financial Accounting of Vermont School Systems (The Handbook).

Reporting Entity:

The reporting entity for the School District is based upon criteria set forth by the Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity. The financial reporting entity consists of (1) organizations for which the standalone government is financially accountable and (2) the standalone government that is controlled by a separately elected governing body that is legally separate and is fiscally independent. All of the accounts of the School District comprise the standalone government.

The school board is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, School District is a financial reporting entity as defined by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14. There are no component units included within the reporting entity.

Basic Financial Statements - District-wide:

The School District's basic financial statements include both District-wide (reporting School District as a whole) and fund financial statements (reporting School Districts major funds). Both the District-wide and fund financial statements categorized primary activities as either governmental or business type.

In the District-wide Statement of Net Position reports all of the non-fiduciary activities of School District. Both the governmental and business-type activities are presented on a

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The District-wide Statement of Activity demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include fees paid by recipients or goods or services provided by a function, and grants that are restricted to a particular function. General State Support and other revenues not identified with a function are presented as general revenues.

This District-wide focus is more on the sustainability of the School District as an entity and the change in the School District's net position resulting from the current year's activities.

Basic Financial Statements – Fund Financial Statements:

The financial transactions of the School District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB No. 34 sets forth minimum criteria for the determination of major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The School District reports major governmental funds as follows:

Governmental Fund Types:

- General Fund – The general fund is the School District's primary operating fund and is always classified as a major fund which accounts for typical general government revenues and a wide variety of activities that benefit the School District's as a whole. It accounts for all financial resources except those required to be accounted for in another fund.
- Special Revenue Funds – The special revenue funds focus on revenues that are restricted or committed to expenditures for specific purposes (other than major capital projects or expendable trusts). The School District accounts for resources restricted to, or committed for, specific purposes by the School District or a grantor in a special revenue fund. Most federal, some State financial assistance and voter committed funds are accounted for in a Special Revenue Fund and sometimes unused balances must be returned to the grantor or the voters at the close of specified project periods.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Capital Project Fund – The capital projects funds are required when the acquisition or construction of capital assets is financed with general obligation debt. Capital project funds are permitted to be used for accounting and reporting whenever the School District has financial resources that are restricted, committed, or assigned to expenditures for capital outlays for general capital assets, including purchasing or constructing any type of general capital asset.
- Bond Sinking Fund – The School District accounts for resources restricted, committed, or assigned to pay debt principal and interest. As well as accumulation of resources for the payment of principal and interest on long-term general obligation debt.

Proprietary Fund Types:

Proprietary Fund – The Proprietary Funds consist of Enterprise Funds and Internal Service Funds. Revenues generally come from fees for services. They use the economic resources measurement focus and full accrual basis of accounting.

Fiduciary Funds, (Not included in District-wide Statements):

Fiduciary Funds are used to report resources held for individuals, private organizations or other governments. The School District reports the following fiduciary funds:

- Agency funds are custodial in nature and do not involve measurements of results of operations.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both District-wide and business-type activity statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred regardless of when related cash flows take place. Grant revenues are recognized when eligibility requirements are satisfied. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recorded when a liability is incurred except for early retirement, and compensated absences, which are recognized to the extent they have matured. When both restricted and unrestricted resources are available for use, restricted resources are used first.

Other Accounting Policies:

Cash and Cash Equivalents:

For purposes of the statement of cash flows for proprietary and similar fund-types, the School District considers highly liquid investments to be cash equivalents if they have a maturity of twelve months or less when purchased.

Interfund Receivables and Payables:

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". All other outstanding balances between funds are also reported as "due to/from other funds". As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements.

Transfers:

Advances between funds that are not expected to be repaid are accounted for as transfers.

Deposits and Investments:

Resources from each fund are pooled for deposit and investment purposes. A separate accounting is maintained for each fund. Deposits and Investments are stated at fair value and are managed in accordance with any legal constraints.

Accounts Receivable:

All receivables are reported net of estimated uncollectible amounts. The accounts receivable balances at year end are from governmental entities, except in the proprietary funds which may have some receivables from individuals, and no allowance for doubtful accounts is considered necessary.

Deferred Inflows of Resources:

The School District recognizes differences between the receipt of funds and the recognition of revenues through the use of deferred revenue accounts. These deferred revenue accounts

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

represent funds that will be recognized as revenues in some future period when the conditions have been met.

Capital Assets:

Capital assets, which include land, construction in progress, buildings, improvements, furniture, equipment, infrastructure, and vehicles, are reported in the applicable governmental activities column in the governmental wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets, except for land and construction in progress are depreciated using the straight line method over the estimated useful lives with a full year of depreciation taken in the year acquired and none taken in the year of disposal. Land and construction in progress are not depreciated.

Long-term Obligations:

In the District-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. The face amount of obligations issued is reported as other financing sources.

Budgetary Data:

The School District is required by state law to adopt a budget for the General Fund. The budget is prepared on the modified accrual basis of accounting which is consistent with generally accepted accounting principles ("GAAP"). Annual appropriations lapse at the end of each fiscal year with the exception of restricted programs indicated as a fund balance restricted or committed. The following procedures are used to establish a budget:

- The School Board with assistance from the Supervisory Union and the School District's Administration drafts a budget. The operating budget includes proposed expenditures by line item and the means of financing them.
- The budget is adopted by the School Board for presentation to the voters as a warning or article in the annual report.
- The voters vote on the total expense amount and not the individual line items at the School District's annual meeting or subsequent special meetings.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration and project control in the General Fund, Special Revenue Funds, and Capital Projects Fund. Encumbrances are not liabilities and should be recorded as a reservation of bond balance at year end. For budgetary purposes, appropriations lapse at fiscal year-end. The School District has elected to treat its encumbrances as liabilities for budgetary control purposes.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Net Assets and Fund Balance:

District-wide Financial Statements:

When the School District incurs an expense for which it may use either restricted or unrestricted net assets, it generally uses restricted net assets first. Net assets on the Statement of Net Assets include the following:

Net Investment in Capital Assets, net of Related Debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted For Other Purposes – It consist of assets that are restricted by the School District's creditors, by the state enabling legislation, by grantors and by other contributors.

Restricted For Capital Projects – The component of net assets that report the amount of revenue from bond proceeds, grants, and special assessments in excess of expenditures. These funds are restricted for the construction or acquisition of capital assets.

Unrestricted – All other net assets that do not meet the definition of "Restricted for Other Purposes" or "Net Investment in Capital Assets, net of Related Debt".

Fund Based Financial Statements:

In the fund financial statements, governmental funds report fund balances as unassigned, assigned, restricted, committed, spendable, or non-spendable fund balance.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned Fund Balance – That portion of the general fund, fund balance that contains all spendable amounts not contained in the other classifications. It is used in other funds only to report a deficit.

Assigned Fund Balance – Includes amounts intended to be used by the government for specific purposes, as determined by the Board, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Restricted Fund Balance - Includes amounts constrained to specific purposes stipulated by constitution, external resource providers (grantors and contributors), or through enabling legislation.

Committed Fund Balance – Includes amounts constrained for the specific purposes determined by a formal action of the government's highest level of decision-making authority, generally the voters.

Spendable Fund Balance – The portion of the permanent fund balance that is available to be spent on the designated purpose of the fund.

Non-spendable Fund Balance – The portion of the permanent fund balance that has to be maintained, and cannot be spent, or an asset such as inventory or prepaid that are not expected to be converted to cash.

Function and Object Codes:

Function and object codes refer to the account code structure prescribed by the Vermont Department of Education. The Vermont Department of Education requires School District to use these codes in order to insure accuracy in building and maintaining a statewide database for policy development and funding plans.

Memorandum Only Columns:

The total columns are captioned "memorandum only" because they do not represent consolidated financial information and are presented only to make financial analysis easier. Data in these columns do not present financial position, results of operations, or cash flows in accordance with GAAP. Interfund eliminations have not been made in the aggregation of this data.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 2 – CASH, CASH EQUIVALENTS, AND REPURCHASE AGREEMENTS

Cash and cash equivalent deposits with financial institutions at June 30th amounted to \$146,406. As major revenues are received during the year bank deposits may temporarily exceed insured limits.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of any investments. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

The School District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the School District would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. FDIC insures all accounts held by the same financial institution up to a combined total of \$250,000. There are some special provisions which increase this limit.

Concentration of Credit Risk:

The policy of the School District contains no limitations on the amount that can be on deposit in any one financial institution.

The cash deposits held at financial institutions and cash on hand can be categorized according to four levels of risk.

These four levels of risk are as follows:

- Category 1 Repurchase Agreements - Deposits which are invested in government securities held by the School District or by its agent in the School District's name.
- Category 2 Collateralized Accounts - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Bank's name.
- Category 3 Letter of Credit - Private commercial insurance protection or letter of credit issued by the financial institution to cover funds in excess of FDIC limits.
- Category 4 Deposits which are not collateralized or insured. (includes cash on hand)

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

**NOTE 2 – CASH, CASH EQUIVALENTS, AND REPURCHASE AGREEMENTS
(CONTINUED)**

The School District uses repurchase agreements to protect deposits not otherwise insured by the FDIC and/or SIPC.

Balances held in each area are as follows:

	Carrying Amount	Bank Balance
- Insured (FDIC) and/or (SIPC)	\$ 12,140	\$ 12,140
- Category 1	133,867	255,308
- Category 2	0	0
- Category 3	0	0
- Category 4	400	0
Total deposits	<u>\$146,406</u>	<u>\$267,447</u>

The difference between the book balance and bank balance is due to reconciling items such as deposits in transit and outstanding checks. Due to higher cash flows at certain times during the year, the amount of uninsured and not collateralized cash could have been much higher than at year end.

Repurchase agreements of \$255,308 are securities held by the bank's trust department or agent in the School District's name. Securities consist of municipal bonds, U.S. Government obligations and U.S. Government Agency Bonds.

NOTE 3 – INVESTMENTS

Concentration of Credit Risk:

The investment policy of the School District contains no limitations on the amount that can be invested in any one issuer.

Custodial Credit Risk

The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the School District would not be able to recover the value of its investment of collateral securities that are in possession of another party.

The School District invests its assets in various entities and/or debt instruments as described below. As noted some are insured by the SIPC (Securities Investor Protections Corporation). If

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 3 – INVESTMENTS (CONTINUED)

the broker-dealer fails, the SIPC provides protection for customer accounts by returning securities registered in the name of the investor, distributing all remaining customer assets on a pro rata basis, and providing SIPC funds for all remaining claims of each customer up to a maximum of \$500,000, including up to \$100,000 on claims for cash.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Investments of the balance sheets of the School District are stated at cost plus applicable accrued interest. Market values include applicable accrued interest. The investment consists of:

	Cost	Market Value
Securities held by School District registered to School District uninsured by SIPC	\$ 0	\$ 0
CD's Insured (FDIC) and registered held by the dealer/broker in School District's name (Book Entry)		
Money Market	88	
Government Bonds	60,195	62,212
Certificate of Deposits	46,157	46,157
Uninsured, registered held by the dealer/broker in School District's the name (Book Entry)	0	0
Insured (SIPC) unregistered held by the dealer/broker	0	0
Uninsured, unregistered held by the dealer/broker	<u>0</u>	<u>0</u>
TOTAL	<u>\$106,440</u>	<u>\$108,457</u>

NOTE 4 - INTERFUND RECEIVABLES

In compliance with GASB 1300.109 School District does not maintain separate bank accounts for each fund, unless it is required by law, or grant agreement. The composition of amounts due to and from other funds as of June 30, 2014, is as follows:

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 4 - INTERFUND RECEIVABLES (CONTINUED)

Fund Financial Statements:		
Receivable Fund	Payable Fund	Amount
Special Revenue Fund:		
Garden Project	General Fund	\$ 1,783
Fitness Grant	General Fund	<u>1,000</u>
Total Special Revenue Fund		<u>\$ 2,783</u>
Capital Project Fund	General Fund	<u>\$10,550</u>
Agency Fund:		
Student activities	General Fund	<u>\$ 8,769</u>
General Fund	Enterprise Fund: Food Program	<u>\$12,914</u>
District-wide Financial Statements:		
Receivable Fund	Payable Fund	Amount
Governmental Type	Business Type	\$12,914
Private Purpose Trust	Governmental Type	8,769

NOTE 5 – CAPITAL ASSETS

Capital activity for the School District for the year ended June 30, 2014, was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental activities:				
Capital Assets being depreciated:				
Buildings	\$ 407,744	\$ 0	\$ 0	\$ 407,744
Building Improvements	862,668	0	0	862,668
Infrastructure	25,190	0	0	25,190
Furniture and Equipment	<u>197,927</u>	<u>38,655</u>	<u>360</u>	<u>236,222</u>
Total other capital assets at historical costs	<u>1,493,529</u>	<u>38,655</u>	<u>360</u>	<u>1,531,824</u>

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	<u>Primary Government</u>			
	<u>Beginning</u>			<u>Ending</u>
	Balance	Increases	Decreases	Balance
Less accumulated depreciation:				
Buildings	\$ 407,744	\$ 0	\$ 0	\$ 407,744
Building Improvements	200,232	19,112	0	219,344
Infrastructure	1,512	504	0	2,016
Furniture and Equipment	<u>93,996</u>	<u>20,792</u>	<u>144</u>	<u>114,644</u>
Total accum. Depr.	<u>703,484</u>	<u>40,408</u>	<u>144</u>	<u>743,748</u>
Governmental activities				
Capital Assets, Net	<u>\$ 790,045</u>	<u>\$ (1,753)</u>	<u>\$ 216</u>	<u>\$ 788,076</u>
Business-type activities:				
Building	\$ 24,588	\$ 0	\$ 0	\$ 24,588
Furniture and Equipment	33,178	1,570	1,635	33,113
Less accum. Depr.	<u>46,404</u>	<u>909</u>	<u>1,635</u>	<u>45,678</u>
Business-type activities				
Capital Assets, Net	<u>\$ 11,362</u>	<u>\$ 661</u>	<u>\$ 0</u>	<u>\$ 12,023</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Direct Services	\$26,353
Support Services:	
Students	662
Instructional Staff	7,044
General Administration	0
Area Administration	1,263
Fiscal Services	0
Operation and Maintenance of Plant	5,086
Transportation	0
Other Support Services	<u>0</u>
Total governmental activities depreciation expense	<u>\$40,408</u>

NOTE 6 - ACCRUED VACATION & LEAVE TIME

Accrued vacation and leave time represent vested time earned by employees but not used. If the employee were to leave, this accrued time must be paid. Therefore, it is a liability to the

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 6 - ACCRUED VACATION & LEAVE TIME (CONTINUED)

School District at June 30, 2014. Teachers do not receive vacation benefits. Administrative and maintenance personnel are granted vacation leave in varying amounts. The School District has a liability for unused vacation that was allowed to be carried forward. No liability is shown in the fund based financial statement. The liability is reported in the Statement of Net Position as an accrued liability and represents a reconciling item between the fund and District-wide presentations. The amount accrued at year end was \$13,524. Vacation pay is charged to operations when taken by the employee of the School District.

NOTE 7 – SHORT-TERM DEBT

Short-term debt activity consisted of the following for the year ended June 30, 2014:

	Balance July 1, 2013	Borrowings	Retirements	Balance June 30, 2014
Revenue Anticipation Note, Issued July 1, 2013, Interest at 2.63 %, due June 30, 2014	\$ 0	\$872,859	\$872,859	\$ 0

NOTE 8 - DEFERRED REVENUE

The deferred revenues reported at year end are summarized as following:

Federal funds	\$ 0
State funds	1,674
Other funds	<u>2,664</u>
Total deferred revenues	<u>\$4,338</u>

NOTE 9 - SICK LEAVE

It is the School District's policy to permit employees to earn varying amounts of sick pay benefits. Such sick leave benefits do not vest under the School District's policy, accordingly benefits must be used during employment. Since the employees' accumulating rights to receive compensation for future absences are contingent upon the absences being caused by future illnesses and such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 9 - SICK LEAVE (CONTINUED)

Teaching staff shall earn 15 sick days per year, and may accumulate a maximum of 90 days. Non-teaching staff shall earn 10 sick days annually for the first three years of employment, and 15 sick days per year beginning with the fourth year of employment, and may accumulate a maximum of 90 days.

NOTE 10 – OPEB AND TERMINATION BENEFITS

The Governmental Accounting Standards Board (GASB) issued Statement #45 requiring the entire liability for Other Post-Employment Benefits (post-employment health care benefits) to be accrued. The School District does not offer any OPEB plans and has no liability under GASB #45.

Voluntary termination benefits are governed by GASB Statement #47 and are recognized to the extent they become payable in the current year. The School District offers:

During any school year, the School Board may, at its sole discretion, offer an early retirement option to a predetermined number of employees who retire after 15 consecutive years of part-time or full-time service within the Washington Central Supervisory Union. The details of the incentive for Support Staff may vary from year to year. The details of this program for teachers are as follows:

- A) The School District will pay 50% of the employee's retirement year salary in 3 equal annual installments on September 1st of each year following retirement.
- B) The teacher shall be entitled to 12 months of single health insurance coverage for the teacher under the District's policy or 20% of the teacher's premium for single health insurance coverage under the Vermont Teacher's Retirement System's health insurance program, whichever is less.

This incentive was not offered by the board in fiscal year 2013-2014; therefore, there is no actual liability or contingent liability beyond FY 13-14.

Per the Master Teacher Agreement, any teacher who has worked in the District for 5 years and retires pursuant to the Vermont Teachers Retirement laws will be paid \$10 per day for accumulated sick leave up to a maximum of seventy-five (75) days. At June 30, 2014, four teachers vested in this buy back for a total contingent liability of \$1,921.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 10 – OPEB AND TERMINATION BENEFITS (CONTINUED)

Per the Master Support Staff Agreement, any full-time staff employee who has worked in the District for 5 years and separates from employment in good standing shall be paid \$15 per day for each day of accumulated sick leave up to fifty (50) days. At June 30, 2014, six staff employees vested in this buy back for a total contingent liability of \$2,662.

NOTE 11 - LONG-TERM OBLIGATIONS

The School District issues general obligation bonds and notes to finance the acquisition and construction of major capital facilities, renovations, and equipment purchases. General obligation bonds are direct obligations and pledge the full faith and credit of the issuing entity. These bonds are generally issued as 5 to 20-year serial bonds with equal amounts of principal maturing each year.

The following is a summary of general obligation bonds & notes:

	Balance July 1, 2013	Borrowings	Retirements	Balance June 30, 2014
<u>BONDS:</u>				
General Obligation Bond Payable, no interest, principal of \$500,000 due at maturity on March 1 st , 2027; originally borrowed \$500,000 on August 2 nd , 2010. Sinking fund irrevocably pledged to secure principal payment of General Obligation Bond payable at its stated maturity. Sinking fund, 1.00% annual fee paid semi-annually on February 2 nd and August 2 nd of each year until 2027.	\$500,000	\$ 0	\$ 0	\$500,000
TOTAL BONDS	\$500,000	\$ 0	\$ 0	\$500,000

NOTES:

Vermont Environmental Protection
Agency Drinking Water State

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 11 - LONG-TERM OBLIGATIONS (CONTINUED)

	Balance July 1, 2013	Borrowings	Retirements	Balance June 30, 2014
Revolving Fund Note payable, 1% interest and 2% administration fee, principal ranging from \$799 to \$1,401 due on September 1 st of each year from 2012 until 2031; originally borrowed \$10,184 in 2010, amended to a potential borrowing of \$25,370. Total amount borrowed was forgiven in 2013.	\$ 21,463	\$ 0	\$21,463	\$ 0
Vermont Environmental Protection Agency Drinking Water State Revolving Fund Note payable, no interest or administration fee, principal of \$880 due on Sept. 1st of each year from 2012 until 2018; originally borrowed \$4,400 in 2009. Total amount borrowed was forgiven in 2013.	<u>\$ 4,400</u>	<u>\$ 0</u>	<u>\$ 4,400</u>	<u>\$ 0</u>
TOTAL NOTES	<u>\$ 25,863</u>	<u>\$ 0</u>	<u>\$25,863</u>	<u>\$ 0</u>
Total Bonds and Notes	<u>\$525,863</u>	<u>\$ 0</u>	<u>\$25,863</u>	<u>\$500,000</u>

The annual debt service requirement to maturity for general obligation bonds and notes including interest are as follows:

	Principal	Interest	Total
During the year ended June 30, 2015	\$ 0	\$ 5,000	\$ 5,000
2016	0	5,000	5,000
2017	0	5,000	5,000
2018	0	5,000	5,000
2019	0	5,000	5,000
Thereafter	<u>500,000</u>	<u>40,000</u>	<u>540,000</u>
Totals	<u>\$500,000</u>	<u>\$65,000</u>	<u>\$565,000</u>

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 11 - LONG-TERM OBLIGATIONS (CONTINUED)

	Balance July 1, 2013	Increases	Retirements	Balance June 30, 2014
OTHER LONG-TERM OBLIGATIONS:				
Obligations under Capital Lease,	\$ 1,704	\$ 0	\$ 1,704	\$ 0

NOTE 12 – RESTRICTED, COMMITTED AND ASSIGNED FUND BALANCES (Fund Financial Statements)

Restricted, committed and assigned fund balances represent amounts that must be used for specific purposes within that fund and cannot be spent otherwise without prior approval of funding source. A more detailed explanation is provided in Note 1. Reservations at year end are for the following:

General Fund:	
Reserved for FY 14-15 Board Discretion	<u>\$108,296</u>
Capital Projects Fund:	
Capital Project	<u>\$ 10,550</u>
Debt Service Fund:	
Bond Sinking Fund	<u>\$108,457</u>

NOTE 13 – NET RESOURCES RESTRICTED (District-wide Financial Statements)

Restricted net resources balances represent amounts that must be used for specific purposes and cannot be spent otherwise without prior approval of the funding source. Restrictions at year end are for the following:

Net Resources Restricted For Capital Projects:	
Capital Project	<u>\$ 10,550</u>
Net Resources Restricted For Other Purposes:	
Reserved for FY 14-15 Board Discretion	<u>\$108,296</u>

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

**NOTE 13 – NET RESOURCES RESTRICTED (District-wide Financial Statements)
(CONTINUED)**

Net Resources Restricted For Debt Service:	
Bond Sinking Fund	<u>\$108,457</u>

NOTE 14 – TRANSFERS IN THE FUND BASED FINANCIAL STATEMENTS

The School District transfers funds to cover expenditures made in one fund for which the revenues are in another fund, or at the request of the voters. The following transfers were made during the year.

Funds of \$62,276 were transferred from the General Fund to the Enterprise Fund's Food Program for the purpose of subsidizing operations.

Funds of \$26,000 were transferred from the General Fund to the Other Governmental Fund – Bond Sinking Fund for the purpose of building up to the balance needed to retire the bond.

Funds of \$1,383 were transferred from the Special Revenue Fund – Fresh Fruit & Veggies to the Enterprise Fund – Food Program for the purpose of certain expenses.

NOTE 15 - PENSIONS

VERMONT TEACHERS' RETIREMENT SYSTEM

All of the teachers employed by School District participate in the Vermont Teachers' Retirement System ("TRS"), a statewide multiple-employer public employee retirement system covering all teachers in local school districts within the State of Vermont. The Vermont State statutes provide the authority under which benefit provisions and the State's obligation to contribute are established. The State Legislature has sole authority to amend benefit provisions.

Required contributions to the system are made by the State of Vermont based upon a valuation report prepared by the System's actuary. TRS is a cost sharing public employee retirement system with one exception: all risks and costs are not shared by the School District but are the liability of the State of Vermont. TRS is funded through state and employee contributions and the School District has no legal obligation for paying benefits. The Vermont State Teachers Retirement System estimates the contributions on behalf of the School District's employees

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 15 – PENSIONS (CONTINUED)

VERMONT TEACHERS' RETIREMENT SYSTEM (CONTINUED)

included in the teacher's retirement plan as required by Government Accounting Standards Board (GASB) Statement 24 to be 8.45% or approximately \$119,133.

Vesting occurs upon reaching five years of creditable service. Normal retirement requires the employee to be either 62 years of age or have 30 years of service. A member may receive a reduced benefit at age 55 with 10 or more years of service. A member that has 10 or more years of service and leaves teaching before age 55 is entitled to a vested retirement benefit payable at age 62 or a reduced amount at age 55.

Contributions by the employees are 5% of gross earnings and are withheld pre income tax by the School District. Such withholdings totaled \$70,493 during the year and were paid by the School District to the State of Vermont. The School District has no other liability under the plan. The School District's total payroll for all employees during the year was \$1,898,849, with \$1,409,853 of such amount related to employees covered by the retirement plan.

Additional information and ten-year historical trend information can be obtained from the separately issued Vermont State Teachers' Retirement System Comprehensive Annual Financial Report.

403(B) RETIREMENT PLAN

The 403(B) School District Retirement Plan is a defined contribution pension plan established by the Board to provide benefits at retirement to Educational Support Staff who have been employed at least 2 years. At June 30, 2014, there were eleven (11) plan members. Plan members are not required to contribute. Per the current master ESP agreement, the School District is required to contribute the following percentages of annual "contracted" covered payroll as follows:

FY 2013-2014	4%
FY 2014-2015	5%
FY 2015-2016	6%
FY 2016-2017	6%

Plan provisions and contribution requirements are established and may be amended by the Board. Any employee contributions are withheld by the School District and remitted to the Funding Agent TD Wealth Management. Such withholdings totaled \$0 during the year. The

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 15 – PENSIONS (CONTINUED)

403(B) RETIREMENT PLAN (CONTINUED)

School District contributed \$10,302 during the year. The School District's total payroll for all employees was \$1,898,849 with \$257,560 of such amount being related to employees covered by the Plan.

NOTE 16 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to limited torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, students and guests; as well as natural disasters. School District uses risk sharing pools and carries commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District.

To provide dental insurance to employees the School District decided on July 1, 1995, to stop carrying commercial insurance due to its high cost and high yearly rate increases. The School District participates in a pooled program established by the Washington Central Supervisory Union. Contributions in excess of claims, reserve, reinsurance and administrative costs are maintained in the fund to reduce future increases. Shortages are billed back to members.

In addition, the Berlin School District, as a member of Vermont School Boards Association (Association), participates in that entity's public entity risk pools. The Association has set up two insurance trust; Vermont School Board Insurance Trust, Inc. (VSBIT) for Workers Compensation, Multi-Line Intermunicipal School Program, and Unemployment Compensation Program, and the Vermont Education Health Initiative (VEHI) for Medical Benefits. VSBIT and VEHI are nonprofit corporations formed to provide insurance and risk management programs for Vermont school districts and are owned by the participating districts. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association. The School District does not participate in the Worker's Compensation and Multi-line Inter-municipal School Programs through VSBIT. They obtain such coverage through other outside commercial carriers.

To provide insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 16 - RISK MANAGEMENT (CONTINUED)

are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

To provide unemployment coverage, VSBIT has established a separate trust of funds from member contributions to pay administrative costs, unemployment claims, and to provide excess reinsurance protection. Contributions are based on payroll expense and the previous two year unemployment compensation experience. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VSBIT is unable to meet its required obligations, the Program will be terminated with each members assessed their proportionate share of the deficit.

To provide worker's compensation coverage, VSBIT has established a separate trust of funds from member contributions to pay administrative costs and workers compensation coverage. Contributions are based upon formulas applied to payroll expense. At the end of the coverage period, the members will be assessed or refunded any difference between estimated contributions and actual expenses.

Multi-Line Intermunicipal School Program provides coverage for Property; Inland Marine and Boiler & Machinery; Crime; Commercial General Liability; Automobile/Garagekeepers; and Educators legal Liability. Annual contributions are based upon appropriate rates applicable to each Member; such rates are set based on recommendations of a qualified actuary, plus a proportionate share of all operational and administrative cost including excess reinsurance premiums incurred by the trust. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VSBIT is unable to meet its required obligations, the Program will be terminated with each members assessed their proportionate share of the deficit.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 17 - SUBSEQUENT EVENTS

On July 1, 2014, the Berlin School District borrowed \$1,059,597 through a Revenue Anticipation Note with the Merchants Bank at 2.85% interest. Any outstanding principle and/or interest are due at maturity on June 30, 2015.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 18 - COMMITMENTS

The School District participates in various state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money recovered may be required and the collectibility of any related receivable at June 30, 2014, may be impaired. It is the opinion of the School District, that there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

The School District is responsible for the withholding and paying over of certain payroll taxes and related items. At June 30, 2014, School District showed a liability for any taxes due and unpaid. These taxes are subject to audit by the State and federal government. It is the opinion of the School District, that there are no significant contingent liabilities relating to compliance with the rules and regulations governing these or other taxes.

NOTE 19 - RELATED PARTY

As defined by GASB No. 14, paragraph 71, the School District is a participant in and as an ongoing financial responsibility to the Washington Central Supervisory Union. The School District's board is responsible for appointing one member to the board of Washington Central Supervisory Union. The Washington Central Supervisory Union assesses the School District annually for a share of the net projected expenses in excess of revenues, plus a share of other budgetary provisions. The Washington Central Supervisory Union also provides the busing for the District, the cost of which is billed by the busing company to The School District based on an agreement with the Washington Central Supervisory Union. The Washington Central Supervisory Union collects the food program reimbursement from the State and passes it through to the School District. Separate financial statements on Washington Central Supervisory Union are available from Washington Central Supervisory Union.

The Berlin School District offers a computer purchase program to permanent contractual employees. The program allows an employee to purchase one computer per year that is paid for by the Berlin School District. The employee must reimburse the School District through payroll withholdings. The computer must be paid off with 26 pay periods or upon termination, whichever occurs first. At June 30, 2014, there was a balance owed to the District in the amount of \$691.31.

Berlin School District
Notes to Financial Statements (continued)
For The Year Ended June 30, 2014

NOTE 19 - RELATED PARTY (CONTINUED)

The School District is part of the Union 32 School District. The Union District is not a component of Berlin School District. Separate financial statements on the Union School District are available from Washington Central Supervisory Union.

NOTE 20 - CONTINGENCY

Annually, before November 1st, the Commissioner of the Vermont Department of Education notifies each school of its net cost per elementary and/or secondary pupil for the previous school year. If the School District received tuition students from other Vermont School Districts it must determine whether it overcharged the sending District. If it did, it must provide the overcharged District with a credit against current tuition or refund the overcharged amount.

The School District received State construction aid in the past for various projects. In the event that the school building was to be sold, this construction aid might have to be repaid out of the proceeds. The amount of State construction aid received since July 1970 is not available but can be calculated by the State of Vermont in the event that a repayment is sought.

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES:				
Earnings on Investments		\$ 21,475	\$ 25,794	\$ 4,319
Rental Income		-	1,107	1,107
Miscellaneous		881	25,738	24,857
Private:				
E-Rate		3,700	4,700	1,000
State:				
Education Spending Grant		2,624,849	2,624,849	-
State Transportation Aid		42,752	42,694	(58)
Mainstream Block Grant		66,998	66,998	-
Special Ed. Expenditure Reimbursement		342,628	282,944	(59,684)
Extraordinary Reimbursement		-	15,555	15,555
Essential Early Education		23,952	23,952	-
		<u>3,127,235</u>	<u>3,114,331</u>	<u>(12,904)</u>
TOTAL REVENUES				
EXPENDITURES:				
Elementary:				
Instructional Programs 1100:				
Regular Salaries	110	818,210	822,698	(4,488)
Temporary Salaries	120	29,000	48,049	(19,049)
Health Insurance	210	139,994	158,034	(18,040)
Social Security	220	63,008	63,339	(331)
Retirement	240	1,237	1,238	(1)
Section 125	245	750	750	-
Workers Compensation	250	6,017	6,713	(696)
Unemployment Compensation	260	4,421	4,421	-
Tuition Reimbursement	270	25,000	29,808	(4,808)
Dental Insurance	280	6,175	5,875	300
Disability Benefits	285	3,208	2,096	1,112
Professional Education	320	5,000	790	4,210
Other Professional Services	330	4,500	1,587	2,913
Rentals and Leases	440	2,000	2,800	(800)
Supplies	610	35,563	33,861	1,702
Books and Periodicals	640	17,535	10,201	7,334
Dues and Fees	810	-	160	(160)
Subtotal		<u>1,161,618</u>	<u>1,192,420</u>	<u>(30,802)</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Essential Early Preschool 1101:				
Salaries	110	\$ 83,581	\$ 83,175	\$ 406
Social Security	220	6,394	6,363	31
Section 125	245	50	50	-
Workers Compensation	250	602	602	-
Unemployment Compensation	260	142	142	-
Tuition Reimbursement	270	800	1,392	(592)
Dental Insurance	280	502	-	502
Disability Benefits	285	265	238	27
Supplies	610	<u>1,050</u>	<u>444</u>	<u>606</u>
Subtotal		<u>93,386</u>	<u>92,406</u>	<u>980</u>
Special Education 1210:				
Salaries	110	333,720	305,830	27,890
Temporary Salaries	120	5,800	3,777	2,023
Health Insurance	210	113,860	102,303	11,557
Social Security	220	24,496	20,610	3,886
Retirement	240	5,822	4,502	1,320
Section 125	245	550	550	-
Workers Compensation	250	2,445	2,745	(300)
Unemployment Compensation	260	577	577	-
Tuition Reimbursement	270	4,000	3,927	73
Dental Insurance	280	5,221	4,132	1,089
Disability Benefits	285	1,354	897	457
Other Professional Services	330	56,927	46,955	9,972
SU Shared Services	332	13,000	41,764	(28,764)
Legal Services	360	-	280	(280)
Repairs and Maintenance	430	-	888	(888)
Communications	530	2,000	2,000	-
Supplies	610	4,000	492	3,508
Equipment	730	-	996	(996)
Subtotal		<u>573,772</u>	<u>543,225</u>	<u>30,547</u>
Guidance Services 2120:				
Salaries	110	60,336	56,484	3,852
Health Insurance	210	-	17,200	(17,200)
Social Security	220	4,616	4,029	587
Section 125	245	50	50	-
Workers Compensation	250	407	407	-
Unemployment Compensation	260	96	96	-

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Tuition Reimbursement	270	\$ 1,300	\$ 882	\$ 418
Dental Insurance	280	502	509	(7)
Disability Benefits	285	229	152	77
Supplies	610	600	215	385
Books and Periodicals	640	250	-	250
Subtotal		<u>68,386</u>	<u>80,024</u>	<u>(11,638)</u>
Health Services 2130:				
Salaries	110	67,144	66,257	887
Temporary Salaries	120	-	2,496	(2,496)
Health Insurance	210	17,269	17,273	(4)
Social Security	220	4,912	4,878	34
Section 125	245	50	50	-
Workers Compensation	250	483	483	-
Unemployment Compensation	260	114	114	-
Tuition Reimbursement	270	1,300	79	1,221
Dental Insurance	280	502	511	(9)
Disability Benefits	285	272	181	91
Equipment Repairs	430	500	178	322
Supplies	610	2,400	1,471	929
Books and Periodicals	640	100	83	17
Subtotal		<u>95,046</u>	<u>94,054</u>	<u>992</u>
Psychological Services 2140:				
Other Professional Services	330	-	2,810	(2,810)
SU Shared Services	332	8,000	8,000	-
Subtotal		<u>8,000</u>	<u>10,810</u>	<u>(2,810)</u>
Speech Services 2152:				
Salaries	110	79,908	57,752	22,156
Health Insurance	210	17,269	17,273	(4)
Social Security	220	5,889	4,122	1,767
Section 125	245	50	50	-
Workers Compensation	250	575	575	-
Unemployment Compensation	260	136	136	-
Tuition Reimbursement	270	1,000	-	1,000
Dental Insurance	280	502	511	(9)
Disability Benefits	285	232	160	72

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Other Professional Services	330	\$ -	\$ 2,970	\$ (2,970)
Subtotal		<u>105,561</u>	<u>83,549</u>	<u>22,012</u>
Physical Therapy Services 2190:				
Other Professional Services	330	13,200	340	12,860
Subtotal		<u>13,200</u>	<u>340</u>	<u>12,860</u>
Curriculum Assessment 2212:				
Supervisory Union Services	331	18,360	18,360	-
Subtotal		<u>18,360</u>	<u>18,360</u>	<u>-</u>
School Library Services 2222:				
Regular Salaries	110	34,257	35,393	(1,136)
Social Security	220	2,621	2,707	(86)
Section 125	245	50	50	-
Workers Compensation	250	230	230	-
Unemployment Compensation	260	54	54	-
Tuition Reimbursement	270	1,300	974	326
Dental Insurance	280	301	307	(6)
Disability Benefits	285	130	88	42
Equipment Repairs	430	300	-	300
Supplies	610	880	734	146
Books and Periodicals	640	4,750	6,582	(1,832)
Audio Visual Materials	650	350	-	350
Computer Software	670	-	137	(137)
Subtotal		<u>45,223</u>	<u>47,256</u>	<u>(2,033)</u>
Technology Services 2225:				
Salaries	110	22,838	21,004	1,834
Social Security	220	1,747	1,607	140
Workers Compensation	250	153	153	-
Unemployment Compensation	260	36	36	-
Tuition Reimbursement	270	200	-	200
Dental Insurance	280	201	205	(4)
Disability Benefits	285	86	59	27
Other Professional Services	330	2,100	-	2,100
Supervisory Union Services	331	9,013	9,013	-
Network Support	332	27,434	27,434	-
Repairs and Maintenance	430	10,730	-	10,730
Telephone	530	13,499	12,364	1,135
Travel	580	-	5	(5)

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Supplies	610	\$ 2,200	\$ 4,613	\$ (2,413)
Computer Software	670	4,954	8,661	(3,707)
Equipment	730	20,248	17,827	2,421
Subtotal		115,439	102,981	12,458
Board of Education Services 2310:				
Salaries	110	750	1,045	(295)
Social Security	220	58	33	25
Other Professional Services	330	-	2,644	(2,644)
Legal Services	360	1,500	4,059	(2,559)
Advertising	540	2,000	1,110	890
Travel	580	100	-	100
Supplies	610	400	2,678	(2,278)
Dues and Fees	810	1,750	1,531	219
Subtotal		6,558	13,100	(6,542)
Office of Superintendent 2321:				
Supervisory Union Services	331	54,603	54,603	-
SU Shared Services	332	1,000	1,000	-
Subtotal		55,603	55,603	-
Office of Principal 2410:				
Salaries	110	88,511	91,818	(3,307)
Clerical Salaries	110	69,637	69,174	463
Temporary Salaries	120	3,500	1,750	1,750
Health Insurance	210	29,954	29,936	18
Social Security	220	11,977	11,947	30
Retirement	240	2,785	2,688	97
Section 125	245	150	150	-
Workers Compensation	250	1,164	1,164	-
Unemployment Compensation	260	8,275	7,653	622
Tuition Reimbursement	270	2,000	1,235	765
Dental Insurance	280	1,506	1,532	(26)
Disability Benefits	285	641	436	205
Equipment Maintenance	430	1,000	359	641
Telephone	530	2,500	2,815	(315)
Travel	580	400	988	(588)
Supplies	610	5,000	3,119	1,881
Books and Periodicals	640	-	69	(69)

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Dues and Fees	810	\$ 525	\$ 845	\$ (320)
Subtotal		<u>229,525</u>	<u>227,678</u>	<u>1,847</u>
Special Education Administration 2420:				
Supervisory Union Services	331	20,062	20,062	-
Supervisory Union Services - Early Ed	331	10,107	10,107	-
Subtotal		<u>30,169</u>	<u>30,169</u>	<u>-</u>
Fiscal Services 2520:				
Supervisory Union Services	331	38,402	38,402	-
Subtotal		<u>38,402</u>	<u>38,402</u>	<u>-</u>
Interest Expense 2523:				
Current Interest	830	31,475	22,893	8,582
Subtotal		<u>31,475</u>	<u>22,893</u>	<u>8,582</u>
Auditing Services 2526:				
Audit Services	370	3,200	3,200	-
Subtotal		<u>3,200</u>	<u>3,200</u>	<u>-</u>
Operation & Maintenance of Building 2600:				
Salaries	110	104,523	102,404	2,119
Temporary Salaries	120	7,509	5,985	1,524
Health Insurance	210	25,989	32,109	(6,120)
Social Security	220	8,234	7,801	433
Retirement	240	1,804	1,097	707
Section 125	245	150	150	-
Workers Compensation	250	807	807	-
Unemployment Compensation	260	190	190	-
Dental Insurance	280	1,506	1,527	(21)
Disability Benefits	285	424	301	123
Other Professional Services	330	-	(2)	2
Asbestos Removal	332	750	1,214	(464)
Water and Sewer	411	7,500	5,992	1,508
Disposal Services	421	2,650	2,972	(322)
Snow Plowing	422	3,200	2,900	300
Repairs and Maintenance	430	20,000	15,891	4,109
Grounds Maintenance	430	1,000	438	562
Health/Safety Maintenance	430	-	2,737	(2,737)
Furnace/Woodchipper Maintenance	430	5,000	3,250	1,750
Property and Liability Insurance	520	6,832	7,125	(293)
Travel Reimbursement	580	800	579	221

The accompanying notes are an integral part of these financial statements

Berlin School District
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Supplies	610	\$ 10,000	\$ 12,504	\$ (2,504)
Electricity	622	38,438	34,731	3,707
Oil	624	39,000	62,889	(23,889)
Equipment	730	<u>4,000</u>	<u>3,066</u>	<u>934</u>
Subtotal		<u>290,306</u>	<u>308,657</u>	<u>(18,351)</u>
Student Transportation Services 2711:				
Student Transportation	519	<u>113,798</u>	<u>111,781</u>	<u>2,017</u>
Subtotal		<u>113,798</u>	<u>111,781</u>	<u>2,017</u>
SPED Student Transportation Services 2711:				
Student Transportation	519	<u>10,000</u>	<u>526</u>	<u>9,474</u>
Subtotal		<u>10,000</u>	<u>526</u>	<u>9,474</u>
Student Transportation Services 2720:				
Field Trips	519	<u>6,000</u>	<u>1,816</u>	<u>4,184</u>
Subtotal		<u>6,000</u>	<u>1,816</u>	<u>4,184</u>
Debt Service 5100:				
Interest Charges	830	<u>7,208</u>	<u>5,000</u>	<u>2,208</u>
Subtotal		<u>7,208</u>	<u>5,000</u>	<u>2,208</u>
 TOTAL EXPENDITURES		 <u>3,120,235</u>	 <u>3,084,250</u>	 <u>35,985</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		 7,000	 30,081	 23,081
 OTHER FINANCING SOURCES (USES):				
Transfer To Bond Sinking Fund		(26,000)	(26,000)	-
Transfer To Enterprise Fund		<u>(20,000)</u>	<u>(62,276)</u>	<u>(42,276)</u>
 EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		 (39,000)	 (58,195)	 (19,195)
 FUND BALANCE, JULY 1, 2013		 <u>39,000</u>	 <u>166,490</u>	 <u>127,490</u>
 FUND BALANCE, JUNE 30, 2014		 <u>\$ -</u>	 <u>\$ 108,295</u>	 <u>\$ 108,295</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
 Combining Balance Sheet
 Special Revenue Funds
 June 30, 2014

Schedule 2

	Garden Project	Fitness Grant	Totals
ASSETS:			
Current Assets:			
Due From Other Funds	\$ 1,783	\$ 1,000	\$ 2,783
Total Current Assets	<u>1,783</u>	<u>1,000</u>	<u>2,783</u>
TOTAL ASSETS	<u>\$ 1,783</u>	<u>\$ 1,000</u>	<u>\$ 2,783</u>
LIABILITIES & FUND BALANCES:			
Liabilities:			
Accounts Payable - Other	\$ 109		\$ 109
Deferred Revenue	1,674	\$ 1,000	2,674
Total Liabilities	<u>1,783</u>	<u>1,000</u>	<u>2,783</u>
Fund Balances:			
Restricted	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 1,783</u>	<u>\$ 1,000</u>	<u>\$ 2,783</u>

The accompanying notes are an integral part of these financial statements

Berlin School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Special Revenue Funds
For The Year Ended June 30, 2014

Schedule 3

	School Wide Program	Internal Service Fund	Garden Project	Fresh Fruit & Veggies	Medicaid EPSDT	Totals
REVENUES:						
Private/Local		\$ 195			\$ 2,216	\$ 2,411
State			\$ 8,339			8,339
Federal	\$ 102,120	-	-	\$ 12,104	-	114,224
TOTAL REVENUES	<u>102,120</u>	<u>195</u>	<u>8,339</u>	<u>12,104</u>	<u>2,216</u>	<u>124,974</u>
EXPENDITURES:						
Direct Services	102,120	195			2,216	104,531
Food Services	-	-	8,339	10,721	-	19,080
TOTAL EXPENDITURES	<u>102,120</u>	<u>195</u>	<u>8,339</u>	<u>10,721</u>	<u>2,216</u>	<u>123,591</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	1,383	-	1,383
OTHER FINANCING SOURCES (USES):						
Transfers Out	-	-	-	(1,383)	-	(1,383)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	-	-	-	-	-
FUND BALANCE, JULY 1, 2013	-	-	-	-	-	-
FUND BALANCE JUNE 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements
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Berlin School District
Statement of Changes in Assets and Liabilities
Fiduciary Fund Type - Agency Funds
For The Year Ended June 30, 2014

Schedule 4

	Balance				Balance
	July 1, 2013	Receipts	Disbursements	Transfers	June 30, 2014
Assets:					
Due From Other Funds	\$ 35,427	\$ 3,956	\$ 30,614	\$ -	\$ 8,769
Total Assets	\$ 35,427	\$ 3,956	\$ 30,614	\$ -	\$ 8,769
Liabilities:					
Amount Held for Agency Funds	\$ 35,427	\$ 3,956	\$ 30,614	\$ -	\$ 8,769
Total Liabilities	\$ 35,427	\$ 3,956	\$ 30,614	\$ -	\$ 8,769

The accompanying notes are an integral part of these financial statements



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the School Board
Berlin School District, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Berlin School District, Vermont, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Berlin School District, Vermont's basic financial statements and have issued our report thereon dated October 20, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Berlin School District, Vermont's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Berlin School District, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of Berlin School District, Vermont's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Berlin School District, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Angolano & Company

Angolano & Company
Shelburne, Vermont
Firm Registration Number 92-0000141

October 20, 2014